Routledge
Taylor & Francis Group

DOTS OVER ''I''S

It's high time we all put dots over this ''i'' over the Iranian ''i.'' The *ship* of the Iranian nuclear program has been covered by such a thick layer of discussion *sea shells* in recent years that the picture is simply distorted.

What would be the natural behavior of the country, which in the 1980s suffered from an aggressive neighbor who employed chemical weapons, while the international community kept silence?

What would be the natural behavior of the country that is publicly accused of being part of the *axis of evil* and witnessing the attacks and destruction of another member of the same alleged *axis*?

What do you think should be the course of the country that often hears the out-loud debate about air strikes against it? What should it do when it listens to the talk about overthrowing the *repressive regime*, while the societies in Saudi Arabia or Egypt are hardly more open or freer? However, they are more obedient than Iran and, hence, receive carrots rather than sticks.

One does not need profound expertise to understand—the country will do its best to ensure its national security by all means. And it will undertake such efforts covertly, without resting its hopes on anyone else and without taking into account anyone else's opinion.

This was the factor underlying Iran's strategy in the mid-1980s, when this nation began to consider the possibility of developing an indigenous nuclear weapons program.

Was there a chance to turn back Iran from this dangerous path? Yes, there were many opportunities. In 2003 Iran was ready and, moreover, seriously convinced (without deception) of the need to curb its military plans in exchange for a broad package of economic incentives and security assurances. However, the United States was not ready for such turn of events at that time. The talks were long, but the deal was not struck. And the very idea of negotiations with Iran was discredited then, and not by Tehran after all.

Then a new, protracted story began—as to whether or not Iran was allowed to enrich uranium. The Security Council resolutions followed one after another, but they were no more than pieces of paper, a moment of therapy for those who were writing them .... This story was not constructive either, since Iran learned to enrich uranium, does enrich it and will continue to do so. It is impossible to bottle the jinn. The chickens come home to roost—a bad beginning makes a bad ending.

Roger Cohen in his brilliant article in *The New York Times* analyzes the Iranian proposals and concludes:

> I cannot see any deal that will not at some point trade controlled Iranian enrichment on its soil against insistence that Iran accept the vigorous inspections of the IAEA Additional Protocol and a 24/7 IAEA presence. The time is approaching for the United States and its allies to abandon ''zero enrichment'' as a goal—it's no longer feasible—and concentrate on how to exclude weaponization, cap enrichment and ensure Iran believes the price for breaking any accord will be heavy.[1]

I agree. In our negotiations with Iran we rolled back to 2003. But one should learn from one's own mistakes and not miss the chance to reach a large-scale agreement with Iran today.

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570620

In this respect, the outcome of the negotiations between Tehran and *The Six* I regard as a sign of hope. The United States is following the right course and has started a direct bilateral dialogue over lunch with Iran, as well as participating actively in joint talks.

The process will be long—Iran was under stress and now needs certain compensations.

Nonetheless, unless Iran takes a political decision to acquire its own nuclear weapons, we still have a chance for an agreement—lifting the economic sanctions, un-freezing the Iranian assets in U.S. banks, providing fully fledged normalization of U.S.–Iranian relations, granting security assurances to Iran stipulated by unprecedented transparency for IAEA inspections, which should penetrate beyond the scope of the Additional Protocol (which Iran should ratify and make effective), or even through Tehran's consent to special international inspections. After a while, if such inspections indicate the lack of evidence of a nuclear weapons program, the Iranian dossier in Vienna should be closed and Tehran should be involved in international nuclear energy cooperation.

Another important factor that may hamper these plans is Israel. Or, let's put it more correctly, unpredictable Israel under the Netanyahu regime.

One cannot rule out the option of an Israeli attack against Iran. What will it mean? ''This is the worst thing that can be imagined,'' says President Dmitry Medvedev in his interview with Fareed Zakaria. ''What will happen after that? Humanitarian disaster, a vast number of refugees, Iran's wish to take revenge and not only upon Israel, to be honest, but upon other countries as well. And absolutely unpredictable development of the situation in the region. I believe that the magnitude of this disaster can be weighed against almost nothing .... It would be the most unreasonable development. But my Israeli colleagues told me that they were not planning to act in this way and I trust them.''[2]

Unlike Dmitry Medvedev, I don't trust Netanyahu. I had a chance to meet him when he was the Prime Minister and he made the impression of a superficial, very emotional politician. Without getting to the substance of matters that we discussed (and it was Iran, as you may guess), he was staring at my tie that was covered with a lot of nice camels. ''Is it a gift from Primakov?,'' he asked. I thought that if I hadn't worn a tie, he would have taken me for an Iranian agent of influence.

Iran does not need to be protected (even though the deployment of the S-300 missile system would be a reasonable move in order to prevent other countries from the temptation to fly over its territory and nuclear facilities). Tehran is capable of defending itself. But should it be provoked to apply such defense?

''No nuclear endgame that fails to address Iran's victim syndrome through some degree of highly monitored empowerment is conceivable to me .... In the end, talks are essential because there is no viable alternative,''[3] writes Roger Cohen.

Of course, there is no alternative to negotiations. And if there were, it would be deplorable—it would mean war, destruction, international instability, or Iran possessing nuclear weapons. There is still a chance to avoid any of those scenarios.

However, when we put the dots over Iranian ''i''s, isn't it high time we did the same with Israel?

Iran's aggressive statements against Israel are designated for internal use, mostly for internal Muslim use. There is no serious aggressive strategy behind this rhetoric. If the external pressure on Iran becomes weaker, such rhetoric will die as well.

What is more important is that Israel keeps neglecting the appeals of the international community to eliminate (or at least, to declare first) its nuclear arsenal. The 1995 NPT Review Conference decision on the Middle East contains a direct demand for Israel to do so. Now, on the eve of the 2010 NPT Review Conference, the Israeli position multiplied by the inaction of major sponsors of the 1995 package decision is a time bomb for the talks in New York in May 2010. The key stumbling block will not be the disarmament process—it will be the Middle East and the lack of progress on the 1995 resolution.

The new U.S. administration is following the right path here as well. At the recent PrepCom in Geneva, head of the U.S. delegation Rose Gottemoeller finished delivering the Obama address to the meeting and directly appealed to Israel (and other parties not covered by the NPT) to join the treaty. Iran was not mentioned even once in this speech.

Nowadays this movement in the right direction needs practical support. In order to keep moving, the U.S. administration will have to demonstrate the miracle of diplomatic maneuvering and sustain the pressure of those who prefer tough action to holding talks with Iran and displaying patience. Washington will require wit and calmness.

And here Russia should help the United States. Under such circumstances we can and should work together with Washington on Iran and on the Middle East.

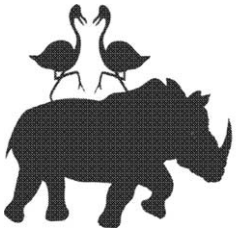
NOTES

[1] Roger Cohen, ''How to Talk to Iran,'' *New York Times*, September 16, 2009, http://www.nytimes.com/2009/09/17/opinion/17iht-edcohen.html?_r=1 (last accessed October 6, 2009).

[2] Interview with the President of the Russian Federation to CNN, recorded on September 15, 2009 and posted on September 20, 2009 <http://www.kremlin.ru/news/5516>, (last accessed October 9, 2009).

[3] Roger Cohen, ''How to Talk to Iran ...''

Routledge
Taylor & Francis Group



JEAN DE GLINIASTY: ''EVERY NATION MUST CONTRIBUTE TO NUCLEAR DISARMAMENT''

Nuclear disarmament is not the exclusive domain of the United States and Russia. Active participation of other members of the nuclear five *is an important issue on the international agenda. France's traditionally independent stance could give a new impetus to nuclear disarmament—or hold it back. So what is France's stance in the new environment?*

We have put our questions to French Ambassador to Moscow Jean de Gliniasty.[1]

SECURITY INDEX: What are France's hopes and fears in the nuclear sphere?

GLINIASTY: The main fear is that more and more countries are ready to go nuclear, that nuclear weapons and materials could fall into the wrong hands and that the international community could fail to mount an adequate response to these challenges, which undermine the nonproliferation regime and put international and regional security in serious jeopardy.

But there are also big hopes: for a substantial reduction of Russian and U.S. arsenals before the end of 2009; for new ratifications of the Comprehensive Nuclear Test Ban Treaty (CTBT); and for the beginning of talks on the Fissile Materials Cutoff Treaty (FMCT) after a decade of inaction. We also hope that nuclear energy will supply the growing demand for electricity in the developing countries, ensuring economic growth and energy security.

Our common task it to make sure that the coming new world is a world of collective security, stability, and prosperity.

As part of this challenge, we must maintain the integrity of the NPT regime, which is a key guarantee of collective security. We must do everything in our power to make sure that the NPT Review Conference in 2010 makes progress in all the key areas, including nonproliferation, disarmament, and peaceful use of nuclear energy. We must set more ambitious tasks before ourselves, and act boldly and pragmatically.

SECURITY INDEX: What is the French stance on nuclear disarmament?

GLINIASTY: France takes nuclear disarmament very seriously. Over the past 12 years it has demonstrated this beyond any doubt, while only a few other nations have made a similar effort. The French Republic was the first nation to sign and ratify the CTBT 11 years ago, together with the U.K.

France is the only nation to have dismantled all its surface-to-surface nuclear missiles. We have halved our entire nuclear arsenal and taken a number of measures to increase the time-to-launch of our nuclear forces, keeping it as long as it can be without damaging the credibility of our nuclear deterrent.

We have ended production of fissile material: plutonium in 1992 and uranium in 1996. We have signed a moratorium on the production of nuclear weapons-usable fissile materials. France was the first nation to make the decision to dismantle all its facilities which produced fissile material for explosive devices. France is the only nation that has dismantled its nuclear test site in

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570646

the Pacific. France has always supported the beginning of FMCT talks. We hope that these talks will finally begin after 12 years of preliminary discussion.

But France has not stopped at that. Speaking in March 2008 in Cherbourg, the French president announced that the aerospace component of the French nuclear forces (missiles, aircraft, and nuclear warheads) will be cut by a third. He also announced the new ceiling for the size of our nuclear arsenal (fewer than 300 units). This is a fundamentally important statement, because the figures stated by the other nations (when they are stated at all) reflect only the deployed strategic weapons rather than their entire arsenals. A number of other commitments made in that statement have already been put into practice. France has arranged two visits to its decommissioned weapons-grade fissile material production facilities for more than 40 member-states of the Conference on Disarmament and more than 20 nongovernmental experts. France has set the precedent of a nuclear nation opening the doors of its former military production facilities.

France has also said it will work to persuade its partners to commit more decisively to nuclear disarmament. Speaking in Cherbourg, the French president made several ambitious proposals and urged the nuclear powers to back them without hesitation before the beginning of the 2010 NPT Review Conference. Based on these proposals, and at the initiative of France, which held the rotating EU chair in 2008, the European Union submitted a disarmament action plan to the UN General Assembly, which included the following:

- ❑ universal ratification of the CTBT and completion of its verification regime, as well as open and transparent dismantling of all the nuclear test cites as soon as practicable;
- ❑ immediate start of negotiations on the FMCT, without preconditions, and an immediate moratorium on fissile materials production;
- ❑ implementation of transparency and confidence-building measures by the nuclear powers;
- ❑ further progress at the ongoing U.S.–Russian talks on a new legally binding strategic arms treaty, and general reduction of the world stockpiles of nuclear weapons, especially those belonging to the nations that hold the largest arsenals;
- ❑ inclusion of tactical nuclear weapons by the nations that hold such weapons in the general arms control and disarmament process, with the purpose of their reduction and elimination;
- ❑ the beginning of consultations on a treaty banning short and intermediate range surface-to-surface missiles;
- ❑ ratification of the Hague code of conduct and its implementation; and
- ❑ more active efforts in all other areas of disarmament.

By December 2008, this plan of action had been approved by the 27 EU heads of state, and the French president sent a proposal on this important European peace and international security initiative to the UN secretary-general. We now urge all the NPT state parties to join this action plan and back its proposals at the 2010 NPT Review Conference.

SECURITY INDEX: What is your view of the opportunities for a multilateral disarmament process?

GLINIASTY: We can make progress towards disarmament only if the commitment to disarmament and progress is universal. From this point of view it must be said that not all the nations have demonstrated equal openness: some only declare the numbers of their deployed weapons rather than the total arsenals; others declare nothing at all. Furthermore, some nations continue production of weapons-usable materials, thereby increasing their arsenals.

Our duty is to work together in this area. Article VI of the NPT emphasizes that every nation, not just the nuclear powers, must make their contribution to nuclear disarmament and, in the broader sense, to collective security.

As for the next stages of multilateral cooperation, we have two priorities: entry into force of the CTBT and the beginning of talks on the FMCT.

It has been 13 years since the CTBT was signed—it is time for it to enter into force. The second North Korean nuclear test, which has been condemned by the Security Council in Resolution 1874, has brought into stark relief the need for a universal and legally binding ban on nuclear tests. President Barak Obama's commitment to the ratification of the CTBT is an especially hopeful sign. The U.S. ratification could also urge the remaining eight nations, on which the entry into force of the CTBT depends, to follow America's example. We have begun a program of energetic collective steps in this area, together with our European partners. In addition to that, starting from September 2009, France will be co-chairing with Morocco the ministerial conference on Article XIV of the treaty.

After a decade of delays, the Conference on Disarmament finally agreed the working program in 2009. That means that the negotiations on the FMCT can now commence.

For 16 years France has been urging the beginning of such talks. In his March 2008 speech in Cherbourg, the French president reaffirmed our commitment to this priority.

Also, it is known that reducing the existing stockpiles of nuclear arsenals is not within the scope of the FMCT. But in the same way that the CTBT has put a ceiling on improving the characteristics of nuclear weapons, so will the FMCT impose a universal and legally binding ceiling for the total numerical size of nuclear arsenals.

SECURITY INDEX: What are the next steps France can propose today, without waiting for the FMCT to come into force?

GLINIASTY: Speaking in Cherbourg in 2008, the French president proposed an immediate moratorium on weapons-usable fissile material production. The other nuclear powers must now clearly state their own commitment to join us in this initiative.

But we must not limit ourselves to nuclear disarmament. Our fundamental goal is to make the world more secure. That means that we must be able to react in a timely manner to the serious challenges that threaten our security—primarily the actions of those nations that have been condemned by the UN for violating their international obligations. Let us not deceive ourselves: we will not be able to persuade those countries to desist by continuing to reduce our own nuclear arsenals. On the contrary, the worsening proliferation crisis which we are witnessing now, and which will become even worse if we fail to stop Iran and North Korea, is a negative stimulus for further nuclear reductions.

As President Sarkozy stressed in Cherbourg, the international community must be united and decisive in its steps against nuclear proliferation. It is precisely because we want peace that we must not be lenient to those who violate international law. It is precisely because peaceful nuclear energy can develop only in the conditions of mutual trust that we must stop those who intend to misuse it for other purposes.

We must continue to react to the proliferation crises in the most decisive manner, and work to strengthen the IAEA safeguards system, as well as to secure a universal acceptance of the Additional Protocol. But we are also concerned by other threats, such as the increasing size of some nuclear arsenals, biological proliferation, chemical proliferation, as well the proliferation of ballistic and cruise missiles. We must work every day to prevent proliferation, and take concrete steps such as introducing more stringent export controls, controlling access to the most sensitive areas of knowledge, banning trade that increases the risk of proliferation, criminalizing any such actions that aid illegal proliferation, and cutting off its sources of finance.

We must not limit ourselves just to nuclear problems. We must search for broader solutions to the entire set of strategic issues. As we all know, some nations are concerned not just by the nuclear arsenals but also by ABM systems and conventional weapons. Let us not forget that 90 percent of the people who lose their lives in modern conflicts are killed by firearms, and we must limit their proliferation. We must move decisively towards disarmament, without limiting our analysis and our vision of the goals.

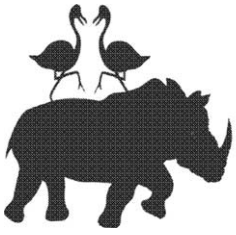
Nuclear disarmament is only one part of a larger problem. It is just one component of global action aimed at reducing the risk of nuclear conflict or terrorist attack. But it is made possible by the

general climate and other initiatives aimed at achieving peace and collective security. In full accord with Article VI of the NPT, we must not limit our ambitions. 

NOTE

[1] The interview is based on Ambassador Jean de Gliniasty's speech at the conference ''Multilateral Approaches to Nuclear Disarmament: Planning the Next Steps,'' organized by the PIR Center on July 3, 2009 with financial support from the Nuclear Threat Initiative (NTI) and the Foreign Ministry of Norway.

Routledge
Taylor & Francis Group



SERGEY KISLYAK: ''RESETTING U.S.–RUSSIAN RELATIONS ALSO MEANS KILLING OLD VIRUSES THAT HAVE BEEN POISONING OUR DIALOGUE''

Ambassador Extraordinary and Plenipotentiary of the Russian Federation to the United States of America Sergey Kislyak is a good friend of the PIR Center and one of the contributors to our journal. Normally we have had conversations with him in Russia, including the time when he was Deputy Foreign Minister. However, this time Editor-in-Chief of the Security Index journal Vladimir Orlov and Sergey Kislyak met in California, in Monterey. The Russian Ambassador visited this nonproliferation capital of the United States to speak to the students and professors of the Monterey Institute of International Studies and the James Martin Center for Nonproliferation Studies. The discussion was held by William Potter, CNS Director and PIR Center's Executive Board member, in July 2009. Before the discussion Sergey Kislyak mentioned to Vladimir Orlov and William Potter the willingness to strengthen cooperation between the PIR Center and the U.S. academic institutions, above all the CNS.

With the permission of William Potter, we publish below the transcripts of the debate in Monterey.

POTTER: Washington and Moscow speak about the policy of reset. But what were the major current obstacles in U.S.–Russian relations?

KISLYAK: Let us first go back in time and look at the situation in bilateral Russian–U.S. relations of just 12 months ago. August 2008. It was, if you remember, a time when we had a very difficult relationship because of the South Ossetia and Georgian invasion there. We had to step in and to enforce peace there. And I would say that in my humble opinion this was the lowest point in our relations after the Cold War, since the United States was following its own perception of what Russia was doing there rather than the real facts on the ground.

The United States was advancing the idea of isolating Russia. A number of fora where we and the United States had worked together were frozen. G-8 delayed a number of meetings; the NATO-Russia Council was frozen because of the decision of Washington to do so. This is a sad fact for me personally, as the very first reality check proved that the U.S.A. wasn't interested and able to talk to us. We turned to the Security Council, to other institutions, but they were simply paralyzed.

And it was a very telling moment for us—it proved that the current institutions and relations should be modernized, in order to address serious issues of security, including security in Europe.

What we need is the place where people can sit together and discuss the issues, and not necessarily automatically adopt the Russian position. We should discuss the roots of the problems and this would help us to go forward. At such meetings we could provide more real information to our partners.

POTTER: And what was the nature of reset?

KISLYAK: When President Obama was elected, he brought a new tone to our relations. Then there was a famous speech by Vice-President Biden in Munich. So we feel that the main message that the current administration wants to send to us [is] willingness to engage constructively. We

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570638

took this approach with respect and the meeting of the two presidents in London in April [2009] was very good and substantial. And it was followed by the summit in Moscow [in July 2009].

I would add to this that the term ''reset'' came from, as I understand, the computer world. And all of us who are faithful computer users know that when you want to reset your computer you would want to take away the old viruses otherwise you would end up with the same problems. And I think that the Moscow meeting was exactly the time to take away those viruses and to start building some new relations. We try to build cooperation in the areas where our leaders coincide.

POTTER: President Obama has indicated that he seeks a strong, peaceful, and prosperous Russia. On the other hand, in late July 2009, Vice-President Biden appeared to communicate a somewhat different message in his interview with the *Wall Street Journal*, in which he seemed to imply that Russia's withering economy—his phrase—would lead Moscow to accommodate the West on a variety of national security issues. How do most Russians interpret these mixed signals?

KISLYAK: I think, first and foremost, we have a policy that has been taken by President Obama. He currently speaks to Moscow in a very benign fashion on how he sees Russian–American relations and what he wants to develop. We take him seriously and we take it as a reflection of U.S. policy. We certainly hear many nuances in assessment of Russia and the prospects of Russian relations. I understand that. The good news doesn't sell more, so you're focusing on the bad news. Certainly the world is such that that we can always find news that would be unpleasant to deal with anyway.

We can understand that the change of attitudes toward Russia in the United States isn't going to occur overnight. The same is true the other way around, the attitude of the Russians toward the United States. So it's not going to be an easy process. But we need to work on issues that unite us, to work as partners, and working on these things is the best way to have a normal relationship.

You know there are the subjects we all face. Terrorism is one of them, economic instability, poverty, climate change, and many others. It's a long list. And then there are things that divide us and require solution. Expansion of NATO, ballistic missile defense deployment near our borders.... But war on terror and other complicated issues are much more important for the long-term interests of the United States and Russia. And that gives us a good chance to work on these issues. In fact, our joint willingness to work on these cases will help define what is possible in our relationships and what is not.

I think that a pretty unique area where we have been working together with the United States and Europe, during even the most difficult times of the Cold War, is nonproliferation. The ups and downs in our political relations did not affect our work in this area. I think that is living proof that there are important security issues where the long-term core interests of the United States and Russia coincide. We had to learn to cooperate—it doesn't mean that we didn't have differences on how to best achieve the goals that we shared. But, at the same time, we have never interrupted the channels of communication on this issue. Even during the crises that we have lived through. It's something that needs to be built upon in the future.

POTTER: Let us now move to the issues of nuclear arms control, namely the START I replacement talks. The START I Treaty is set to expire on December 5, 2009. I would be very interested in your assessment, first about the prospects for reaching an agreement by December 5.

KISLYAK: It is a formidable task because START deals with the core of security issues between the United States and Russia. When the current agreement expires, it means that on December 6 we will have no limits, no rules in the field of strategic arms. And all strategic arms, not only strategic defensive arms. Because the United States chose to withdraw from the ABM Treaty—one of these two previous agreements that laid the foundation of predictability was withdrawn from unilaterally by the United States in the early years of the President Bush administration. Now the only thing that is left is START. It has proved to be workable and is largely considered to be a success by both sides. If we lose that kind of strength on December 6, each side will be able to do whatever they want in the development of area of strategic capabilities.

So we feel that START has been a very important instrument of stability and predictability in this area. It's not easy to negotiate. Each and every small issue for the negotiators is a big issue for the General Staff of the Russian Federation or the Joint Chiefs of Staff. So part of the issue is to discuss what is sensible and important, and this is the additional task of the negotiators.

At the same time it is a not a treaty that will be started from scratch. All of the things that were developed in term of procedures to destroy, in terms of inspections for the purposes of START, have been tested already. And in some respect we have developed a culture of working together to implement START.

You [United States] have a significant infrastructure that has been working on the implementation of this agreement with Russia, we have the same in Russia. And they work much better than I expected 10 years ago. That's also an important touch point for the negotiators. Because some things that maybe they couldn't do then, now they can do easier. Sometimes it shouldn't be reinvented. They can borrow experiences or borrow negotiations from the old treaty and bring them forward in the new one. However, the biggest challenge is to decide our role and where we need to go. And here we are not yet clear on that and that may be a challenge for us. Besides, we need to establish the limits on the warheads and the limits on the delivery systems.

Your goal strategically is quite a lot different than ours. We have different asymmetries, but both sides want to achieve an equal sense of security. I'm not saying parity, I'm saying equal sense of security.

POTTER: Now let's turn to the topic of tactical, or non-strategic, nuclear weapons (TNW). The Obama administration appears to be far more receptive to the argument that tactical nuclear weapons should be withdrawn from Europe. And tactical nuclear weapons should be the focus of future U.S.–Russia negotiated arms control. Do you believe such initiatives hold much promise, and if not, why not? And also, under what circumstances Russia might consider reducing and eventually eliminating the entire arsenal of its TNW?

KISLYAK: First of all, as to where the American administration moves, I think, you would be better served by asking my colleagues in the State Department. So far the nuclear component of U.S. forces is still in Europe. And we have proposed relocating all the nuclear weapons to the national territories, i.e. to the states that do possess them. Russia doesn't have any nuclear weapons outside of the territory of Russia.

As to negotiations on tactical [nuclear] weapons, it's too precise a question to be able to respond to right now as to what we specifically wish to negotiate. First of all, I would say in generic terms, our presidents have raised the idea of nuclear arms reductions.

They understand that to achieve that kind of goal it will require all other things to be also implemented. We need to be sure that while the big nuclear powers reduce these weapons, the other countries join in. You need to be sure that while you are eliminating nuclear weapons, the other countries today aren't going to introduce nuclear weapons in new parts of the world. And it is initially important to show that we are all compliant with this process. Then we can go and work on these issues. So tactical weapons will be somewhere in this process by definition.

For the purposes of START, we do not discuss it because that doesn't help. In the future we will not exclude that, but we need to be very cognizant of the real problems of Russia. We have a situation here that is still not very predictable to us. Recent events in Kosovo or in South Ossetia just proved that wars in Europe are still possible.

We see that there is an alliance that is by its nature is a military bloc, which operates beyond its original location. And they proved that they can employ military force. Certainly we are talking about imbalances in Europe. The sense of security for all of us in Europe needs to be established. Unless it is achieved, some nuclear weapons are still considered to be a significant deterrent as of now.

POTTER: Do you mean that the issue of TNW should correspond with the progress on the CFE Treaty?

KISLYAK: We need to be also working on regional imbalances. But so far we have not been able to get the Adapted CFE treaty enforced. It's very important to us because currently—and probably not everybody knows this—we live in the Cold War type of regional environment and the old treaty still regulates the policy in conventional weapons between two major alliances.

But the Warsaw Pact exists no longer. So we have started insisting on negotiating things that would take care of the new situation in the absence of alliances. A new situation would give more assurance about security not only to the members of the alliance, but to all countries in the region.

So we have negotiated the treaty, and we don't have it in force; because it was ratified only by Russia, Belarus, Kazakhstan, and Ukraine. Not a single remaining country has ratified it. The problem is that currently we do not have an active treaty. We don't have a predictable and reliable framework to control the conventional sphere in the long term in Europe. And it leaves a lot of question marks as to what is going to happen if relations change.

What I'm suggesting is that the CFE treaty is important in its own right. But, by creating a predictable environment in conventional weapons security, we make it easier to think about our next steps.

POTTER: Now as we turn to regional issues what is your assessment of the current status of Iran's nuclear program?

KISLYAK: The program itself is very interesting. They started this program after years and years of American government trying to convince the previous regime in Iran that they need to have at least 20 GW installed for power in Iran. And that the United States would help Iran to develop that kind of nuclear program that would include also an enrichment facility, provided that the facility would be built by outsiders.

Then the regime changed as well as the attitude of the United States—from that moment on the position was that Iran had enough oil and gas to ensure all its needs in energy consumption, and they didn't have any need for nuclear power.

The Iranians, however, still had the intention to continue the program—after all they had the basic infrastructure created by the Germans. And they turned to us. We thought that the country complied with the nonproliferation treaty and had a legitimate power generation nuclear energy program.

At the same time, during the years of war with Iraq, they started a program that was seeking enriched uranium. They did in a way that wasn't transparent to the international community, that wasn't transparent to the IAEA. So politically it wasn't the best way to develop that type of sensitive program. Then, at some point in time, there was a subtle change in the program for enrichment. And from that moment on we had very difficult negotiations, discussions, and resolutions in the IAEA, the Security Council, on this issue.

POTTER: How would you comment on such change?

KISLYAK: The problem is that Iran is developing [a] nuclear enrichment capability that by tradition is useful for peaceful purposes and, if they decide to do so, for military purposes as well.

Today they have a capability that gives them an opportunity to enrich much more, which they do. And the enrichment is the 2–4 percent that is required for nuclear reactors. As we understand it, and I think it's shared by everybody, each and every gram of this enriched uranium has been accounted for by the IAEA. And this program so far hasn't led to nuclear weapons. And I would assume that as long as the agency is there in Iran it will not be used for nuclear weapons-grade material.

Where the problem can arise is that if there is a diversion, which currently nobody, neither you nor I, has any proof of. Thus it is a matter of the lack of certainty about the nature of this program, and its perception and the lack of understanding that all they have put on the table is all they have.

And sometimes people are questioning the intentions of the Iranian government about the use of these enrichment capabilities. Currently it's done legally and within the limits of the nonproliferation treaty (NPT). And there are a number of NPT non-nuclear-weapon members who run the same kind of programs—Japan or Brazil, some European and Asian nations.

So it is not very unique that they have an enrichment capability. The difference being that, economy-wise, it's not very easy to justify the possession of that kind of program in the absence of a well-developed nuclear electricity generating program. So far, they do not run a single power station. Only because Bushehr is going to be the first one in operation and, for Bushehr, Russia has supplied fuel for the first phase and will be supplying it until the last phase. So there is uranium.

So all the discussion about the nuclear weaponization of Iran is based on the capability that physically they are creating and on the implication of the intentions in the future, which have

developed into almost a stereotype that either they have built nuclear weapons or are building nuclear weapons. It's not reality.

But there are a lot of uncertainties about the nature of the program that haven't been declared by the IAEA. The agency has been entrusted by all of us to do the verification job with the Iranians. Their compliance with these requirements, by the way, was less than 100%, and there are still elements that need to be addressed before the IAEA or the Security Council can say that all the concerns are met. And it's going to be difficult.

POTTER: What would you like to see Iran and the international community do to resolve the ongoing crisis?

KISLYAK: I think the first solution can be political. That means you need to engage diplomacy and negotiations. We have a mechanism about engaging with the Iranians on this issue—that is, the Group of Six. Moreover, we see some changes in the American position under the new administration and the willingness to negotiate.

The proposal of The Six is a good basis, because it provides for a wide spectrum of arrangements with Iran. Not only in that it provides for a legitimate and moral preparation for developing nuclear energy programs in Iran as a part of cooperation, but it also includes a number of other items, like access to peaceful technologies for other industries.

So we are convinced that if Iran chooses to seek negotiations by picking up the proposal and developing into an agreement with all of us, they tend to benefit much more from this than from any nuclear enrichment program which they might choose to develop during the years ahead.

POTTER: Another issue which is topical for the United States today is Afghanistan. Based on the Soviet Union's difficult experience in Afghanistan in the 1970s and 1980s, what lessons did Moscow learn that may be applicable to the United States today?

KISLYAK: It wasn't easy for us. It was really difficult, and will be for the United States. Lesson number one. Lesson number two, you need to work at building your own fence against the terrorists. It should be made of those who make the first elements of the normal economy. The normal economy has been almost absent in our time. It is a kind of breeding ground for the recruitment of terrorism. The reliance on the poppy crop is a result of the absence of an alternative for the peasants to grow. They don't have even the irrigation systems to help them with normal crops. And it is a huge problem for us and other countries adjacent to the region.

The fight against terrorism should be accompanied by helping to build up the civil society and the normal government in this country. And it's going to be a long process.

As far as we are concerned, we try to be helpful. Not only in sharing our experience, which is a simple thing to do, but also in supporting the efforts to help the common people of Afghanistan to run the country. We also decided to help the U.S. military forces by allowing the transit of material and forces through Russian territory.

It was controversial, but we thought it was something that we, Russians, can do to contribute to the overall mission of the United States in this region. So we are going to be helpful and you will see more cooperation from us, short of sending Russian soldiers to this country. That is taking into account the experience we have had so far, it is not ill-conceived.

POTTER: The final question is more general. Americans know very little about Russian history, or even contemporary Russia. How do you propose to promote and provide a better education for Americans about Russians?

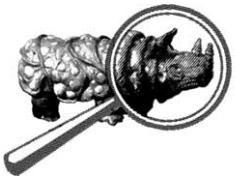
KISLYAK: I think that the differences we have, they are not as great as one might think. The problem is the lack of knowledge and the problem is PR. It is wrong to perceive Russia as an extension of the Soviet Union. As if whatever Russia does, rightly or wrongly, is a resurrection of the Cold War competition with the United States. We are certainly competing with you, in many respects, but we are not going to create anything, at least in our own relations, that would remind us of the confrontations of the Cold War. We have changed much more than the Americans have understood. But we have had trouble in explaining it in the United States.

And I would say that one of the basic elements that is less known here is that currently there is no basis whatsoever for the resumption of the Cold War. For one thing, Russia is as much a market economy as the United States, the difference being that we are only 18 years old and America is

200 years plus. Being young, it means that we are going through the same mistakes and the same problems that the United States had as a country 100 years ago. But at the same time, we are growing reliably and, I would say, much faster than anybody else.

So psychologically and ideologically, there are no big divides. Russians and Americans are very similar. Ideologically, I think the United States government is much more ideologically charged than we have been. So we are building an economy for the Russian people, we need a stable and predictable environment around our countries. Stable, predictable, and reassuring that we cannot have bad relations with other countries. 

Routledge
Taylor & Francis Group



Roland Timerbaev

FISSILE MATERIAL CUT-OFF: NEW CHANCES FOR THE NEW LIFE

For many decades, the international community has viewed a ban on production of nuclear weapons-usable fissile materials as a truly significant step that would bring the world closer to the dual goal of strengthening the nonproliferation regime and eliminating nuclear weapons.

As nuclear disarmament has once again become a subject of lively debate, and with the 2010 NPT Review Conference looming on the horizon, the search for a solution to the problem of weapons-grade fissile materials is back on the agenda.

Russian President Dmitry Medvedev and his U.S. counterpart Barak Obama said in their joint statement following the April 1, 2009 meeting that they ''support international negotiations for a verifiable treaty to end the production of fissile materials for nuclear weapons.''

The issue of nuclear weapons-usable fissile material cut-off (FMCT) was first put on the international agenda back in 1957. The United States, backed by Britain, France and Canada, submitted a proposal to that effect to the London Subcommittee of the UN Commission on Disarmament. The proposal contained a list of partial disarmament measures, including a commitment by all member states ''to put all future production of fissile materials on their own territory or abroad under international controls and not use these materials for weapons purposes, including stockpiling.''[1]

For obvious reasons, the Soviet Union was in that period less than enthusiastic about the American proposal on fissile material cut-off as a stand-alone arms limitation measure. The Soviet statement announced at a meeting of the London Subcommittee said that weapons-usable fissile material cut-off ''would become a real step towards eliminating the threat of nuclear war only if it is closely linked to banning nuclear weapons, putting them out of service and destroying nuclear weapons stockpiles.''[2] The British, while formally supportive of their transatlantic allies, were in fact skeptical about the American proposal.[3]

Nevertheless, in late 1957 the United States managed to secure the adoption of a UN General Assembly resolution which proposed that the emphasis at the disarmament negotiations be put on ''the cessation of production of fissionable materials for weapons purposes and the complete dedication of future production of fissionable materials for non-weapons purposes under effective international control.''[4] The Soviet delegation voted against the resolution.

As we can see, the problem of the existing stockpiles was raised at the very early stages of the FMCT debate. Now, however, this problem has almost become the main stumbling block.

THE FIRST STEP

In the mid-1960s, the United States and the Soviet Union did manage to agree on a set of fairly modest but significant steps towards reducing production of weapons-grade materials, including plutonium and uranium-235.

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570653

U.S. President Lyndon Johnson announced on April 20, 1964 that the production of plutonium would be cut by 20 percent, and of enriched uranium by 40 percent.[5] The following day Nikita Khrushchev said the Soviet leadership had decided to halt the construction of two large reactors for production of plutonium, to reduce significantly the production of U-235 for nuclear weapons, and to use a higher amount of fissile materials for peaceful purposes.[6]

British Prime Minister Alec Douglas-Home also announced measures to reduce production of weapons-usable fissile material.

It is hard to judge to what extent those statements had translated into tangible numbers—production of fissile material continued, and the nuclear arms race was gaining momentum at the time. Johnson himself said in his April 20, 1964 statement: ''This is not disarmament. This is not a declaration of peace. But this is a hopeful sign....'' And that is hard to deny. After the Cuban missile crisis, which had very nearly led to a nuclear catastrophe, nations began looking for new ways of reducing international tension and limiting the numbers of nuclear weapons. In 1963, Moscow and Washington agreed to set up a direct line of communication between the two governments, and signed the Limited Test Ban Treaty prohibiting nuclear tests in the atmosphere, under water and in outer space. And in the late 1960s, the two countries began talks on strategic offensive and defensive arms limitation.

UN STEPS IN—THE 1993 RESOLUTION

After the end of the Cold War (late 1980s–early 1990s), most nuclear powers began winding down production of nuclear weapons-usable fissile material. Table 1 contains the information in this regard at the disposal of the expert community.

In that climate, a new push for an international Fissile Material Cutoff Treaty (FMCT) became a possibility. In 1993, the UN General Assembly passed a unanimous resolution calling for a ''non-discriminatory, multilateral and internationally and effectively verifiable treaty on the prohibition of the production of fissile material for nuclear weapons or other nuclear explosive devices.'' The assembly also requested the IAEA to provide assistance for examination of verification arrangements for such a treaty.[7]

Since then, the FMCT issue has been dealt with by the Geneva Conference on Disarmament (CD).

FMCT DEBATE AT THE CONFERENCE ON DISARMAMENT

In March 1995, the CD approved the Shannon report (named after the Canadian representative appointed as FMCT coordinator), which proposed the creation of an ad hoc negotiating committee and defined its mandate. The Shannon Mandate was based on the formula set out by the UN General Assembly resolution, and the signing of an FMCT was declared the overall objective. But a number of countries, including Pakistan, Egypt, Iran, and Algeria insisted on the inclusion of a proviso that the mandate ''shall not preclude any delegation from raising any other issues,'' including the issue of the existing stockpiles of fissile material.[8] The Shannon Mandate was therefore a compromise that took into account the position of those nations that wanted the issue of the stockpiles to be addressed as well.

Table 1. **End of Production of Fissile Material for Military Purposes**[9]

	Pu Production End	HEU Production End
China	1991	1987–89
France	1994	1996
India	*continuing*	*continuing*
Israel	*continuing*	?
North Korea	?	?
Pakistan	*continuing*	*continuing*
Russia	1997	1987–88
United Kingdom	1989	1963
United States	1988	1992*

An ad hoc committee on FMCT was set up at the Geneva conference in August 1998, but until this day it has not started to work. Under the CD rules, the agenda and mandate of subcommittees should be reapproved at the beginning of each session. But, 10 years on, every attempt to agree either the agenda or the mandate has ended in failure. While the United States, Russia, Britain, France, and some other countries want the conference to begin the FMCT talks as soon as possible, some other nations insist that the conference should first address other disarmament issues, including a ban on putting weapons in space, nuclear disarmament, and security assurances for non-nuclear weapon states.

In 2004, the U.S. administration made a U-turn on FMCT, abandoning its previous commitment to verification measures. In 2006, the U.S. delegation at the CD proposed a new FMCT draft that reflected its new stance on verification. ''The U.S. draft treaty omits verification provisions, consistent with the U.S. position that so-called 'effective verification' of an FMCT cannot be achieved,'' the U.S. white paper said:

> The ability to determine compliance with a high level of confidence is a requirement for effective verification. The United States has concluded that, even with extensive verification mechanisms and provisions—so extensive that they could compromise the core national security interests of key signatories, and so costly that many countries would be hesitant to implement them—we still would not have high confidence in our ability to monitor compliance with an FMCT.[10]

As for the draft itself,[11] it proposed that ''no Party shall produce fissile material for use in nuclear weapons or other nuclear explosive devices, or use any fissile material produced thereafter in nuclear weapons or other nuclear explosive devices.'' The proposed definition of fissile material covers weapons-grade plutonium[12] and uranium containing a 20 percent or greater enrichment in the isotopes uranium-233 or uranium-235, separately or in combination.

The existing stockpiles of fissile material were beyond the scope of the U.S. draft.

The verification measures proposed in it were limited to ''national means and methods,'' and any issues that arise regarding the implementation of the provisions of the treaty would be addressed through consultations between the parties, or submitted to the consideration of the UN Security Council. There are two apparent reasons for U.S. government agencies' objections against verification. First, any illicit enrichment or processing activity would be hard to detect, while more intrusive controls would be unacceptable to the United States. And second, Washington did not want to accept any international monitoring of highly enriched uranium for naval propulsion. Another motive for rejecting verification provisions apparently was to facilitate the implementation of the U.S.–India nuclear deal signed in 2005.[13]

The U.S. draft met with a very lukewarm reception, both because it lacked any compliance verification measures and because it did not cover the existing stockpiles of fissile material.[14] Even America's close allies voiced their objections.[15]

Until this day, no further progress has been made on FMCT at the Conference on Disarmament—despite the fact that the NPT Review Conference in 2000 listed negotiations at the CD on the basis of the Shannon Mandate among the 13 practical steps towards disarmament. In 2009, intensive efforts were exerted in order to open up negotiations on FMCT in the CD; however, on account of the position taken by Pakistan, which was basically supported by China, these efforts could not bring positive results.

There has been another recent development: U.S. president Barak Obama said in a statement made in Prague on April 5, 2009 that the United States was committed to signing a ''verifiable'' FMCT. It remains to be seen what practical steps that statement will translate into.

REDUCING FISSILE MATERIAL STOCKPILES

Despite the lack of any multilateral agreements on fissile material cut-off, Russia and the United States have substantially reduced their stockpiles over the past 10 or 15 years.

Both countries (as well as some other nuclear powers) have cut production of these materials. In addition, Washington and Moscow signed the HEU–LEU deal in 1993 under which 500 metric tons of highly enriched uranium from dismantled Russian nuclear warheads is blended down for use as fuel by nuclear power plants in the United States. Under another agreement signed in 2000, each party has agreed to convert weapons-grade plutonium into materials that are unusable for nuclear

weapons, either by burning it as nuclear fuel or converting it into immobilized form suitable for burial (the implementation of this agreement, which covers 34 metric tons of plutonium, has not yet started). Other steps include the Nunn–Lugar program to ensure safe and secure storage of fissile materials and reduce their production; the 1996–2002 Russia–U.S.A.–IAEA trilateral initiative on verification of excess nuclear materials,[16] and joint steps on conversion of research reactors from use of highly enriched uranium to low-enriched uranium under the Global Threat Reduction Initiative.

But, for all their significance, by themselves these measures cannot fully address the problem of reducing the stockpiles of fissile material, a necessary step towards strengthening the nonproliferation regime and eliminating nuclear weapons.

Figures 1 and 2,[17] which are based on official figures and estimates by nongovernmental experts, reflect the unsatisfactory state of affairs in this area.

The International Panel for Fissile Materials (IPFM), set up in 2006, puts the world stocks of highly enriched uranium as of mid-2008 at 1,670 metrics tons, plus or minus 300 tons. Its estimate for plutonium stockpiles is 500 tons; the share of civilian plutonium in this figure is about 50 percent and growing.[18]

These figures demonstrate the need for radical steps towards reducing, and eventually completely eliminating, the threat for the entire world which these huge stockpiles of weapons-grade fissile material represent.

FMCT SOLUTIONS PROPOSED BY INTERNATIONAL EXPERTS

Governmental and independent experts have proposed several ways of resolving the FMC issue. A number of recent proposals deserve careful study.

In 2001, Annette Schaper of Peace Research Institute Frankfurt (PRIF) proposed a verification mechanism which is based on IAEA safeguards. The proposal also relies on the full-scope safeguards system outlined in INFCIRC/153, the additional protocol INFCIRC/540 and managed access for nuclear states, which takes into account nondisclosure requirements. The proposal also makes use of national verification mechanisms and other measures.

The task of developing the necessary safeguards criteria for the FMCT would be delegated to the Standing Advisory Group on Safeguards Implementation (SAGSI) or a similar expert group. In

Figure 1. **HEU Stockpiles (figures for Russia approximated to within 300 metric tons)**

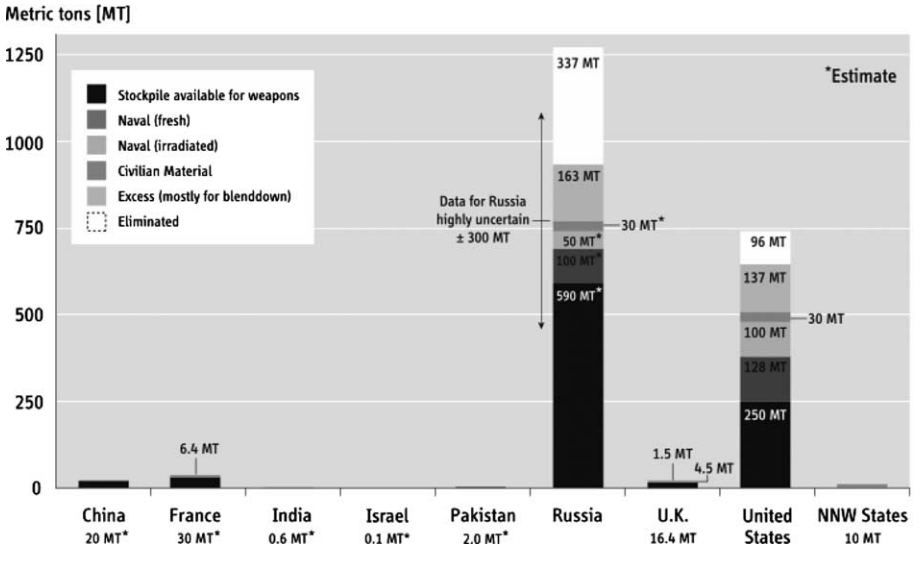
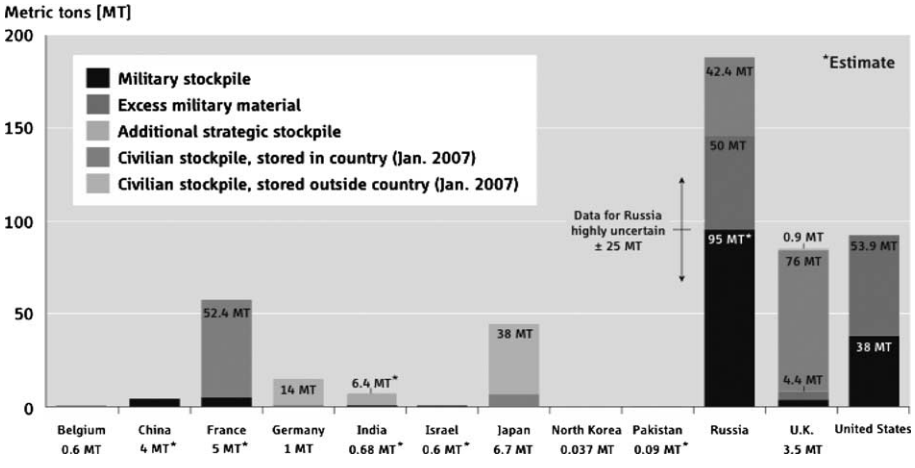


Figure 2. **Plutonium Stockpiles**



particular, the proposal calls for more stringent IAEA safeguards over fissile material for naval propulsion that would go beyond the standard safeguards under INFCIRC/153 (para. 14).[19]

Another interesting proposal on ways of making progress on FMCT was made in 2006 by Australia. Taking into account the difficulty of reaching an agreement on verification mechanisms and procedures, the Australians said that ''an alternative approach—demonstrated very successfully by the NPT—is to have the basic political commitments in the principal treaty, and to set out the verification system in a secondary agreement or a system of agreements. . . .''[20]

The NPT treaty, the signing of which commenced on July 1, 1968 and which entered into force on March 5, 1970, specifies in Article III that each non-nuclear-weapon state party to the treaty undertakes to accept safeguards regarding all their nuclear activity, as set forth in an agreement to be negotiated and concluded with the IAEA. The agreements must enter into force no later than 180 days after the state party joins the treaty. But the IAEA was unable to sign such agreements at the time, because the safeguards system that existed prior to the signing of the NPT was designed for monitoring only *individual* nuclear facilities, whereas the treaty required a *comprehensive* system.

It took a special committee of the IAEA Board of Governors, set up after the NPT entered into force, until March 1971 to produce a draft of a standard agreement on comprehensive safeguards, which was then approved by the board as INFCIRC/153. Only then did the negotiations of the agreements commence between the non-nuclear-weapon parties and the IAEA. Some of these negotiations took several years to complete. The safeguards agreement between the Euratom countries and the IAEA entered into force only in February 1977. And some of the important annexes without which the safeguards agreement simply could not function (the so-called facility attachments) were signed only in March 1979.[21] Quite a few countries have yet to sign safeguards agreements.[22]

In February 2009, the international IPFM group, made up of specialists from nuclear and non-nuclear states and co-chaired by Frank von Hippel (U.S.A.) and Ramah Rajamaran (India),[23] published its own FMCT draft.[24]

It proposes a ban on production of weapons-grade plutonium and uranium with a U-233 and U-235 enrichment ratio of 20 percent or more. Implementation will be monitored by the IAEA, which will also be given some additional functions. All future production of fissile materials for civilian purposes will be placed under the IAEA safeguards system to prevent their diversion for weapons use.

The draft also proposes some measures regarding the existing stockpiles. Parties will be given the option to decide, upon signing the treaty, how much of the accumulated stockpiles they will keep for weapons-making, and how much of them will be put under the international safeguards

system. In other words, they will need to separate their military and civilian stockpiles before the treaty enters into force. Under the proposal, the states will place the stocks declared excess to weapons-making purposes under the IAEA safeguards system. The same will be done regarding those stocks that that will become excess to military purposes as a result of multilateral, bilateral, or unilateral disarmament measures.

As for the fissile materials designated for naval propulsion and other military reactors, those will be placed under a new IAEA safeguards system that will be designed for that particular purpose. According to a report by Arend Meerburg and Frank von Hippel in the March 2009 issue of *Arms Control Today*, work on the ways of ensuring proper IAEA controls over naval-propulsion HEU without disclosing sensitive information is already under way at Princeton University and the Oak Ridge National Laboratory.

Another solution to the problem of the existing stockpiles has been proposed by Robert Einhorn and Matthew Bunn.[25] The idea behind the proposal, dubbed the Fissile Material Control Initiative (FMCI), is to ban future production of fissile materials while at the same time implementing the Initiative regarding the existing stockpiles. The two measures are supposed to be simultaneous and complementary. Furthermore, Einhorn and Bunn believe that if the FMCT talks grind to a halt the Initiative could proceed on its own, which would actually help the FMCT cause by improving the transparency of the existing stockpiles and alleviating some nations' concerns about the proposed treaty and its verification mechanisms.

The essence of the proposed Fissile Material Control Initiative is a multilateral arrangement on the world stocks of fissile material, both military and civilian, held by nuclear and non-nuclear states, regardless of their NPT status. The main objective is to reduce the security risks through measures designed to improve accountancy, transparency, and control over fissile material stocks worldwide; gradually to move fissile materials not designated for weapons use under a system of international safeguards, in a verifiable and irreversible manner; and to convert the stockpiles in excess of weapons requirements into forms unusable for nuclear weapons.

Partners in the initiative are encouraged to join a set of guidelines, which would include the following measures:

- ❑ make regular declarations regarding their fissile material stocks by category;
- ❑ apply the highest standards of physical protection and accountancy to those stocks; nuclear weapon states will declare regularly the amounts of material they regard as excess to their weapons needs;
- ❑ place such excess material under IAEA safeguards as soon as practicable;
- ❑ place all civilian HEU and plutonium under IAEA safeguards;
- ❑ place HEU for naval propulsion and other non-explosive military purposes under a specially designed accounting system that would prevent HEU diversion for nuclear weapons use, without disclosing sensitive information;
- ❑ work to minimize and eventually end the use of HEU for civilian purposes, as well as strive to reduce the accumulation of civilian plutonium stockpiles;
- ❑ convert excess material as soon as possible into forms that cannot be used for nuclear weapons; and
- ❑ make quarterly progress reports on the implementation of these guidelines.

It is proposed that the above guidelines be part of a voluntary, legally non-binding arrangement. Instead of trying to secure a formal agreement at the Conference on Disarmament, this arrangement should be formulated by a small group of states that would then use informal contacts to involve all the key nations. Of course, it would be extremely desirable or even necessary to involve all the nuclear powers, regardless of their NPT status, and all the nations that have uranium enrichment and reprocessing facilities. The proposal also involves the creation of a compact mechanism to exchange information. A significant role in implementing the initiative should be played by the IAEA. Robert Einhorn also makes a point that the process should be gradual and ''evolutionary.''[26]

All these proposals are quite interesting and can be used in some shape or form in finding a solution to the FMCT issue.

WHAT'S NEXT?

The history of the international debate on FMC, which goes back more than 50 years, leaves no doubt that the international community will not accept a ban on future production of fissile material for weapons purposes without some steps towards reducing the existing stockpiles—or at least some moves towards greater regulation and transparency of those stockpiles. Without such steps, any talk of fissile material cut-off will be seen as an attempt by one group of nations to preserve the existing inequality, as another attempt at discrimination,[27] and the negotiations will remain deadlocked.

The continuing efforts are being hampered not just by the existing stockpiles, but also the difficulties of developing appropriate verification and transparency mechanisms. It is obvious that any push for an FMC treaty without verification mechanisms would be pointless, and the new U.S. administration seems to have realized this. But verification remains a very tough nut to crack.

Most experts believe that the IAEA safeguards system would be a good basis on which to build FMCT verification mechanisms. The original UN General Assembly resolution of 1993 also requested the IAEA to assist in FMCT verification. The agency has the necessary powers and experience in preventing the diversion of nuclear materials from civilian to military use. But it does not have the mechanisms or procedures to safeguard fissile material for weapons use or HEU for naval propulsion and similar purposes.

The IAEA does of course have some experience in this area. In the 1990s, it successfully used the safeguards mechanisms to make sure that the nuclear materials previously contained in South African nuclear devices had been put out of military use. The agency also supervised the dismantling of the Iraqi nuclear program under a UN Security Council mandate.

In 1996–2002, the United States, Russia, and the IAEA set up the so-called Trilateral Initiative to develop controls over the excess stocks of weapons-usable fissile material. The initiative proposed the method of *information barriers* to prevent the disclosure of sensitive information. In order to test this method, the sides came close to agreeing control measures for the Russian *Mayak* nuclear storage facility and the American *KAMS* storage facility at Savannah River,[28] but this work was never completed.

The bottom line is that the IAEA does have some relevant experience, but it is definitely not enough for FMCT verification. An upgraded system of safeguards and controls will have to be developed, but this will not require any changes to the IAEA Statute, which already grants the agency adequate powers for such purposes.

Article II of the Statute reads that the agency ''shall ensure . . . that assistance provided by it or at its request or under its supervision or control is not used in such a way as to further any military purpose.'' Article III.A.5 grants the agency the right:

> . . . to establish and administer safeguards designed to ensure that special fissionable and other materials, services, equipment, facilities, and information made available by the Agency or at its request or under its supervision or control are not used in such a way as to further any military purpose; and to apply safeguards, at the request of the parties, to any bilateral or multilateral arrangement, or at the request of a State, to any of that State's activities in the field of atomic energy.

A great deal of time and effort will be required to develop a new FMCT verification system that would incorporate not only a system of NPT safeguards and the Additional Protocol, but also—and most problematically—agreed verification mechanisms for stockpiles and HEU for naval propulsion, and possibly some other elements of verification. The IAEA infrastructure will have to be strengthened to provide it with modern equipment and satellite monitoring capability, train new specialists and increase the number of inspectors, etc. All this will inevitably require an increase in the IAEA budget.

The obvious and the most pragmatic solution would be to sign a legally binding basic treaty that would ban production of nuclear weapons-usable fissile material and set out steps towards a gradual reduction of existing stockpiles. The treaty must clearly state that the commitments undertaken by the state parties should be verifiable—with the proviso of course that such

verification should not in any way raise the risk of proliferation of nuclear weapons materials and technology. Civilian plutonium should also be placed under an appropriate safeguards system.

As for verification, the most realistic approach would be a gradual, step-by-step introduction of such mechanisms, starting from the NPT safeguards system and the Additional Protocol, and then moving on to the more complex and sensitive components of the nuclear fuel cycle.

An FMCT will make sense only if it is signed by all the nuclear weapon states, regardless of their NPT status, and by other countries, especially those that have nuclear technology and facilities. The initial draft of the treaty should probably be agreed first by a rather narrow circle of the key nations—as opposed to a large gathering such as the Conference on Disarmament, where it will be much harder to achieve a consensus—and then submitted for broader discussion. Russia and the United States, which hold the world's largest stockpiles of nuclear weapons-usable fissile material, could play the leading role in this process.

An agreement to begin international negotiations on FMCT or a similar treaty would improve the chances for a successful outcome of the NPT Review Conference in 2010, strengthen the international nonproliferation regime and represent a step forward towards eliminating the nuclear weapons threat. 

NOTES

[1] Doc. DC/SC.1/66/Rev.1 of August 29, 1957. Main Disarmaments Documents. Vol II (1957–1958), (Moscow: Foreign Ministry of the U.S.S.R, 1961), pp. 171–191.

[2] Ibid., pp. 151–171.

[3] Astrid Forland, ''Coercion or Persuasion? The Bumpy Road to Multilateralization of Nuclear Safeguards,'' *Nonproliferation Review* 16, no. 1 (March 2009), p. 52.

[4] UN General Assembly Resolution 1148(XII) of November 14, 1957.

[5] Eighteen Nation Committee on Disarmament Doc. ENDC/132. Published in *Pravda*, April 21, 1964.

[6] ENDC/131, I, April 21, 1964.

[7] A/RES/48/75L of December 16, 1993.

[8] CD/1299 of March 24, 1995.

[9] Table from Matthew Bunn, *Fissile Material Control Initiative* (2009) is based on official statements, expert estimates and a study by David Albright, Frans Berkhout, and William Walker, *Plutonium and Highly Enriched Uranium 1996: World Inventories, Capabilities and Policies* (SIPRI, Oxford University Press: 1997), pp. 38, 68, 76, 80. It is believed that the United States ended production of HEU for weapons purposes in 1964, but continued producing HEU for naval propulsion until 1992. Russia ended the use of plutonium for weapons purposes in the late 1990s, but continued its production because three industrial reactors (in Seversk and Zheleznogorsk) had the dual purpose of producing plutonium and providing fuel and electricity to the nearby communities. The last of these three reactors (in Zheleznogorsk) suspended plutonium production in May 2009 (http://www.newslab.ru/news/281547) and was due to completely discontinue its production in the spring of 2010, according to the statement by Sergey Kiriyenko (head of *Rosatom*) at the IAEA on September 14, 2009.

[10] CD/1782 of May 22, 2006.

[11] CD/1777 of May 19, 2006.

[12] Plutonium is considered to be weapons grade unless its Pu-238 content is 80 percent or more. However, the U.S. Department of Energy believes that an explosive nuclear device can be manufactured from almost any combination of plutonium isotopes. (*Nonproliferation and Arms Control Assessment of Weapons-Usable Fissile Material Storage and Excess Plutonium Disposition Alternatives,* U.S. Department of Energy, DOE/NN-0007, Washington, D.C. (January 1997), pp. 37–39 (http://www.ipfmlibrary.org/doe97.pdf).

[13] Robert Einhorn, ''Controlling Fissile Materials Worldwide: A Fissile Material Cutoff Treaty and Beyond,'' in George Shultz, Steve Andreasen, Sidney Drell and James Goodby, eds., *Reykjavik Revisited* (Stanford, CA: Hoover Institution Press, 2008), pp. 181–182.

[14] For more details on CD reaction to the U.S. draft, see Jenni Rissanen. ''Time for a Fissban or Farewell?,'' *Disarmament Diplomacy*, no. 83 (Winter 2006).

[15] Robert Einhorn, ''Controlling Fissile Materials . . .''

[16] By November 2001, the United States and Russia were on the verge of agreeing a standard verification agreement, but the two governments ended the talks after the Bush administration said it did not support the 13 steps to disarmament approved by the NPT Review Conference in 2000, which included an expression of support for the Trilateral Initiative. Russia also said it was not prepared to continue the initiative. In 2002, both sides officially declared that the initiative had been a success, and the parties should now proceed to implementing it based in individual agreements (Thomas E. Shea, ''The Trilateral Initiative: a Model for the Future?'' *Arms Control Today* (May 2008)).

[17] Matthew Bunn, *Fissile Material Control Initiative* . . .

[18] *Global Fissile Material Report 2008*, <http://www.fissilematerials.org>.

[19] Annette Schaper, ''Principles of the verification for a future Fissile Material Cutoff Treaty (FMCT),'' Peace Research Institute Frankfurt, *PRIF Reports* no. 58 (January 2001).

[20] CD/1775 of May 17, 2006.

[21] David Fischer, *History of the International Atomic Energy Agency: The First Forty Years* (Vienna: IAEA, 1997), pp. 254–258.

[22] According to the IAEA Director General's statement of September 14, 2009, 25 NNWS parties to the NPT have not yet concluded safeguards agreements with the Agency.

[23] Other IPFM members are: Anatoly Diakov (Russia), Jone Goldemberg (Brazil), Pervez Hoodbhoy (Pakistan), Martin Kalinowski (Germany), Jungmin Kang (South Korea), Patricia Lewis (Ireland and U.K.), Li Bin (China), Morten Maerli (Norway), Yves Marignac (France), Miguel Marin Bosch (Mexico), Arend Meerburg (the Netherlands), Abdul Nayyar (Pakistan), Jean du Preez (South Africa), M.V. Ramana (India), Ole Reistad (Norway), Henrik Salander (Sweden), Annette Schaper (Germany), Mycle Schneider (France), Dingli Shen (China), Tatujiro Suzuki (Japan), William Walker (U.K.).

[24] For detailed analysis of the draft, see: Arend Meerburg and Frank N. von Hippel, ''Complete Cutoff: Designing a Comprehensive Fissile Material Treaty,'' *Arms Control Today* (March 2009). At the request of the delegations of Japan, the Netherlands, and Canada the IPFM draft treaty was circulated as an official document of the CD.

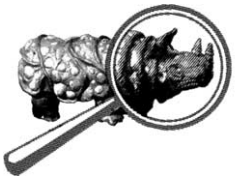
[25] Robert Einhorn, ''Controlling Fissile Materials Worldwide . . . ,'' pp. 279–311; Matthew Bunn, *Fissile Material Control Initiative* . . .

[26] Ibid., p. 309.

[27] The UN resolution of 1993 called for an FMCT that would be not just verifiable, but also non-discriminatory.

[28] Thomas E. Shea, ''The Trilateral Initiative . . .''

Routledge
Taylor & Francis Group



Natalia Kalinina and Vadim Kozyulin

RUSSIA'S DEFENSE INDUSTRY: FEET OF CLAY

Experts differ in their assessment of the state of the Russian defense industry. The pessimists point out that the production facilities are obsolete and decrepit, that the Soviet-era R&D edge has blunted, the bulk of the defense industry talent has reached pension age, quality standards have slipped, and order delivery deadlines are routinely missed.

But there are also optimists who say that Russian defense exports are rising steadily, Russia's own army is buying much more equipment than it used to, the defense industry itself is undergoing structural reform, several defense contractors have upgraded their production facilities, the government is planning a big wave of military technology refreshment to be completed by 2015, plus there are plans to build a whole new fleet of aircraft carriers.[1] Military exercises have become a much more frequent occurrence, and Russian warships and aircraft are paying regular visits to the far corners of the globe.

So what is the real state of affairs in the Russian defense industry, and what does the future hold for it?

THE ART OF BREATHING UNDER WATER

Starting from 1992, when the Soviet Ministry of Defense ended its financing of the national defense industry, defense contractors entered a long period of struggle just to stay alive.

State funding of the industry had dried up almost overnight. Output plunged by 70–80 percent. A huge sector of the Soviet economy lost its key customer and its means for existence. The Russian armed forces suspended all their procurement programs. The only orders that still trickled in to the defense contractors were for the repair and maintenance of ageing equipment.

A new word, *conversion*, became all the rage. The defense contractors were told to diversify into consumer goods. Missile factories ventured into the brave new world of kitchen utensils and home decoration. Alas, all their teapots and garden implements, with their residual militaristic design, struggled to win consumers' hearts.

Those companies that were lucky enough to have their production facilities somewhere central ended up sprucing them up and becoming landlords. The rent paid by commercial tenants sometimes stretched far enough even to pay the wages of the staff. Moscow residents had no idea that the appearance of a novelty consumer goods store called Bauklots had coincided with the disappearance of a factory that made the S-300 air defense systems. The Russian armed forces did not notice the loss—they had long ago cancelled all their orders for the S-300.

Manufacturing of combat aircraft plummeted to less than six percent of the 1992 level, military helicopters—20 percent, air missiles 4.3 percent, and ammunition to less than one percent.

But neither conversion nor letting could fill the industry's gaping financial hole. During Boris Yeltsin's tenure, the Russian government admitted that arms exports were in fact the only means of survival for the defense industry, and therefore the only means of propping up Russia's national

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570661

security. Not everyone made it. Those who did not heed the president's words were the first to bite the dust. The fate of the industry now hinged almost solely on exports.

Those years were a crash course for Russia on how to get rid of imperial ambitions. In the first years of independence, the Russians balked at selling their most hi-tech weapons abroad, saving them for their own mighty army. Only 10 years ago Russia refused to sell China the latest anti-ship missile systems and high-speed underwater missiles. But, gradually, the restrictions were lifted and Russian defense contractors even started developing the latest weaponry for foreign customers, using those customers' money to fund the required R&D. The Russian defense industry swallowed its pride and started doing what had to be done. Russia's own soldiers will never get their hands on many of the latest and greatest Russian weapons: they were developed and built for those who pay and call the tune.

The Soviet-era competitive edge in military technology was substantial, but it could not last forever. And whereas ''unique'' and ''the world's only'' remained the preferred epithets for Russian journalists to describe the latest Russian weapons as recently as the late 1990s, those turns of phrase have now fallen out of use. ''Internationally competitive'' is the new journalistic cliche, though specialists know very well what hides behind those words. In many respects, Russian military technology is still stuck in the 1970s and 1980s.

The figures in Table 1 suggest that the contribution of defense exports to the Russian economy is fairly modest (less than two percent of the total).

In 1990, Russia's share in the world's exports of high-tech equipment was six percent. By 2000 it had slipped to one percent, by 2007 to about 0.5 percent, and by 2008 to only 0.2 percent. That means that over the past 18 years Russia's share of the world's arms exports pie has shrunk by a factor of 30.

That figure may be surprising to some, but not to specialists. In one military design bureau just outside Moscow, the top managers are all in their late seventies, heads of department in their late sixties, and the average age of designers is 67. Not a single staff member is younger than 60. The bureau used to have several designers working in every project branch. Now, there is only one designer for each.[2] The young talent, unable to find decent employment at home, is leaving the country in droves. Foreign recruiters are sometimes keepings tabs on promising young students starting from their third year of studies. Up to 75 percent of the graduates of one faculty of the Moscow Bauman University of Military Technology are now working abroad. The figure is 85 percent for the Biology faculty of Moscow State University. The young graduates can hardly be accused of lack of patriotism. The Russian Defense Ministry can offer them neither grants, nor stipends, nor attractive employment.

Every year, researchers and educators tell students not to waste their time on degrees in law, economics, journalism, or political sciences. The labor market is chock-full of unemployed journalists, economists, and lawyers. And every year the students take this advice, then do exactly

Table 1. **Defense Exports 1999–2009**[3]

		Defense industry		
Year	Total Russian exports, billion dollars	Exports, billion dollars	Share of total exports, %	Exports in billion rubles[4]
1999	75.6	3.393	4.49	91.61
2000	105.0	3.681	3.51	103.66
2001	101.9	3.705	3.64	111.67
2002	107.3	4.810	4.48	150.79
2003	135.9	5.568	4.09	170.83
2004	183.2	5.855	3.19	168.68
2005	243.8	6.126	2.51	173.24
2006	303.6	6.464	2.13	175.76
2007	354.4	7.40[5]	2.08	191.29
2008	471.6	8.35[6]	1.77	207.49
2009 (forecast)		8.56[7]	–	–

the opposite. There is certain logic to it: has anyone heard recently of a factory recruiting young engineers? In what industry (apart from oil, gas, and software) can a technology graduate find decent pay, career prospects, and a social security package for himself and his family?

The state corporation *Rostekhnologii* has taken to setting up special departments at leading universities to train its future staff. But, whichever way you look at it, the career path the corporation is laying out before these students is that of bureaucrats, not industry specialists.

Under a program of Russia's social and economic development announced by Dmitry Medvedev at an economic forum in Krasnoyarsk back in 2008, before his election as president, Russia's hi-tech exports were expected to grow by 15–20 percent every year to reach $60 million–$100 billion by 2020 (the current figure is $6 billion–$8 billion).[8] It is hard to say whether we are any nearer to reaching those targets than we were back in the 1990s.

Some nations have found a way to adjust their defense industries to serve foreign markets. The Israeli defense sector has to export three-quarters of its output, so that Israel's own army may receive the remaining quarter. The country's compact and high-tech defense industry is very competitive and shaped to cater to the needs of the international arms market. But let us not forget that its success is predicated to a large degree on American military technology used by the Israelis, and on the efforts of 2,000 private Israeli intermediary companies plugging Israeli arms all over the world. Meanwhile, in most NATO countries the national defense industries mainly supply their own national armed forces. In the United States,[9] our constant competitor, domestic military procurement dwarfs arms exports by a factor of at least 7 (and as high as 10 in some years).

Russia's defense industry is much larger than Israel's. The world arms market is simply not large enough for it. So, in order to win its own place in the sun, Russia, as usual, has chosen its own strategy: state monopoly on arms exports, and a single state-owned arms trading company.

The state-owned intermediaries have been given the full set of instruments to bolster Russian arms exports. They are now backed by Russian diplomats and secret services—even the president himself sometimes lobbies arms exports deals on the highest level.

MARKET IS THE KEY

The international arms market is thought to be very competitive. Rival bidders for defense contracts often have to resort to price-dumping techniques, bribe the potential customers by transferring sensitive technology to them, or make use of political connections to win the contract. Kickbacks, collusion, black PR—all the dirty tricks that fall under the definition of unfair competition—are rife.

But sometimes things are just the other way around: arms exporters abandon the market, leaving it all to their main rivals. It is hard to imagine a situation whereby a huge chunk of the world market for, say, beef or consumer electronics is completely dominated by a sole supplier, who can then dictate the terms and prices. But in the arms trade that is exactly what happens sometimes. For various political reasons—such as the fight for democracy or human rights—Western countries sometimes impose sanctions against countries they do not like. As a rule, these sanctions include restrictions on arms sales.

India fell foul of such restrictions after conducting nuclear tests. The Tiananmen events of 1989, when the Chinese authorities brutally suppressed student protests, led to a ban on the sale of Western arms to China. The list of the countries that are not allowed to buy weapons from Europe or the United States is quite long. Apart from China, it includes Iran, Venezuela, Cuba, Syria, Myanmar, Uzbekistan, Belarus, and others. And for some strange reason this list happens to look very similar to the list of Russia's traditional defense customers. The United States and the EU have essentially made the Russian defense contractors a free and generous gift of the Chinese, Iranian, Venezuelan, Syrian, and even part of the Saudi market, as well as some others. There is a virtual fence around these markets, with a complicated Western exports control system along its entire perimeter. But there are also gaping holes in those fences, through which Russia is driving not just carts but full-size containers.

These countries account for over half of Russia's defense exports. The West has essentially granted Russia a monopoly on arms sales to these countries, turning them into a competition-free haven for Russian defense contractors.

About 10 years ago, Britain, apparently realizing the absurdity of such policy, threw its weight behind the proposed International Arms Trade Treaty (ATT), an old initiative spearheaded by a small group of enthusiasts. The essence of the proposed treaty is that the international community should introduce severe restrictions on arms sales to countries that violate human rights. The list of such countries might well include a good half of Russia's defense customers—in fact, Russia itself appears at risk of being blacklisted.

On December 6, 2006, the UN General Assembly adopted resolution 61/89, ''Towards an arms trade treaty: establishing common international standards for the import, export and transfer of conventional arms.'' Backers of the proposed ATT say it should be legally binding; it should contain clear criteria for denying a country the right to import arms; effective implementation and verification mechanisms; and punishment for those who violate their commitments. The resolution was passed by 153 votes, which suggests that the overwhelming majority of the international community would be interested in such an agreement.

The proposed ATT is nearing the moment of truth, and Russia will soon be forced to make its opposition to the initiative known. Until now, Moscow has been trying to avoid this, for appearances sake. In the meantime, Russia has the gaping holes in the fences all to itself—although countries such as China, Israel, India, Iran, and North Korea are also trying to grab their share of the pie.

COMPONENT ASSEMBLY

In the past 10 years, a new woe has brought sleepless nights to Russian arms makers and concerned members of the public alike: theft of Russian military technology. There have been some examples of daylight robbery, of course. In one of the most flagrant episodes, China signed a contract in 1996 for the licensed assembly of 200 Russian Su-27SK fighter jets under the local brand name J11. But after taking delivery of 95 assembly kits, 180 AL31F engines and all the accessory equipment, the Chinese announced in November 2004 that they no longer needed the Russian parts for the Su-27s.[10] For the next three years, Russian aircraft makers wondered how the Chinese were keeping their planes flying without buying any spare parts from Russia. Then finally, in early 2007, the Chinese demonstrated their own new fighter jet, the J11B, which experts easily recognized as a clone of Su-27. China promptly put the new jets up for sale, and Pakistan became the first buyer. As an option, the Chinese also offer clones of Russian air-to-air missiles, including the latest Russian R-77, which they market as PL12.

Similar examples are rife: China, North Korea, Bulgaria, Romania, and even Pakistan manufacture and export clones of Russian weapons, created on the basis of technologies they received directly from the Soviet Union or acquired by reverse engineering. Some of them have been taken to court by Russia, but seldom with any success. It is hard to shut down the *Arsenal* plant in Bulgaria, for example, when the Kalashnikovs it produces are bought in huge quantities by the Pentagon for the army in Afghanistan.

To a certain extent, Russia inherited this problem from the Soviet Union, which had the generous habit of bestowing entire weapons plants upon its Communist brethren and other friends abroad. But the Chinese J11B is a very recent affair. China is using the usual method of first buying assembly kits, and then learning all the secrets of manufacturing the required components at home. But that trick is not a Chinese invention. Not so long ago, the Soviet Union itself was making use of it to build up its economic and military muscle.

Large component assembly in its pure form is just an illusion of developing technological prowess at home. Witness the Russian auto industry, crumbling under the pressure of foreign-owned assembly plants. In Izhevsk, where the Soviet-era auto plant is now assembling South Korea's KIA sedans, the locals joke that KIA stands for Kill Izhevsk Auto industry. All that the foreign car-makers want from Izhevsk's own car designers is for them to disappear quietly and with no extra fuss.

On the other hand, cloning poses a serious problem only to those weapons designers who have stopped making any real progress and begun falling behind the leaders. Even Russia's latest AA-12 Adder missile was commissioned back in 1984—which means it is already 15 years old.

I remember a story told by an engineer from *Arsenal*, a Kiev weapons maker, who had travelled to Beijing to read lectures to Chinese students. ''When I read the lectures to them two years ago, I did not see a flicker of understanding in their eyes,'' he said. ''But the Chinese are quick learners. Now they understand a lot, and they ask the right questions. I think in three or four years' time we will have nothing left to teach them.'' That conversation happened 10 years ago.

There is a general opinion among American analysts that during the Cold War America's military technology was 10 years ahead of the Soviets and 25 years ahead of the Chinese. Now they believe that some of the Chinese technology is actually more advanced than Russia's.

There are growing indicators that those whom we scoffed at 10 years ago, dismissing them as mere apprentices of the world's arms smithy, have now learned from the best and started making weapons that beat the Russian competition. It looks as if we are in for some nasty surprises.

TRADE TALENT IS THE KEY

Brief vacillations of Russian arms exports policy in late 2000 ended with the creation of an integrated state-run system, completely dominated by the president's office. This system remains the sole channel of Russia's arms exports to this day. Let us not delve into foreign experience of resolving the issue of competition between the same country's arms manufacturers on the foreign markets. Russia has defeated internal competition by means of complete centralization of the arms trade: in 2000, the number of authorized arms trade intermediaries (all of them state-owned) was cut from three to one.

The ensuing battle between two trends—expanding the number of exporters versus cutting it down—ended with a convincing victory by the second trend. As of late 2006, as many as 23 defense contractors had independent exports rights (five of them were allowed to export finished products, and 18 spare parts, as well as repair and maintenance services). But in January 2007 there was only one company left that had the right to export finished military product—the state-owned intermediary *FGUP Rosoboroneksport*.[11] The other four contractors who previously had the same rights (*FGUP RSK MiG*, *GUP Instrument Design Bureau, OAO VPK NPO Machine-Building*, and *FGUP Machine-Building Design Bureau*) were allowed to complete the deliveries on their existing contracts, but not to sign any new ones.

Proponents of absolute centralization love to tell stories of how competition between Russian arms exporters (who sometimes offered exactly the same product) had sometimes led to them undercutting each other's prices. But let us also recall that the Committee for Military and Technical Cooperation, renamed in 2004 the Federal Service for Military and Technical Cooperation (FSMTC), had been set up precisely to prevent such unhealthy competition. It could have solved the problem by simple regulatory measures. Absolute centralization of arms exports in the hands of the sole Russian arms exporter is leaving the FSMTC without its reason for existence.

It is widely believed that ending competition between arms exporters by means of creating a single state intermediary has allowed Russia to bolster its arms exports. In truth, exports had been on the rise even before the creation of *Rosoboroneksport*, when Russia still had three state intermediaries. Export sales rose from $2.4 billion in 1998 to $3.5 billion in 1999, and $4 billion in 2000—a growth of almost 70 percent over two years. Such growth figures have seldom been seen in subsequent years.

By becoming a window to the world, or rather a bottleneck for the entire Russian defense industry, *Rosoboroneksport* has also turned into the biggest source of cash for the languishing defense contractors. The company also became the lifeline for many Russian provinces, where the whole economy is centered on defense manufacturing.

Over time, however, the company's mission crept beyond mere arms exports. Its own managers and government officials had come to see it is the savior of the entire Russian defense industry, and possibly even a pillar of national security. The time came to raise the bar.

Table 2.[12] **Domestic Procurement[13] and Exports[14] (Excluding Repair and Maintenance of Existing Equipment)**

	2006		2007		2008	
Category	Domestic spending	Exports	Domestic spending	Exports	Domestic spending	Exports
Tanks	30	30	31	64	62	UN register data not published yet
Armored vehicles	153	114	131	74	216	
Cars	3,000	No data	4,000	No data	4,500	
Missiles and launchers (range of 25 km or more)	1 Iskander-M division (9 launchers)	1,093	1 Iskander-M division	1,498	4 Iskander-M launchers	
Artillery systems	No data	100	No data	16	152	
Combat aircraft	1	14	2	40	18	
Combat helicopters	3	21	–	15	5	
Warships	–	2	–	–	4	

The creation of the state corporation *Rostekhnologii* became the next logical step in the process of defense industry centralization. The tip of *FGUP Rosoboroneksport* separated from the mother company and stared to expand, swallowing defense contractors by the dozen, loss-making and profitable alike. The new goliath has now consolidated 340 defense companies (440 facilities), and digested its erstwhile exports competitors along the way. *Rosoboroneksport*, which was its parent company, is now itself a subsidiary. Some observers have dubbed the resulting giant a commercial ministry.

By dint of securing a monopoly on arms exports, the top managers of *Rosoboroneksport* (ROE), who have also become the top managers of *GK Rostekhnologii*, have also monopolized the right to decide the future of the Russian defense industry. Export monopolists turned arch-managers now have the complete freedom to reform the entire defense sector. Its future now depends solely on the competence and professionalism of the former ROE people, the new superhumans from *Rostekhnologii*.

Part 1 of the business plan drawn up for the industry by the *Rostekhnologii* managers had all the hallmarks of a commercial enterprise. Of the 350 companies that had become subsidiaries of the new corporation, quite a few were to be put up for sale (together with those companies, the corporation received the title to 15,833 properties and 1,243 land plots). The proceeds were to be channeled into modernizing the remaining companies, those that were deemed the most promising.

But the world financial crisis has thrown a spanner in those plans. Property prices have collapsed, and even the most attractive companies will not become saleable again for another three or four years. *Rostekhnologii* will now have to rely on budget funding: the state weapons development program, army procurement, federal programs, and export revenue of its subsidiaries.

Rostekhnologii is now busy reorganizing its numerous subsidiaries. The corporation now owns several civilian air carriers, 157 various defense companies, and 173 research institutes and design bureaus. The corporation is planning to set up 19 holding companies in four key sectors:

- ammunition and special chemicals—five integrated structures and 57 organizations;
- radioelectronic industry—seven integrated structures and 144 organizations;
- conventional arms manufacturing—four integrated structures and 43 organizations; and
- aerospace industry—three integrated structures and 43 organizations.

All the 19 holding companies will be monopolists in their own sector of the market.

The need for this kind of reform of the defense industry had become obvious 15 years ago. The government is making a belated step in the right direction. But *Rosoboroneksport's* early success

could yet prove its downfall. Freed from the pressure of competition, the state monopolist has become a lifeline for successful companies, and a beacon of hope for the failing ones. But is the monopolist's experience of operating in a relatively competition-free market enough to succeed in a business whose nature is quite different from just selling arms? Arms traders tend to look down on defense manufacturers: it is the state intermediary who keeps those manufacturers afloat. But running the actual defense sector, taking care of all the funding problems and keeping the workers paid on time—that is quite a different thing.

Of course, one of the benefits of setting up *Rostekhnologii* is that the top defense industry managers will now be able to look at the problem of after-sales service of Russian equipment from the point of view of the manufacturer rather than the exporter. It is the manufacturers who are now facing all the red tape trying to sell their wares abroad. Repair and maintenance is a huge segment of the world arms market, and the main source of income for the Israeli defense industry. But the Russian weapons makers have tended to ignore this segment, because it involves too much meticulous work and too much bureaucracy.

''As of now, the *Rostekhnologii* people have not really shown themselves to be a successful team of managers,'' says Vladimir Rozhankovskiy, a senior analyst with *Tsentrinvest*. ''Take for instance *VSMPO Avisma.* After *Rostekhnologii* took it over, it somehow contrived to make a loss even as the world prices for titanium sponge (one of *Avisma's* main exports) were on the rise.'' Rozhankovskiy believes that the corporation suffers from excessive centralization of management: all the decisions are made in Moscow, while the local managers can only do what they are told.[15]

The corporation is now preoccupied with structural reform. But once that reform is complete it will have to get down to the business of making and developing new weapons. Without serious funding, that will be a tall order. There is little hope for private Russian investment in the industry. *Rostekhnologii* has traditionally relied on two strategies here:

- ❑ asking for state funding (witness the frequent dollops of state aid dispensed to *AvtoVAZ*); and
- ❑ setting up joint ventures with more successful foreign counterparts.

The examples are many:

- ❑ the sale of a stake in *AvtoVAZ* to *Renault*;
- ❑ the transfer of a 25-percent stake in *Sukhoi Civilian Aircraft* to Italy's *Alenia Aeronautica*;[16]
- ❑ the construction of a new facility on joint assembly of *Augusta* helicopters by *Rostekhnologii* and *Augusta*;[17]
- ❑ a joint aircraft parts venture between *Boeing* and *VSMPO-Avisma*, a titanium producer;[18]
- ❑ a joint venture with Italy's *Finmeccanica*, an engineering holding, to produce carbon fiber components;[19]
- ❑ a consortium between Italy's *SELEX Sistemi Integrati* and *OAO Rossiyskaya Elektronika* to produce security systems for high-security facilities;
- ❑ a tire production joint venture with *Pirelli*;[20]
- ❑ a joint venture with *Hyundai* to manufacture heavy engines at the *Yaroslavl* tractor plant;[21] and
- ❑ the sale of a 10-percent stake in *KAMAZ* to Germany's *Daimler*.[22]

Director General of *Rosoboroneksport* Anatoly Isaykin had this to say about attracting foreign capital: ''The defense industry has long had a lot of spare capacity. That is explained by the crisis of the 1990s, during which the defense industry was obviously the hardest hit. Overcoming the effects of that crisis is a long process, and it will take serious financial injections. We need to attract investors, including private investors, possibly even non-residents. The important thing is to make sure they are strategic partners.''[23]

And although Russian defense industry captains are still sticking to the traditional line that foreign capital has no place in the Russian defense industry, President Dmitry Medvedev signaled a major shift during a sitting of the Commission for Military and Technical Cooperation on July 11, 2008:

> We cannot always go it alone in terms of military and technical cooperation facilities. We have a good potential, but nevertheless, cooperation is always needed. Especially during crisis, cooperation helps us reduce the financial burden and step up scientific and technical exchange. So our task is to make practical steps in this area.[24]

Rostekhnologii could well be formulating the framework of such cooperation now. Let us hope that we will soon see new joint ventures in the defense sector being set up with India, France, Germany, and Israel.

FIRST DRONE

The contract to purchase Israeli-made Hermes drones for the Russian Defense Ministry has brought to light some of the chronic problems of Russia's army and its defense industry.

Soviet engineers were among the pioneers of research into pilotless aircraft. Back in the early 1960s, the Soviet army received the fist samples of the La-17P drones, based on a flying target, and of the Tu-123 drones (long-range photo and radio reconnaissance complex DBR-1 Yastreb) based on a cruise missile. In the early 1980s, the Soviet Union was manufacturing drones by the hundred.

The years immediately after the collapse of the Soviet Union saw rapid progress in unmanned aerial vehicles (UAV) all over the world. The leaders in the sector are the United States, Britain, Israel, France, Germany, and Sweden—but not Russia.

The situation was further complicated by the transfer in 2002 of Army aviation to the Air Force. That decision by the Defense Ministry deprived UAVs of their main potential customer, and created a strange situation: while drones were rapidly gaining recognition and funding in the rest of the world, in our country the area became the preserve of enthusiasts. The top brass were adamant that in a real war, drones would be useless.

Those who could put the drones to the best use—the Army—have by now lost the specialists who could formulate a coherent set of requirements and specifications for the Russian manufacturers. The Air Force probably does still have the necessary expertise—but it just fails to see the point of UAVs, and cannot get its head around the idea of a plane without pilot.

The last time the Russian armed forces took delivery of a drone was more than 30 years ago. Those who understood the tactics of using that weapon and could formulate the technical specifications and requirements for it have now reached pension age. What is more, our defense contractors have fallen far behind the rest of the world in this area. There is now simply no point in trying to improve the existing engines, photo sensors, communication, and navigation systems—all of that has to be designed from scratch.

The Russian top brass may be right after all: buying the Israeli drones could allow them to ''better understand the principles of their use,'' as deputy defense minister Vladimir Popovkin put it. And the Russian designers will now be able to have a close look at the key parts and components of the drones.

But the deal has given the general public a glimpse of the truth about the real state of the Russian army's technology. There had been plenty of information even before that, but hope still lingered that one day our country would pull together and overcome these problems. But the drones have become the first problem to which no domestic solution was found. The Russian army has been forced to admit that Russia's own defense contractors cannot fulfill its requirements, while the contractors received further proof of the degradation of the army's specialists. The deal is a symbol of the Russian defense industry's decline, and of the breakdown of relations between the armed forces and the industry, between the authorities and the Russian defense companies, and between the government and the military.

We have of course heard assurances that this is a one-off purchase which will only help Russia's own designers. But the facts suggest otherwise. What Russia has bought from *Elbit Systems* is not the latest technology, which our defense contractors could really put to good use. Instead, it has bought a fairly aged drone—and the money eagerly expected by the Russian designers of UAVs has been sent to Israel instead. What hope remains that the next batch of drones bought by the Russian army will be made in Russia itself?

Drones are not the only technology Russia has lost or failed to develop. Which is why this will not be the last time that Russia's army and its weapons designers will have to seek help from abroad.

It is already becoming a trend. The Emergencies Ministry, the Interior Ministry, and the secret services have long taken to shopping abroad for their equipment and technology. Russia's defense contractors themselves also import many components, including French thermal vision systems for tanks and helicopters, and Israeli electronics for Russian aircraft. The Israeli Hermes drones are only unique in a sense that this is the first time the Russian Defense Ministry has bought a finished weapons system rather than a component. And the contract was signed despite the fact that almost a dozen Russian companies (from small outfits created by model airplane enthusiasts to Sukhoi design bureau) are developing their own drone technology.

There is an Arab saying: What has happened once may never happen again, but what has happened twice certainly will happen a third time. So let us keep an eye on further developments and hope that *Rosoboroneksport*, the Russian arms exporter, will not one day turn into an arms importer.

MIDDLE-AGE CRISIS

No matter how hard Russian bureaucrats try to play down the scale of the crisis in the Russian defense industry, they cannot put a smokescreen around the numerous setbacks that have plagued Russian arms exports in recent years. Problems with supplying Russia's own army can be classified and swept under the rug. But blunders with Russian arms exports promptly become known from foreign sources.

The list below contains just a few most notable examples:

- In 2008, Algeria returned 15 MiG-29 fighter jets which Russia delivered in 2006–2007. The Algerians said the jets had been made ''using second-hand and low-quality parts and components.'' At first, Russian specialists blamed the incident on politics. But in 2009 a group of Russian suppliers were indicted on criminal charges for supplying substandard parts for the assembly of the jets for Algeria.

- The Indian Air Force has said it will not buy any more of the Russian Il-78 aerial refueling tankers, which the country has been using since 2003. The Indians say the planes do not meet their requirements. Instead, they will buy Airbus A330 MRTT from Europe's EADS. The Indian military have also been complaining about the Russian arms exports system.

- Delays and cost overruns on the contract to deliver the aircraft carrier *Admiral Gorshkov* to the Indian Navy have led to a conflict between the two sides. The initial budget of $1.5 billion (which included the carrier-borne aircraft and other weapons systems) has spiraled to $2.9 billion dollars, and the delivery deadline has been pushed back from 2008 to 2012, because of the wrong initial estimate of the costs and the falling purchasing power of the dollar. So far, India has not agreed to make any extra payments, and negotiations have already been dragging on for several years.

- A $1 billion contract signed in 2005 between *FGUP Rosoboroneksport* and the Chinese government to supply 38 Il-76 MD and Il-78 MK military transports is on the verge of collapse due to financial and organizational problems faced by the Russian supplier. Vladimir Putin has said he will personally monitor the situation.

- The $1.6 billion contract to build three frigates of the 11356 design for the Indian Navy was plagued by disputes over costs, delivery deadlines, and quality. The delivery of the frigates was pushed back by a year due to problems with the Shtil air defense systems.

There are growing problems with the quality of Russian-made weapons. In 2006, foreign importers of Russian military equipment raised 1,586 complaints, including 443 concerning planes and aviation equipment, 646 concerning air defense systems, 144 concerning conventional arms and 353 concerning ships and naval equipment.[25] The costs of fixing the quality problems found during the manufacture, testing, and operation of Russian military equipment sometimes reach 50 percent of the initial production costs. The figure for foreign competitors is less than 20 percent.[26]

The situation is compounded by the rising costs (wages, energy prices, materials, and components), which translate into rising export prices without any discernible improvement in performance or reliability.

Unless these trends are reversed, Russia risks becoming completely uncompetitive on the international arms market in terms of quality, price, and delivery time. In the past, foreign buyers praised Russian arms for being roughly equal to Western rivals in terms of performance, while also being 30–40 percent cheaper. That competitive edge has now all but disappeared.[27] This sad state of affairs is reflected in figures.

Russia's decline as an arms exports power has been registered by *Defense News*, an influential American weekly which compiles an annual rating of the 100 biggest international defense contractors. There is not a single Russian company in the Top 10 of that list. In 2007, the top Russian entry was *PVO Almaz-Antey* (ranked 24th), followed by the *Sukhoi* holding (37th), *NPK Irkut* (47th), *OAO Tactical Weapons Systems* (50th), *OAO Russian Helicopters* (62nd), *Ufa Engine Building Concern* (72nd), *OAO Aerospace Equipment* (80th), *Instrument Design Bureau* (81st) and *MMPP Salyut* (84th).[28] None of the Russian defense contractors is expected to make it to the Top 20 in 2008, though the list will probably include *Almaz-Antey* and some aerospace companies that are part of the *United Aircraft-Building Corporation* (OAK).

For various reasons—most of which have to do with the difficult state of the defense industry—experts do not expect a serious rise in Russian arms exports in the next few years. Suffice it to look at recent statistics. In 2006, Russia signed $14.43 billion worth of defense contracts (the corresponding U.S. figure was $18.45 billion). In 2007, Russian exports fell to $6.74 billion (while the American rose to $40.41 billion). In 2008, Russian arms sales fell even further to $6.03 billion, while U.S. exports rose to $59.34 billion.[29] From its second ranking in the world league table of arms exporters in 2006, Russia sank to fourth in 2008, falling behind France with $13.86 billion and Germany with $8.85 billion. The other nations in the Top 10 are Australia, Italy, Israel, the Netherlands, Britain, and China. The total arms exports turnover in 2008 was $101.314 billion dollars. Russia's share of it was just 5.95 percent.

The figures in Table 3 are not inflation-adjusted, so if we assume that the average annual inflation over that period ran at 10 percent (the actual figure is much higher than that), then the growth in ruble equivalent turns into real-terms stagnation.

The picture becomes even bleaker if we take into account the rising costs of manufacturing arms for exports, primarily due to the growing imports of foreign-made components. These components tend to be very expensive, because they determine the performance characteristics of the finished product. They include targeting systems (from Israel), avionics (from France), and jet engines (from Ukraine). About 70 suppliers from eight CIS nations (Azerbaijan, Armenia, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Uzbekistan, and Ukraine) are involved in the manufacturing of the Russian Su-27 and Su-30 fighter jets. This means that Russia is seriously dependent on imports, and relies on foreign suppliers for the manufacture of much of the military equipment it exports or builds for its own army. And given Ukraine's plans to

Table 3. **Russian Arms Exports in 1999–2009, in Rubles***

Year	Exports, in billion rubles[30]	Growth, in ruble equivalent, %
1999	91.61	
2000	103.66	13
2001	111.67	7
2002	150.79	35
2003	170.83	13
2004	168.68	−1.6
2005	173.24	2.7
2006	175.76	1.5
2007	191.29	8.8
2008	207.49	8.5

Note: *Data for total exports calculated using balance of payments method.

join NATO, the situation with the import of foreign-made components becomes even more worrying.

The woeful state of the Russian defense industry, which also translates into serious problems with arms exports, leaves little hope for a speedy recovery. In 2006, Russia signed $17.8 billion worth of arms exports contracts. In 2007, the figure fell to $8.5 billion. The portfolio for 2008 was $10.97 billion (provided that the delivery deadlines did not slip). The figure for 2009 was $7.96 billion, and is $6.36 billion for 2010.[31]

Experts believe that five or six billion dollars in annual arms exports is all Russia can reasonably hope for. This figure will remain unchanged (or maybe even start falling) until the Russian defense industry can come up with new modern technology and weapons that are internationally competitive.[32]

The key problem is that up to 75 percent of the industry's manufacturing capacity needs replacing, but no more than one percent of it is actually replaced each year. The minimum annual replacement rate should be at least 8 percent–10 percent.[33]

SKIMMING THE DRY RATIONS

Pervasive corruption and lack of financial discipline in all government institutions is further compounding the already disastrous state of affairs in the Russian defense industry. The most frequent manifestation of corruption in the industry itself is kickbacks and phony tenders, in which only one supplier is allowed to bid for the contract.

It has already become the norm for the government not to pay the defense contractors the full amount they are owed. Payment delays are rife, and contractors are forced to spend an inordinate amount of time begging for the money that is due to them under the contracts. It is not unusual for first yearly payments to start arriving towards the middle of the year, by which time all the production plans and targets have already been missed. In 2009, it took the Russian president's personal intervention for the money owed to the defense contractors to be disbursed from the state budget.

Here are a few typical stories we have heard from defense industry captains:

- ''The numbered [secret defense industry] facilities were created specifically for the purpose of repair and maintenance of the Navy ships. But now, any Moscow firm can win the tender, after paying kickbacks to the right people apparently, and then they come to us and look for someone to do the actual work—and they make a tidy profit on the whole operation of course.''[34]

- ''What is the purpose of the Defense Ministry's tenders and auctions if the required product is produced by only one company in the whole country? We prepare the bid, do all the paperwork, and in the end it turns out that we are the only bidder! We lose up to two months trying to outbid ourselves, and then another two months to agree the price three times over.''[35]

It stands to reason that a certain increase in Russian military procurement spending coincided with a huge leap in the prices of military equipment and components. The price of some aircraft parts had doubled or tripled in the space of three years. According to the first deputy head of armament at the Russian Defense Ministry, Lt. Gen. Vladimir Mikheev, the price of a tank supplied by *Uralvagonzavod* was 42 million rubles in late 2006. In January 2007, it rocketed to 58 million.[36]

In 2008, the Audit Chamber reported numerous cases of financial irregularities, to the total sum of almost three billion rubles, after the audit of budget spending on national security. Almost 695 million rubles of public funds were misused. More than 462 million rubles have been reimbursed to the public coffers following the audit.[37]

ASYMMETRIC PATTERN

Russia today is not the Soviet Union, which was prepared to stand almost alone against the entire capitalist world, and bear the brunt of the Warsaw Pact's military spending. The defense sector

accounted for up to 80 percent of the entire Soviet industrial output. Civilian industries and agriculture were almost an afterthought. Hardly anyone would advocate a return to those days.

As Russia plans to deter any potential adversary by the threat of an asymmetric strike, it should keep in mind that Russian defense spending makes up only three or four percent of the world total, whereas the Pentagon's share is 47 percent, with the remaining NATO nations accounting for a further 21 percent.

In 2006, the Russian government formulated the state program of weapons technology development (WTD) for the period to 2015, and allocated 4.939 trillion rubles ($186 billion) for these purposes. Some 63 percent of that sum ($117 billion) will be spent on buying new weapons for the Russian army, and the remaining 37 percent ($69 billion) on R&D. The funding of this ambitious program is comparable to what America spends on its military in one year: in 2007 the figure stood at $134 billion for procurement and $77 billion for military R&D. Another review of the WTD program is now under way in Russia, and so far it is not clear what the new spending plans will be, given the effects of the financial crisis.

Russia's military spending is comparable to that of China or Britain, which means that for the next few years at least, we shall not be able to shell out tens of billions of dollars on developing an ABM system or uniting all Russian combat units under a single command system dubbed ''Combat Systems of the Future.'' Even the GLONASS satellite navigation system is proving a bit too expensive for now—though the Europeans are not finding their own *Galileo* system cheap either.

Similar doubts exist regarding the feasibility of the plans to build six new aircraft carriers: each one would cost $4.5 billion. Considering the saga of *Admiral Kuznetsov* (Russia's only heavy carrier), it is hard to imagine that the new carriers will be much cheaper to build or operate. The annual running cost of *HMS Invincible* was about 60 million to 70 million pounds ($110 million).[38] This suggests that the six carriers will cost the Russian budget about $660 million every year.

With such levels of spending on military procurement, it is not the United States or NATO that the Russian army will soon be catching up with, but third world countries.

Nevertheless, the Russian defense industry must spend what is, by international standards, a shoe-string defense budget wisely and efficiently—especially considering the vast territory that needs defending. This means that the Russian defense contractors will have to learn frugality.

Table 4. **Russia's Military Spending, Procurement Budget and Exports in 2000–2009***

Year	Total military spending, billion rubles	Procurement budget	Procurement share in military spending, %	Procurement compared with exports, %
2000	201.248	19.473	9.68	18.78
2001	291.464	32.326	11.1	28.95
2002	322.721	29.437	9.12	19.52
2003	442.477	77.313	18.3	45.26
2004	589.787	121.929	20.7	72.28
2005	658.965	119.840	18.2	69.18
2006	815.933	116.116	14.2	66.07
2007	942.042	143.083	15.2	74.72
2008**	1186.92	225.5	18.99	92.01
2009**	1300.0	332.0	25.54	129.3

Notes: *According to deputy defense minister Vladimir Popovkin, in 2009 the Russian Defense Ministry would buy 49 new and upgraded aircraft (the figure probably includes the planes returned by Algeria; reports in late 2008 said the Defense Ministry had allocated an additional 20 billion rubles to buy equipment for the Air Force), 31 helicopters. and 304 armored combat vehicles.[39] **Figures for 2008–2009 are based on a statement by Deputy Prime Minister Sergey Ivanov, who said that total military spending in 2008 was 28 percent up on 2007, and procurement made up 19 percent of total spending. According to the same statement, military spending in 2009 would be 1,300 billion rubles, with 332 billion rubles allocated for buying new arms and equipment.[40]

In 1912, labor productivity in Russia stood at one-quarter of the U.S. figure, and one-third of the German. Surprising as it is, almost a century on, those proportions have not changed at all. An average Russian worker still produces one-quarter to one-third of what his average Western colleague does in the same period. Russia's inefficient industry needs reform, and what we are witnessing today is yet another attempt to begin a new reform, since we cannot seem to finish all the previous ones.

In any new weapons development program, cost savings must be the paramount concern. The time has come for standard platforms. In 2008, the Russian Air Force operated 2,800 airplanes and helicopters. Many of them will remain in service for another decade or two. ''The Air Force now places a separate order for an individual upgrade package for each type of its aircraft, including MiG-29, MiG-31, Su-24, Su-25, Su-27 and Su-30,'' says Alexey Shulunov, former president of the League of Defense Contractors. ''That is a waste of resources. What we need is a standard upgrade kit that can be fitted onto any plane, as and when the need arises. Mass production of such kits would save significant costs and simplify the upgrade program.''[41]

The Russian armed forces have no other choice but to adopt a modular design, building various weapon systems from standard navigation, communication, radiolocation, electronic warfare, and firepower Lego blocks. With limited military spending, only mass production can ensure an adequate defense capability for a huge country such as Russia, and keep its military technology up to date. The combination of such blocks can vary for each individual combat unit, but they must all come from the same basket of modern Russian-made components (the absence of such components is another key problem).

In order to implement that strategy, the power to place orders for arms and military equipment must lie with a single body rather than dozens of sundry agencies. That body must be made up of qualified technical specialists who will channel the procurement flow using unified technical solutions.

Such an approach would be far more effective for optimizing procurement and saving costs than a system of phony tenders. Attempts to create such a body have already been made. Several years ago the government set up the Federal Agency for Military and Special-Purpose Procurement (Rosoboronpostavka)—but until now, that agency has not made its presence known in any discernible way.

Gigantic defense factories and design bureaus appear, for the most part, to be a thing of the past. America's experience suggests that the development of new technologies and materials, and especially the research into ''next-generation technologies'', is largely concentrated in the hands of two groups: first, the non-profit state corporations, universities, colleges, state-funded and private laboratories, and federal contract centers; and second, small companies (associations, partnerships, cooperatives, joint ventures, and start-ups funded by venture capital). The bulk of the new American discoveries and inventions over the past 30–40 years (five in every six, in fact) were made by specialized small and medium firms. Small firms account for 25 percent–40 percent of Pentagon and NASA spending on blue-sky research and conceptual design in the areas of civilian and military technology and R&D programs. U.S. legislation contains provisions aimed at supporting small businesses, including a compulsory quota (of up to 50 percent) for small business subcontractors in contracts awarded to large corporations.[42]

Most of Russia's defense contractors long ago switched into survival mode: 45 percent of them are getting by on zero-margin army procurement contracts, another 45 percent operate on margins of eight percent or less, and only a few can boast margins of up to 15 percent. In such a situation, not many defense companies can afford to take out a bank loan and pay 20-percent interest. ''The contractors that supply the Russian army under the state procurement program are given a deflator of six percent,'' says Alexey Shulunov. ''But annual inflation is running at 9–14 percent, and they have to pay the market price for all the materials and components. That is why they are simply forced to operate at a loss, they cannot make a profit with these six percent. Their costs are high, regardless of whether they are working on a state procurement contract or not. So the conclusion is simple: we need to sort out the prices.''[43]

In the United States, the prices charged by defense contractors are also fixed. So it would appear that the U.S. defense companies working on army procurement contracts are in the same bind as their Russian counterparts: such contracts do not bring quick profits. But in the United States there is an entire system of tax breaks and other preferences for the defense contractors. That makes it possible for companies working on government procurement programs to turn the same

kind of profit their rivals make in the open market. Defense procurement in America is based on a federal system of contracts which provides employment for more than 300,000 people who sort out the legal, economic, organizational, and managerial issues. The United States has been developing that system for over 80 years.[44] Russia is only making its first steps along that path.

CONCLUSION

The Russian defense industry is in a deep systemic crisis. For 17 years, since the collapse of the Soviet Union, its survival has depended on exports. But this well has now almost dried up.

The Russian defense industry today still remains nothing more than a huge chunk of the Soviet defense complex, the only difference being that Soviet industry created modern military equipment, while the Russian builds mostly obsolete Soviet-era weapons. The system needs profound and costly reform.

Russia's own defense procurement must be the engine of recovery. But on its own it probably will not be enough to turn the industry into a compact and efficient sector of the Russian economy. It will take strong will on the part of the Russian leadership to overcome the inertia of the past and find a solution to the three key problems plaguing the Russian defense industry: staffing, funding, and technology.

Analysts from the Federation of American Scientists have provided this assessment: ''If Russia does not undertake a massive increase in military spending soon, their military will be about as capable as the Pope's Switzers—nice to look at, but no threat to anyone.''[45]

NOTES

[1] The plan is to begin the construction of five or six carriers in two or three years' time—they are expected to become the core of Russia's Northern and Pacific fleets.

[2] Statement by Vladimir Fedotkin, member of the Duma committee for budget and taxes. *Pravda* about the Duma round table. CPRF website, April 30, 2009, http://kprf.ru/dep/66105.html (last accessed September 14, 2009).

[3] Analysis prepared as part of the research project by the Institute of World Economy and International Relations of the Russian Academy of Sciences, ''Russia's military and technical cooperation with foreign countries and prospects for bolstering Russia's political and economic standing in a multipolar world,'' with the support of the Russian Humanitarian Scientific Foundation (project No 09-03-00807 a/P).

[4] Converted into rubles using the Russian Central Bank's average yearly exchange rate: 1999 – 27.0; 2000 – 28.16; 2001 – 30.14; 2002 – 31.35; 2003 – 30.68; 2004 – 28.81; 2005 – 28.28; 2006 – 27.19; 2007 – 25.85; 2008 – 24.85; See: Key economic indicators, Central Bank of the Russian Federation, http://www.cbr.ru/statistics/print.aspx?file=macro/macro_08.htm&pid=macro&sid=oep (last accessed July 28, 2009).

[5] Figures by FSMTS of Russia, *Military and Technical Cooperation* no. 43 (2008), p. 7.

[6] Russian President Dmitry Medvedev's statement at a session of the Commission for Military and Technical Cooperation; ARMS-TASS, February 10, 2009.

[7] ''Export orders portfolio of Russian defense industry tops $34 billion dollars,'' ARMS-TASS, February 24, 2009, http://armstass.su/?page=article&aid=67106&cid=25 (last accessed July 28, 2009).

[8] Maria Orlova, ''President's Four I's, or what to expect in 2020,'' *Umnoye Proizvodstvo,* http://www.umpro.ru/index.php?page_id=17&art_id_1=66&group_id_4=37 (last accessed July 29, 2009).

[9] See: Conventional Arms. Overview. *Peace and Security through Disarmament*, http://disarmament.un.org/cab/milex.html (last accessed September 14, 2009).

[10] Viktor Myasnikov, ''Russian *Sukhoi* jets, Chinese-style,'' *Obshchaya Gazeta*, April 22, 2008, http://www.og.ru/articles/2008/04/22/28741.shtml (last accessed July 29, 2009).

[11] Russian president's decree No. 54 of January 18, 2007, ''On issues of Russian military and technical cooperation with foreign countries,'' http://www.rosprom.gov.ru/documents.php?id=146 (last accessed September 14, 2009).

[12] Statistics on Russian military procurement, *Kommersant*, May 8, 2009, http://kommersant.ru/doc-rss.aspx?DocsID=1167377 (last accessed September 14, 2009).

[13] Dmitry Litovkin, ''Will 2009 defense procurement program pull the industry out of crisis?'' *Finansovye Izvestiya*, May 6, 2009, http://www.finiz.ru/economic/article1255056 (last accessed September 14, 2009).

[14] UN Conventional Arms Register, http://disarmament.un.org/UN_REGISTER.NSF (last accessed July 29, 2009).

[15] ''*Rostekhnologii* setting up holding company together with *SIBUR* and *Renova*,'' *Gazeta.ru*, February 27, 2009, http://m.gazeta.ru/?f=23&n=2950116 (last accessed July 29, 2009).

[16] ''*Sukhoi Civilian Aircraft* turns into Russian-Italian joint venture,'' PrimaMedia, April 7, 2009, http://primamedia.ru/news/09.04.2009-95346 (last accessed July 29, 2009).

[17] ''Russia and Italy to build helicopter assembly plant,'' Vesti, April 7, 2009, http://www.vesti.ru/doc.html?id=272514 (last accessed July 29, 2009).

[18] ''*Boeing* and *Avisma* to set up a joint venture in July,'' ITAR-TASS, April 7, 2009, http://www.gazeta.ru/news/business/2009/04/07/n_1349634.shtml (last accessed June 15, 2009).

[19] ''*Rostekhnologii* and *Finmeccanica* sign partnership deal,'' ARMS-TASS, November 7, 2008, http://www.army.lv/?s=670&id=14847 (last accessed July 29, 2009).

[20] ''*Pirelli* profit falls by two thirds,'' Motonews, April 22, 2009, http://www.motonews.ru/news.moto?id=4379 (last accessed July 29, 2009).

[21] ''*Rostekhnologii* and *Hyundai* to make engines in Yaroslavl,'' *Umnoye Proizvodstvo*, February 27, 2009, http://www.etver.ru/lenta/index.php?newsid=40867 (last accessed July 29, 2009).

[22] Alexey Shcheglov, ''*Daimler* comes to Russia,'' BFM.RU, December 12, 2008, http://www.bfm.ru/news/2008/12/12/daimler-porodnitsja-s-kamazom.html (last accessed July 29, 2009).

[23] Victor Yuzhbashev, ''Investment to lead Russian defense industry out of crisis,'' *Nezavisimaya Gazeta*, February 12, 2008.

[24] Meeting of the Commission for Military and Technical Cooperation. Statement by Dmitry Medvedev, June 11, 2009, http://zvezdanews.ru/video/day_events/0031974/ (last accessed July 29, 2009).

[25] ''Russian defense industry management system does not ensure proper quality of weapons,'' *Voyenno-Tekhnicheskoye Sotrudnichestvo*, no. 42 (2007), p. 33.

[26] Interview with Director General of *Rosoboroneksport* Anatoly Isaykin, *Voyenno-Tekhnicheskoye Sotrudnichestvo*, no. 7 (2008), p. 9.

[27] According to Anatoly Isaykin, Russian weapons prices remain 10 percent–15 percent below the world average, but it is becoming increasingly difficult to maintain this advantage. See: Interview with Director General of *Rosoboroneksport*...

[28] *Voyenno-Tekhnicheskiy Kuryer*, August 27, 2008.

[29] See: *Rynki Vooruzheniy* 9, no. 2 (2009), p. 3.

[30] Converted into rubles using Russian Central Bank's data on the average exchange rate: 1999 – 27.0; 2000 – 28.16; 2001 – 30.14; 2002 – 31.35; 2003 – 30.68; 2004 – 28.81; 2005 – 28.28; 2006 – 27.19; 2007 – 25.85; 2008 – 24.85; See: Key economic indicators, Central Bank of the Russian Federation, http://www.cbr.ru/statistics/print.aspx?file=macro/macro_08.htm&pid=macro&sid=oep (last accessed July 28, 2009).

[31] Vladimir Shvarev, ''Russia's military and technical cooperation in 2007,'' *Voyenno-Tekhnicheskoye Sotrudnichestvo*, no. 5 (2008), p. 78.

[32] See: *Voyenno-Tekhnicheskoye Sotrudnichestvo*, no. 32 (2006), p. 57.

[33] Sergey Chemezov, ''State investment in defense industry and exports,'' *Voyenno-Tekhnicheskoye Sotrudnichestvo*, no. 44 (2006), 91.

[34] ''Defense companies on the offensive,'' *Kommersant*, May 15, 2009, http://www.kommersant.ru/doc.aspx?DocsID=1168834&NodesID=7 (last accessed September 14, 2009).

[35] *Pravda* about the Duma round table....

[36] ''Russia up in arms,'' *Rossiyskaya Gazeta*, October 31, 2007.

[37] *Pravda* about the Duma round table....

[38] ''Future Aircraft Carrier – CVF,'' *Navy Matters*, January 17, 2003, http://navy-matters.beedall.com/cvf3-2.htm (last accessed July 29, 2009).

[39] See: *Voyenno-Tekhnicheskoye Sotrudnichestvo*, no. 15 (2009), p. 8.

[40] For figures on military spending and procurement, see: Conventional Arms. Overview....

[41] Interview with Alexey Shulunov by the author.

[42] Dmitry Rubvalter ,''Formation of state market and mechanisms of its regulation,'' *Ekonomicheskaya Nauka Sovremennoy Rossii,* no. 1 (2001), http://www.slon-party.ru/persons/pers_pages/rubvalter/Rubv-2.html (last accessed July 29, 2009).

[43] Interview with Alexey Shulunov by the author.

[44] Dmitry Rubvalter, ''Formation of state market....''

[45] ''Russia – A New Cold War?'' *GlobalSecurity.org*, http://www.globalsecurity.org/military/world/russia/intro.htm (last accessed September 14, 2009).

Routledge
Taylor & Francis Group

MULTILATERAL APPROACHES TO NUCLEAR DISARMAMENT: PLANNING THE NEXT STEPS

Nuclear disarmament is one of the hot topics today. The more it is negotiated, the more there is the understanding that nuclear disarmament is a multilateral process, which should involve different actors and different aspects. At present, there are certain items on the short-term agenda—the strategic offensive arms reduction treaty between Russia and the United States, the 2010 NPT Review Conference, the CTBT ratification, etc. What's next? Which other steps should be taken to promote nuclear disarmament? What are the limits of the possible?

All these questions are answered by Director of the Department of Security and Disarmament Affairs of the Russian Foreign Ministry Anatoly Antonov; First Secretary of the Embassy of Norway to Moscow Kari Eken Wollebaek; PIR Senior Vice President Gennady Evstafiev; Director of *Rosatom's* International Cooperation Department Mikhail Lysenko; Senior Lecturer in International Relations of the St. Petersburg State University Anastasia Malygina; Director of the James Martin Center for Nonproliferation Studies of the Monterey Institute of International Studies William Potter; Advisor to the Chief of the General Staff Alexander Radchuk; PIR Center Executive Board Chairman Roland Timerbaev; and Senior Fellow of the *Observer* foundation Nandan Unnikrishnan.[1]

WILLIAM POTTER (MONTEREY INSTITUTE OF INTERNATIONAL STUDIES): These are the best of times and the worst of times when it comes to nuclear disarmament and nonproliferation. It is the best of times in terms of the new political climate for disarmament due in large part to the change in administration in Washington and the political space for serious discussions about disarmament afforded by the *Road to Zero* initiative launched a little over two years ago by George Shultz, William Perry, Henry Kissinger, and Sam Nunn. It also is the worst of times in terms of the number of new and continuing nuclear challenges we face, among the most difficult of which are those posed by non-state actors.

On May 3, 2010, a four-week negotiation of the 2010 NPT Review Conference will begin in New York. This conference will be the first review conference since the disastrous one in 2005, at which delegates devoted most of their energy and time debating an agenda and ended without any substantive agreements. Although a lot has changed since then, it is by no means certain that any meaningful progress on disarmament will be reached at the 2010 Review Conference. Among the major challenges will be: the degree to which key states parties perceive major threats to the NPT and their own security; the extent to which these perceptions of threat lead countries to demonstrate flexibility in their negotiating postures; the readiness of a small number of states to flout the will of the overwhelming majority of states parties and block consensus; the presence of any political grouping that can serve as a bridge between nuclear weapon states (NWS) and non-nuclear weapon states (NNWS) and help forge common ground on pressing proliferation, peaceful use, and disarmament issues; the readiness of states parties to focus on key regional security issues, and especially that of the Middle East; the extent to which the *P-5*, the EU, and the Non-Alignment Movement (NAM), among other groups, serve as constructive coalitions in search of common ground on pressing proliferation, peaceful use, and disarmament issues, or instead use these political groupings to constrain forward motion and pursue at best a lowest common

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570687

denominator approach; the headway the United States and Russia makes in its bilateral strategic arms reductions negotiations.

In 2000, for example, many key states perceived the NPT to be in grave danger and adopted flexible postures that enabled the Conference to reach consensus on the 13 practical steps. The U.S. government, at that time, adopted the very shrewd and sensible approach that since it could accept 95 percent of what the New Agenda Coalition was proposing, it would embrace the New Agenda Coalition (NAC) proposal and let other NWS say ''no'' if they were so inclined. As a result, the United States in 2000 almost always was on the majority side, while China, Russia, and France often were isolated and found themselves in an awkward minority position resisting the disarmament measures endorsed by most assembled delegates. For its part, the NAC was able to moderate the more extreme positions usually taken by some of its NAM members and to find common ground between NWS and NNWS.

In 2000 another key factor contributing to the success of the Review Conference was the *P-5* proposal at the very start of the meeting, which removed the most contentious issue from the conference—that of ballistic missile defense (BMD). Thanks to this action by the *P-5*, the conference was able to proceed smoothly and to adopt a number of significant measures related to disarmament, nonproliferation, peaceful use, and the strengthened review process.

In contrast to 2000, in 2005 a number of countries were not anxious to reach agreement at the Review Conference. This certainly was the case for Iran, but the same also could be said regarding the United States and Egypt, both of which frequently adopted obstructionist positions which made it difficult to agree on an agenda for the meeting, much less substantive matters.

Against this backdrop, the recently concluded 2009 NPT PrepCom offers some hope that states will adopt more flexible positions in 2010. The good news is that an agenda for the Review Conference was agreed upon and states largely acted in a business-like fashion. Most countries particularly appreciated the less polemical and flexible stance taken by the United States, whose delegation was led by Rose Gottemoeller. The United Kingdom and Russian Federation also were seen as generally constructive in their interventions. Unfortunately, the same cannot be said about France and China, who appeared more inclined to play the role of nuclear *nay-sayers*. France, for example, did its best to block adoption of the PrepCom agenda, and its interventions on various issues indicate that it was very uncomfortable with the new U.S. vision of a world free of nuclear weapons. As such, one may anticipate that it will be difficult to get France to support many forward-looking proposals that seek to advance disarmament in a significant fashion at the 2010 Review Conference. China also acted very cautiously at the 2009 PrepCom and appeared to be unprepared and unwilling to discuss substantive issues. None of the nuclear weapon states any longer can rely upon the United States to block most disarmament initiatives, and may find themselves in an awkward position should new disarmament objectives be proposed. For Russia, the most difficult issues may relate to new efforts to reduce further non-strategic nuclear weapons, building on the 2000 NPT Final Document.

Should the Obama administration be successful in gaining ratification of the CTBT in advance of the Review Conference, that action would be widely regarded as a major boost to disarmament and the strengthening of the NPT. Personally, I doubt very much that the administration will be able to secure the necessary votes prior to the May Review Conference.

One issue that is likely to be very contentious at the next Review Conference is the implementation (or lack thereof) of the 1995 Review Conference Resolution on the Middle East. Egypt undoubtedly will make serious consideration of this a condition for progress on all other issues. In this regard, it was very surprising at the 2009 PrepCom that Egypt, having obtained language that it wanted on the Middle East, failed to push for adoption of the Chair's revised substantive recommendations to the Review Conference due to problems it had with other issues involving disarmament.

Although debate and disagreement over disarmament issues typically have characterized past NPT Review Conferences, my impression is that with the new orientation toward disarmament taken by the Obama administration, the most difficult issues on which to find common ground at the 2010 Review Conference may well involve those related to peaceful use. At the current time, there is a huge gulf between the views of the NWS and leading members of NAM on what must be done to prevent the spread of sensitive fuel cycle technologies, the role of fuel assurances, the Additional Protocol, and other nonproliferation initiatives which they regard as infringing on their ''inalienable rights'' to peaceful use. I believe that unless we better understand the complexity of

NAM politics and perspectives and seek to engage additional NAM representatives in the NPT process, it will be nearly impossible to make headway on disarmament, nonproliferation, peaceful use, and counter nuclear terrorism issues.

I would hope that the *P-5* can play a much more constructive role in 2010 than was the case in 2005. Although it will not be easy to reach consensus among the *P-5*, a statement on their behalf on the subjects of legally binding negative security assurances, the diminished role of nuclear weapons in their national security policies, and/or a roadmap for implementing the 1995 Middle East Resolution, would go a long way in gaining support from many NNWS for issues of great concern to the NWS such as implementing UN Security Council Resolution 1540 (and other measures to combat nuclear terrorism), universalization of the Additional Protocol, and adoption of multinational fuel arrangements such as the NTI fuel bank proposal and the Russian proposal for a multinational fuel center at Angarsk.

Nuclear-weapon-free zones are also an approach to disarmament and nonproliferation that has been one of the least noted but most successful in recent years. Today, nearly the entire Southern Hemisphere is nuclear-weapon free, and with the entry into force of the Central Asian NWFZ on March 21, 2009, NWFZs also now extend into the Northern Hemisphere. Very shortly I also expect the African zone to enter into force as only one more ratification is required. What is lacking is NWS support for NWFZs, and more specifically their conclusion of protocols to existing zones promising negative security assurances for parties to the zone.

Finally, let me say a few words about education as a very significant but usually overlooked approach to promoting both disarmament and nonproliferation. Thanks in particular to the efforts of Japan, the issue has been brought up in the NPT review process where it enjoys widespread and diverse support. If the good news is that almost all states endorse the general concept of disarmament and nonproliferation education, the bad news is that relatively little progress has been made to date in translating that support in principle into meaningful action.

ALEXANDER RADCHUK (GENERAL STAFF OF THE RUSSIAN ARMED FORCES): For nearly four decades nuclear arms reduction was the business of two countries—the U.S.S.R/Russia and the United States. The series of bilateral agreements in this area, the first of which was signed in 1972, will probably continue and the whole world is used to the fact that these two powers possessing the largest amount of nukes should be responsible for the disarmament process as well. All others should allegedly join them some time later as soon as the two achieve certain agreed ceilings. However, in the process of bilateral reductions, Russia and the United States have already cut down their arsenals by five.

One should take into account that the United States is in the process of revising its nuclear policy and the new *Nuclear Posture Review* should define the real strategy in this sphere. It should be approved by early 2010. In the wake of the global economic crisis the international community must probably be more interested in some other matters, such as financial and economic issues. But despite being put off, the issue of nuclear disarmament is on the agenda again.

Above all, this is related to the traditional apprehensions that Russia and the United States, like in the Cold War times, might launch a nuclear conflict, which will be disastrous. Or perhaps there is a habit to assume that the interaction on strategic offensive arms will help to encourage dialogue on other bilateral and global matters. It may also be a hope that the new agreement/new parameters will involve other nuclear weapon states in the process of nuclear disarmament. One can hardly find easy solutions in this area. Therefore, all current plans for a nuclear-weapon-free world, so-called *nuclear zero*, look theoretical and seem to have little to do with the reality. Such proposals do not resolve the core of the problem. One must remember that until now nuclear weapons (as a most sophisticated attribute of military might and the might of the state in general) remain the most reliable security assurance. We have lived through the changes, the so called third *wave* of development of our civilization as Toffler put it, but we still cannot define—what are the nukes today? Are they the mightiest of the mighty, the most powerful lethal weapons, or merely a small step towards new even more effective and disastrous weapons? And besides, are the military ways of inter-state conflict resolution and national security maintenance out of date? And if not, will nuclear weapons and nuclear deterrence continue to be an efficient way of overcoming contradictions? Or will they vanish from the deadly arsenal of rivalry?

One has to admit that in the last six decades the existence of nuclear weapons helped to maintain global peace. It works even now, even though in some specific forms. The example of North Korea and Iran is eloquent—for them nuclear weapon programs (the D.P.R.K really has a working

program, while Iran, as many experts assume, has more an illusion of a program) is a working tool to ensure security and engage other countries in a more or less constructive dialogue. There are no enforcement operations against those countries. If Saddam Hussein had had WMD, let alone nuclear weapons, there would have been no wars in the Gulf. And Yugoslavia, as we all know, did not possess nuclear weapons.

This is why the NPT and other disarmament process are impaired. However, despite the impediments, the process has started and even intensified recently. The splash of interest in the world free of nuclear weapons coincides with the spread of new high-precision weapons, which are effective in regional conflicts. Are they replacing the nukes? The CNN reports about smart cruise missiles hitting a dictator's window (and, hence, providing for regime change and bringing democracy to the conflict region) look much more humane than the photos of Hiroshima and Nagasaki ruined in the course of nuclear bombing. So there is some progress here. The outcome of transition from a nuclear hammer to a conventional needle is the same—the tasks and objectives remain intact, but the ways of achieving them are different. It is noteworthy that the states that have provided for such transition, as far as the tools are concerned, still rely on the good old approaches in targeting and setting objectives.

The proposal to facilitate the movement towards a nuclear-weapon-free world makes us think about the results of such a process. One may remember Ronald Reagan's idea of nuclear disarmament. To put it in short, it consists of the following statements: national security should not depend on nuclear weapons; it is necessary to conceive the transition from arms limitation to nuclear disarmament; missile defense is the key to nuclear arms elimination; and one should abandon the doctrines of protracted nuclear warfare. Perfect! Imagine all this has become true. Nonetheless, the consequences may differ and they will depend on the objectives.

What should be the basis for national security? Some international mechanisms? But they do not work or are not effective, or are selective. And the military power is still the most secure means of defense. Thus, missile defense is a real key to the problem, but I would like to remind you that such systems cannot only fight nuclear weapon delivery vehicles, but also conventional weapons, and can serve as efficient tools of space control. The one who controls space in the twenty-first century controls the world.

What if we abandon the concept of protracted nuclear warfare? Certainly, if it results in the elimination of wars as such, this would be great. And if not? What if, on the contrary, it would lead to quick high-precision nuclear microstrikes? During the Gulf War such deliberations could be found in the press. And smart high-precision weapons will be an ideal cover for such operations, especially if news and information flows are under control.

Despite such difficult circumstances and various obstacles, the idea is ripe. The intensification of disarmament started in January 2007 when four distinguished gentlemen from the United States published their article and stirred the discussion. Finally, in June 2009 UN Secretary General Ban Ki-moon made an address in preparation for World Peace Day and launched the campaign under the slogan of WMD elimination. He argued that without zealous effort in this area mankind will still be endangered with the nuclear weapon stocks. However, the solution to the dilemma is yet to be found, i.e. what comes first: the peril to humanity from nuclear weapons, or the existence of threats to humanity as such, which causes the emergence and development of nuclear weapons?

One may claim that Russia and the United States have passed their way to nuclear disarmament and even formulated a certain roadmap for others. Hence, the nuclear disarmament process now depends on the speed and desire of other countries to join this path. Nuclear weapon states seem to understand the necessity of such steps; they have their vision and approaches to this process. And one may hope that these pieces of the puzzle (which are so far separate) will eventually make a huge and comprehensive map, which will show mankind the way towards a nuclear-weapon-free world and towards peace on our planet.

KARI EKEN WOLLENBAEK (EMBASSY OF NORWAY): Norway believes in effective multilateralism, and nuclear disarmament is high on our agenda.

A world free of nuclear weapons has been a longstanding aim of Norway's foreign policy, even during the Cold War. This goal was reconfirmed in the white paper on disarmament and nonproliferation submitted to the Norwegian Parliament in 2008. In general, Norway seeks the highest level of security for all, at the lowest possible level of armament.

Briefly looking back, the positive momentum for nuclear disarmament following the end of the Cold War contributed to the landmark indefinite extension of the NPT in 1995. And it helped to forge agreement on the 13 steps to achieve complete disarmament at the NPT Review Conference in 2000.

This momentum has, however, been lost due to a number of challenges such as the nuclear ambitions of Iran and North Korea, the threat of nuclear terrorism, the stalled negotiations on a fissile material cut-off treaty (FMCT) and the failure to achieve universal ratification of the Comprehensive Test-Ban Treaty (CTBT).

However, I hope and believe we are now at a turning point. Former and present leaders in several countries have called for renewed commitment to the elimination of nuclear weapons. The joint statement by Presidents Obama and Medvedev in April 2009 was an important signal. The leaders of the two largest nuclear weapon states committed themselves to demonstrating leadership in reducing the number of nuclear weapons in the world.

It is crucial that national leaders in all states should engage personally with and make a national priority of nuclear disarmament and realizing the vision of a world free of nuclear weapons.

National leaders should seek to involve key domestic stakeholders and their populations in particular. Moreover, disarmament is an interdisciplinary endeavour and national leaders should also seek to engage experts from all relevant areas, including science, diplomacy, politics, law, and the military.

It is very encouraging that the United States and Russia are committed to reducing the number of nuclear weapons in the world significantly. It will also be important to engage China, and other states that possess nuclear weapons, in a strategic dialogue to develop a cooperative approach to nuclear security.

In order to pave the way for even deeper cuts, non-nuclear weapon states should cooperate with nuclear weapon states to develop the technology needed for verifying disarmament. Nuclear weapon states should seize the opportunity presented by reductions in nuclear weapon numbers to demonstrate this technology. In this spirit, Norway has established a partnership with the United Kingdom and *Vertic*. The aim is to develop systems that enable us to verify that actual disarmament has taken place, while at the same time protecting sensitive information.

Another important step is for all states that possess nuclear weapons to make every effort to reduce their reliance on these weapons as a contribution towards their elimination.

Nuclear weapon states are also encouraged to change the operational status of their nuclear weapons in order to increase decision time in the event that use is contemplated, and to take other steps to promote strategic stability.

The entry into force of the Comprehensive Test Ban Treaty is crucial to prevent a new nuclear arms race. Until the treaty enters into force, the existing moratorium on nuclear testing should be strengthened. Each state that has tested nuclear weapons in the past should pledge that it will not be the first to resume testing. We hope that the United States will ratify the CTBT as soon as possible.

A Fissile Material Cut-Off Treaty (FMCT) is vital to advance disarmament and prevent proliferation. In addition to starting negotiations on an FMCT, the international community should consider the creation of a voluntary Fissile Material Control Initiative (FMCI) to enhance the security and transparency of all nuclear material, including material that may not be subject to an FMCT. Norway is encouraged by the decision in the Conference on Disarmament (CD) to begin negotiations on a verifiable FMCT.

The establishment of regional nuclear-weapon-free zones is an important contribution by non-nuclear weapon states to achieving the *zero* option. Norway has been financing a project carried out by a South African institute to secure the last accessions needed for the Treaty of Pelindaba to enter into force.

Eliminating nuclear arms requires a robust and credible non-proliferation regime. All states that have not yet done so should adopt a Comprehensive Safeguard Agreement and an Additional Protocol. In addition they should sign, ratify, and implement all relevant multilateral instruments to enhance the safety and security of their nuclear materials. We must close existing loopholes and empower the IAEA.

In order to help avert the awful prospect of nuclear terrorism, all states that possess nuclear weapons are urged to take all necessary measures to ensure that their weapons do not fall into unauthorised hands.

We should aim to create a non-discriminatory system of nuclear fuel supply in close collaboration with the IAEA. In this regard, a serious and sustained dialogue between producer and consumer is needed so that consumers have an opportunity to explain their needs and suppliers have an opportunity to tailor arrangements and incentives accordingly. Norway has pledged financial support to a planned fuel bank under the auspices of the IAEA. We have also voiced our support for the Russian proposal to create a reserve of low-enriched uranium and the German proposal to establish a Multilateral Enrichment Sanctuary Project. In our view these three proposals are compatible and complementary to each other.

During the International Conference on Nuclear Disarmament in Oslo on February 26–27, 2008, the idea was launched to convene a broadly based high-level Intergovernmental Panel on Nuclear Disarmament, analogous to the Intergovernmental Panel on Climate Change, to advise governments on the core requirements for abolishing nuclear weapons.

The 2005 Review Conference was unsuccessful. The international community is now at a crossroads. If we should fail at the 2010 NPT Review Conference, the NPT runs the risk of gradual erosion. That would undermine our common security. A successful NPT conference in 2010 is therefore a crucial multilateral step towards nuclear disarmament.

We have some reasons to be optimistic. The NPT Prepcom in New York in May 2009 was guided by a positive spirit, and all the procedural questions were resolved.

The prime task of the 2010 Review Conference will be to revive a broad-based, common understanding of how to address nuclear dangers, and how to ensure that peaceful nuclear applications can be ensured in a more secure world without nuclear weapons. The Review Conference should agree on a programme of work up to 2015, as well as steps to be taken beyond that date.

If we are to succeed, all states' parties must fulfil their obligations to the NPT. The three pillars are closely interlinked. There can be no NPT à la carte. Full nuclear disarmament can only be achieved when there is full confidence that no one can circumvent the nonproliferation regime.

The much needed steps to tighten up the nonproliferation regime can only be taken if there is an unequivocal and irreversible process towards complete elimination of existing nuclear arsenals. Strengthened nonproliferation must also facilitate peaceful uses.

If we are to succeed in 2010, we must take an innovative approach. We must build bridges, we must reach out across regional groupings and overcome past polarizations. The NPT process must not be considered a zero-sum game. The 2010 outcome must be a win–win for all.

There is a risk that the NPT could be eroded, but we have a choice. It is up to the world community to consolidate and further strengthen the NPT and to move forward with multilateral steps on nuclear disarmament. Norway hopes that the world community will seize this opportunity.

ANATOLY ANTONOV (RUSSIAN MFA): President Dmitry Medvedev maintained on June 20, 2009 that ''the majority of countries stand today for the world free of nuclear weapons. And Russia shares this noble goal.'' It is not the first time the president has turned to the idea of nuclear-weapon-free world. The same message was conveyed by Foreign Minister Sergey Lavrov at the Conference on Disarmament in Geneva in March 2009. Our nation would clearly like to improve the current situation in the area of strategic stability, to strengthen the security of all states, to enhance communications among the states and build confidence.

In recent years the international security regimes have been shaking from old and new challenges. The end of the Cold War did not make the world safer. There is a lack of trust among the nations; nuclear choice is regarded by many as the most effective means of providing national security and increasing political influence in the world.

What is the current situation in the sphere of nuclear disarmament? It would be unfair to deny the substantial success. As far as Russia is concerned, it complies with its international commitments fully and ahead of schedule. In 2001 we reached the ceilings in strategic delivery systems and warheads reduction stated in the START Treaty. An important disarmament issue is the indefinite

INF Treaty, in accordance with which we have completely eliminated two types of such land-based weapons. The SORT Treaty is being successfully implemented.

At present, many nuclear disarmament plans, e.g. the 2000 NPT Review Conference proposals (this was the latest conference that decided on the need to strengthen the treaty), have not been carried out. There is no ABM Treaty, START II did not enter into force, the CTBT's coming into effect is miles away, the FMCT talks have not even started (albeit they were supposed to finish by now, as the 2000 NPT Review Conference claimed).

The situation is complicated and it is understood in many parts of the world. The international community is bustling with initiatives—the Hoover Four, the Global Zero project, the Evans-Kawaguchi commission, the Luxembourg forum, etc. We welcome all constructive steps that may suggest ways out of the current disarmament impasse. We realize that the most important thing is to create a favorable international climate for complete abolition of nuclear weapons, i.e. strategic stability should be strengthened, the parties should comply with the principle of refraining from strikes, and there should be equal security for all.

Such an ambitious goal as *nuclear zero* can be considered only in connection with other international issues, including regional conflict settlement, reliable functioning of key disarmament and nonproliferation mechanisms, return of nuclear weapons to national territories, refusal to deploy unilaterally global missile defense systems, prevention of weaponization of outer space, and verified stoppage of the conventional arms race.

It is clear that the key role in the nuclear disarmament process belongs to the U.S.–Russian agreements on strategic offensive arms limitation and reduction. The cornerstone here is the 1991 START Treaty, which has fully accomplished its mission. Hence, nowadays when we focus on elaborating a new legally binding agreement on arms reduction, it should contain the most valuable and effective parts of the previous treaty.

It is important to keep the link between strategic offensive and defensive arms. Real progress in nuclear disarmament cannot be attained if the process is undermined by unilateral deployment of global missile defense systems. Such actions lead to the erosion of strategic stability and provide for an imbalance in the global regime of checks and balances. We explicitly set forth a constructive alternative—the efforts of all states interested in preventing potential missile threats should be combined. Our package proposal on strategic cooperation with all concerned parties is still on the negotiation table.

We need specific arrangements on non-deployment of weapons in outer space, on the unacceptability of rearming nuclear strategic offensive arms with conventional warheads, on prevention of the conventional arms race. Without such solutions, it would be difficult to expect sustainable and coherent development of the nuclear disarmament process.

Taking into account the significance of U.S.–Russian agreements in the strategic sphere, it would still be simplistic to confine the nuclear disarmament issues to bilateral arrangements. We expect that the 2010 NPT Review Conference will provide for a frank discussion on additional contributions by other nuclear weapon states. They should be able to join the Russian and U.S. efforts in the foreseeable future.

Quite soon we will also have to involve other countries with nuclear potential, besides the *P-5*. It is impossible to imagine the situation when nuclear weapon states party to the NPT disarm, while others (who find themselves beyond these commitments) will maintain and build up their nuclear arsenals. It is also unacceptable to use NPT membership for the implementation of nuclear weapon programs.

Of course, there are certain tasks for the Conference on Disarmament, where we could continue the collective talks on nuclear disarmament prospects. The recent developments in Geneva, including the approval of the agenda, raise some hopes. Somehow it certainly reminds us of the situation at the Conference about 10 years ago. Then the agenda was approved nearly at the end—we enthusiastically started the negotiations and then in January we had to confirm the decision on continuation of talks. We hope that this will not be the case this time.

Russia stands for the earliest possible launch of negotiations on FMCT at the Conference. There are all the conditions for that. We will suggest at the 2010 NPT Conference reaffirming the importance of such work in Geneva as another step towards nuclear disarmament and strengthening of the nuclear nonproliferation regime.

Another important factor contributing to step-by-step progress towards *nuclear zero* is the earliest possible entry into force of the CTBT. Russia ratified this treaty in 2000 and undertakes efforts to ensure its coming into effect. The compliance with a nuclear test moratorium (even though it is an important measure) cannot replace the legal commitments contained in the CTBT. We hope that all parties, on which the entry into force of the treaty depends, will sign and ratify it soon. We are encouraged by the positive signs coming from Washington about the readiness to work at the CTBT ratification. But, even if the United States ratifies the treaty tomorrow, this will not mean its entry into force the day after tomorrow. The negotiations with our colleagues in South Asia indicate that these countries are far from taking any principal decision in favor of ratification.

One of the key things for sustainable nuclear disarmament would be to strengthen the nuclear nonproliferation regime. Much has been done to set up effective mechanisms for the prevention of diversion of nuclear weapons and nuclear materials to non-state actors, notably terrorists. Among such steps is the adoption of Resolution 1540 of the UN Security Council, the launch of the U.S.–Russian initiative on combating acts of nuclear terrorism, joint action in export controls, strengthening of the IAEA verification procedures. But much more should be done. The results of the 1540 Committee prove this. The resolution was passed five years ago, but not all countries have submitted their first reports on national monitoring systems for goods and technologies that can be used for WMD production. Only 76 states take part in the Russian–U.S. initiative on fighting the acts of nuclear terrorism. And what about the others? Why don't they participate in such evidently useful activities?

The solution is yet to be found for the Iranian and North Korean nuclear programs. We are concerned with the fact that it is difficult even to define the deadlines for any politico-military settlement of these issues.

There is a need for realistic measures to establish nuclear-weapon-free zones. In the Middle East we are far from saying that the region is close to the establishment of such a WMD zone. Hence, at the 3rd PrepCom Russia put forward the initiative on starting the preparations for such a zone in the Middle East. And we were pleased with the fact that nearly the entire *nuclear five* supported the message. The EU was also quick to respond and to back our proposal.

There are other issues in the area of nuclear disarmament and nonproliferation. They can be a topic for a long talk. The Russian experts are ready for dialogue with their colleagues on these matters. And we hope that in 2010 at the NPT Review Conference we will be able to agree on the set of specific measures in the sphere of nuclear disarmament, nuclear nonproliferation and peaceful nuclear energy uses.

NANDAN UNNIKRISHNAN (*OBSERVER*): The topic of nuclear disarmament has once again emerged as one of the central issues of international affairs, primarily because of four eminent Americans. William Perry, Henry Kissinger, George Shultz, and Sam Nunn have once again revived the vision of a world free of nuclear weapons.

However, then Indian Prime Minister Rajiv Gandhi in his address to the United Nations voiced this vision in June 1988. In fact, he proposed an action plan that had essentially four points: a binding commitment by all nations to eliminate nuclear weapons in three stages by 2010; all nuclear countries should participate in the process of nuclear disarmament and, in addition, all other countries should be part of the process; there should be tangible progress at each stage to demonstrate good faith and build the required confidence; changes in doctrines, policies, and institutions to sustain a world free of nuclear weapons. He also advocated the creation of a Comprehensive Global Security System under the aegis of the United Nations.

The earlier l986 Delhi Declaration on principles for a nuclear-weapon-free and non-violent world signed by then Soviet leader Mikhail Gorbachev and Prime Minister Rajiv Gandhi already had the gist of these proposals.

But, the world was clearly not ready to pursue this vision at that stage, which is why Rajiv Gandhi, probably ruefully, said at the United Nations: ''Left to ourselves, we would not want to touch nuclear weapons. But when tactical considerations, in the passing play of great power rivalries, are allowed to take precedence over the imperative of nuclear nonproliferation with what leeway are we left?''

This lack of response to Rajiv Gandhi's impassioned appeal probably is the reflection of the differences India had with other nuclear powers on the linkages between disarmament and arms control.

Western experts often argue that India is wrong to focus on the inequities of arms control rather than on taking advantage of arms control to push towards nuclear disarmament. However, they are rather missing the point. India shares the belief that nuclear disarmament is a desirable goal. There are no disagreements there. But arms control in itself will not achieve this goal unless clear, specific and unequivocal targets are established as a roadmap to the ultimate destination.

In 1954 Jawaharlal Nehru, India's first Prime Minister, had proposed a ''standstill agreement'' on nuclear tests. Essentially this proposal was for a nuclear test ban, but for Nehru this was only one step towards a specific goal of complete nuclear disarmament. Today we have the CTBT. Assuming that it comes into force, this agreement clearly shows that a treaty based on arms control principles rather than disarmament goals does not bring us closer to a world free of nuclear weapons. The same strains are today visible in the Non-Proliferation Treaty—the NPT. As long as nuclear weapons are perceived as instruments of influence and global standing, nuclear disarmament is highly unlikely. Nuclear weapons have to be delegitimized for the vision of a nuclear-weapons-free world to become a reality.

In other words, the Indian position is that the logic of arms control in the modern world makes steps in arms control terms a goal in themselves. This will never lead us to a world free of nuclear weapons unless these are steps on the long and arduous road to complete nuclear disarmament.

This brings us to the situation in the world today. Many new security threats and challenges have emerged. Primarily of course is the danger of terrorists and non-state actors acquiring nuclear materials and devices. The A.Q. Khan network episode shows the complexity of the issues involved as well as the culpability of some leading nations in nuclear proliferation. Also, many countries are today pursuing programs aimed at improving their nuclear complexes. In addition, IAEA Director General Mohammed El Baradei recently warned that there could be nearly 30 ''virtual new weapon states'' in the near future.

Which brings us back to the question of how realistic is the world's commitment to nuclear disarmament. I cannot see a situation in the near future where nuclear weapon countries apart from the United States agree to dispense with their nuclear arsenals. For example, a nuclear and missile technology race is on in Asia, which is not likely to abate soon. A situation that may force India to adjust its stance on arms control negotiations. India may not be able to eschew arms control negotiations per se. Particularly if India and China are successful in introducing sea-based nuclear weapons, then the need for CBMs between the two countries will become imperative. Also, given the situation in India's neighborhood, India will have to evolve a position on BMD.

However, despite all this, one has to acknowledge that there is today greater interest in nuclear disarmament today than in the past three decades. This momentum should not be lost.

Professor Rajagopalan argues that supporting the call for a Nuclear Weapons Convention may be one way to sustain the momentum. He notes that the success of the Chemical Weapons Convention provides us with hope that a NWC may be even easier to achieve. He also argues that it is important to maintain and promote the so-called *nuclear taboo*.

Among other steps would be delegitimizing nuclear weapons, changing nuclear doctrines to accept the ''no first use'' postures, de-alerting nuclear weapons, and promoting confidence-building measures between countries that possess nuclear weapons but do not as yet discuss these issues with each other.

It will require great political courage for nations to begin consider nuclear disarmament as a matter of global interest that supersedes national interest. Just as the world is learning to work together on climate change it is high time to view nuclear disarmament as something that enhances everyone's security.

ROLAND TIMERBAEV (PIR CENTER): I would like to say a few words about the cut off in production of weapon-grade fissile materials. This is an old problem—it is over 50 years old. In the 1950s it was set forth by the United States which had an obvious superiority over the Soviet Union in the amount of such materials. And our response was—we are ready to discuss the cut-off in fissile materials, but together with the elimination of all nuclear weapons and stocks.

The talks stopped. There were several attempts to resume them. And only recently in 2009 there was again some growing interest in the matter. The interest is obvious, since it is a rational, logical way to nuclear disarmament. And besides, this would be a multilateral nuclear disarmament, since FMCT would involve official and non-official nuclear weapon states.

Due to the large number of problems, one should formulate and approve the basic treaty with some principal commitments, i.e. on verification. Specific agreements, specific verification procedures will be elaborated later, in due time. There are precedents like this. The NPT is based on these principles—Article III provides for the conclusion of the agreement between this or that state party and the IAEA by a certain deadline. And the coming treaty should also contain such deadlines. Sometimes they are difficult to meet. The *Euratom* prepared the agreement in 1971 and it entered into force only in 1979, even though the initial deadline was 18 months. So there is a need for a basic treaty with the commitment to sign verification agreements within a certain time limit.

Real nonproliferation is possible only if Article VI of the NPT is complied with. It is evident. Years after the NPT adoption has brought new challenges, and it means that Article VI does not work well, despite the titanic efforts to ensure its implementation. Nowadays Russia and the United States negotiate a new agreement, but it is not enough. And FMCT is an obvious contribution to Article VI and the cause of nonproliferation.

GENNADY EVSTAFIEV (PIR CENTER): We find ourselves in the situation when there is a certain window of opportunities—the U.S. administration is ready for negotiations. And this window, if we miss the chance, may close for a long time, or even forever. I would like to speak today more about nuclear arms reduction, since *nuclear zero* cannot be seen even in the distant future. The movement itself is important. Many politicians will have to find the strength and courage to make steps towards this *zero*, to overcome selfish approaches towards national security maintenance. If this is not the case, we won't be able to speak about any *nuclear zero*.

Nowadays one can hardly see political will or clear vision of the experts and the military on how to move and how long it will take to move to a world free of nuclear weapons. Today it is fashionable to speak about roadmaps. To a certain extent, this is a tactical term, which covers the lack of large-scale and well-developed ideas. There is a roadmap for the Middle East, for the negotiations with the United States—five–six points which are commonplace, they should not even be invented, but simply agreed on and executed. Therefore, such a roadmap is useful only to make a discipline of thought and to realize the ideas somehow.

Roadmaps in nuclear disarmament should not involve only Russia or the United States. European nations and China should not wait until we achieve some point. Why can't they develop their own roadmaps in parallel to the Russian–U.S. efforts and move in the same direction? Such a plan, for instance, could provide for the sufficient transparency of their nuclear arsenals to the level equal to the transparency of nuclear forces of Moscow and Washington. I mean annual notifications on the composition, number, and types of nuclear explosives, the sites of nuclear arms production facilities, etc. This would mean the introduction of some limited and simplified (at least) verification regime. This would be a great contribution! Otherwise when we have some accomplishments, they will only start the process. The process should start today—this is the task.

The situation is aggravated by the fact that there are a number of de facto nuclear weapon states in the world. They have no restrictions from the point of rules and norms. They are not states parties to the NPT—and, hence, there is a problem of ensuring universality of the NPT. And instead of solving this issue we weaken the treaty, make some concessions to certain states, e.g. through the Nuclear Suppliers Group, etc. The international community could offer such countries, first, to expose their nuclear potential, to submit the aforementioned data on the amount and production sites. Second, such states could take the commitments on freezing their nuclear arms production, but only after declaring the real number of available nuclear weapons and agreeing to cease the production of new ones. Third, the progress would be to pledge to comply with the NPT, CTBT, and other international treaties and even the agreement to accept and apply the verification procedures in the future (even before such treaties enter into force, like the CTBT). Then we will ensure that such de facto nuclear weapon states follow the same path and with the same pace as the rest of the world that moves towards *nuclear zero*.

The NPT should become a universal treaty; the same should happen to the missile technology control regime (MTCR). We may want it or not, but there is a clear link between nuclear weapons

and delivery systems. Nowadays the MTCR is an elite club, and Russia does nothing to make it a global community.

We speak about the need to ratify the CTBT. Nuclear weapons should exist for a long time to come. Major players have not conducted nuclear tests for a long. Russia has had a moratorium for 20 years now. The stockpiles of weapons are aging. There is no better way of checking them than tests. When the CTBT is finalized, key actors—Russia, the United States, and perhaps China—should be allowed to have one to two check tests once in 7 to 10 years, in order to ensure that their still existing nuclear munitions are in normal shape. None would need the world free of nuclear weapons if something worse happens that we cannot even think of. So as soon as we move to the *nuclear zero*, we should also provide for some compensation mechanisms to save the world if some emergency occurs.

Each state has its own vision of national security mechanisms. And the question is how to maintain national security with the lack of nuclear weapons or after their substantial reduction. We should not move to this era with blind eyes and rely only on the promises of our leaders and officials. We should establish joint task forces from experts, above all from Russia and the United States, who could forecast the developments, identify and analyze the weak points and painful issues for each participant in order to avoid long and fruitless discussions afterwards. Only then we will be able to achieve the agreements and have sufficient trust to move towards a world free of nuclear weapons. It is not a matter of a roadmap for tomorrow, it is a long-term professional effort by the experts, who could help the civil servants and the governments to find the right solutions.

ANASTASIYA MALYGINA (ST. PETERSBURG STATE UNIVERSITY): The elaboration of the NPT is an example of how to regulate scientific progress at the international level. The limits for the military-technical advancement of nuclear science were set up and peaceful nuclear energy projects got the green light. Moreover, the countries that voluntarily refrained from using nuclear technologies in the military sphere got the privileges in the area of intense peaceful nuclear energy uses. One can hardly find the same examples in the pre-nuclear epoch, when the state would undertake restrictions in technical progress in the area of weapons production, at the same time being sure that it would bring victory. The nonproliferation regime was born only because a number of states voluntarily abandoned the idea of possessing nuclear weapons.

The availability of nukes as such restricts the actions of leading players and this is a stabilizing factor in global politics. However, such stabilization results in preservation of existing problems rather than solutions. Nuclear deterrence by nature can be applied against a state actor. However, new international and national security challenges originate mainly from non-state forces. It becomes obvious that the existence of nuclear weapons in the era of transformation of international relations does not help to strengthen international security, but rather exacerbates the resolution of many key issues and promotes destabilization.

At the same time, nuclear weapons are only the means to carry out the deterrence strategy. The polemics about nuclear disarmament and *nuclear zero* in principle focuses on the search for replacement mechanisms, for other deterrence tools. Nonetheless, the very obsession with deterrence as a prerequisite for international stability is not the ultimate truth—deterrence existed for half a century and it did not fail, but this does not mean that it works fine or that it works at all.

New approaches to nuclear disarmament should take into consideration the context for the existence of nuclear weapons. If the vector of development set by the technocratic paradigm has led to a systemic crisis (in the time of existence of nuclear weapons), perhaps it is necessary to change radically the course of further development (it would be difficult to refrain from technological progress though), or at least to correct the basic assumptions for the international security system.

The countries reject chemical and biological weapons because the threats originating from their very existence are higher than the benefits of possessing them. Such logic does not always work with respect to nuclear weapons—simply because the latter became a myth and got new esthetics. The nukes today cannot be alienated from the symbolic might of the state; they provide the evidence of its high technological level of development, and they have a huge psychological impact on a potential adversary.

At present the countries that would like to develop their nuclear programs have no unsurpassable obstacles. Legal and political barriers created by the international community since the 1950s can make this task complicated but cannot stop such efforts. History demonstrates to us examples of

when high motivation can help to overcome such impediments. Under the current circumstances, basic knowledge about the creation of a simple nuclear explosive device is available to a large number of specialists all over the world. Even if we eliminate all nuclear weapons on the planet, one cannot guarantee that they will not be reinvented and manufactured in the future. The same principle works with respect to certain states. If one can force a state to abandon its nuclear program and the military component of its nuclear complex, there are no assurances that in 8 to 10 years this state will not be able to revive its technological capabilities.

If we speak about additional stimuli for nuclear disarmament, they can be found in the adjustment of sociopolitical assessments and the change in the mentality of national political elites. In the post-industrial world efforts to strengthen a nonproliferation regime should affect the willingness of international actors to use nuclear technologies for military purposes. In order to ensure that the state does not strive to possess nuclear weapons, one should focus on the reasons for seeking them. In the era of information revolution and globalization it is impossible to stop the transfer of knowledge and technology, so the solutions should not be based on restricting the barriers for proliferation of materials and equipment. It is important to concentrate efforts on making the international environment less explosive and conflict-prone.

MIKHAIL LYSENKO (*ROSATOM*): I would like to say a few words about the priorities for *Rosatom* in the area of nuclear disarmament and nonproliferation. This work goes in several directions.

First of all, by implementing the intergovernmental agreements we make our specific contribution to the elimination of stockpiles of weapon-grade fissile materials. For instance, one may mention the HEU–LEU deal with the United States. By now we have processed and shipped to the United States 353 tons of highly enriched uranium out of 500 tons envisaged in the agreement. They were downgraded into low enriched uranium. If we apply the IAEA calculations, which maintain that 25kg of uranium (enriched over 20 percent) and 8kg of plutonium are enough to produce a nuclear explosive device, we have eliminated by far about 16,000 nuclear munitions. And if we take into account 500 tons, this would mean the destruction of potential 20,000 nuclear warheads. A different parallel is possible—500 tons of HEU blended into LEU would be enough to produce 10 billion MWh of electricity.

Another agreement is also with the United States on disposal of excessive weapon-grade plutonium. It provides for the dumping of 34 tons of such plutonium by using it in the civilian nuclear energy sector. It is equal to the elimination of 8,500 plutonium-based nuclear munitions by both parties.

We have the agreement on shutting down the plutonium-production reactors. In 2009 we nearly shut down the last (of three) Russian plants that fabricate weapon-grade plutonium and, hence, finalized the many years of successful work together with the United States. We did it ahead of schedule because initially such a shutdown was planned for 2010. As a replacement, we constructed thermal power plants to supply Siberia with energy.

Secondly, Rosatom withdraws spent nuclear fuel from the Soviet-made research reactors abroad. There is a program based on the agreements with the IAEA, the United States, and other countries. It covers nearly 14 states and Russia has taken back about 900kg of fuel. Nearly 20 Russian companies are involved in this process. In many cases instead of spent nuclear fuel we supply the countries with LEU and help to convert the research reactors to functioning on LEU fuel.

Third, we work at multilateral initiatives in the area of the nuclear fuel cycle. We continue to implement the Russian initiative on the establishment of a global infrastructure for the nuclear fuel cycle, e.g. the International Uranium Enrichment Center in Angarsk. Russia is setting up on its territory and with its own resources the physical stock of LEU to ensure guaranteed supplies of nuclear fuel for the IAEA member states. Together with the IAEA Secretariat we have elaborated a basic bilateral agreement on creating such stocks and a model agreement to be signed by the Agency with the recipients of such fuel.

There are different proposals from other countries on this matter, i.e. the U.S. idea of forming a fuel bank, the German proposal, etc. We do not regard them as competing initiatives, but rather as complementary suggestions and we welcome them and any future proposals in this area.

Fourth, we work at implementation of experimental industrial and research projects in order to develop sustainable and proliferation-resistant nuclear energy systems, above all next-generation reactor technologies. One of them is the fast-breeder reactor—it is a matter of great significance for us. We are currently developing such power plant at Beloyarskaya nuclear power plant—BN-800. It will use mixed uranium and plutonium fuel, i.e. it will be a closed fuel cycle. And it should become operational by 2014.

High-temperature gas-cooling reactors are also the basic element of hydrogen energy production. Such technologies may help to introduce nuclear energy in such a critical sphere as motor fuel production. They should be ready by 2030.

The international thermonuclear experimental reactor (ITER) is another project. Its planned capacity is up to 500MW. It will be self-supplied with fuel and does not provide for the proliferation of fissile materials, as they are not used there at all. By 2018 we should get a controlled thermonuclear reaction. The next step will be to achieve the capacity of 1GW by mid-century. And finally—to establish an industrial system with the capacity of 100GW or more by the end of the twenty-first century. The international community is working intensely on this project, the deadlines are vague and theoretical, but they are based on real calculations.

Fifth, we have launched the international project under the IAEA auspices. It is aimed at development of innovative nuclear reactors and fuel cycles. Nearly 30 countries are involved and the project proceeds step by step. The first stage has been achieved—the methodology has been elaborated and it would help the countries to apply standard solutions to nuclear energy development. Such issues as nonproliferation, nuclear safety and security, disposal of nuclear waste, spent fuel, environment, etc. are taken into account. The project considers the possibility of developing small mobile nuclear systems.

It is important to develop the nuclear energy sector. There is a unique U.S.–Russian agreement on cooperation in peaceful nuclear energy uses. For the first time in post-Soviet history it provides for the framework of an equal technological partnership between Russia and the United States. The agreement reflects the global mission of two nuclear weapon states—not only to reduce and control nuclear weapons, but also to use nuclear technologies and materials for peaceful purposes both bilaterally and in third party countries.

The 123 Agreement is unique due its scope—it facilitates cooperation in all spheres of the nuclear fuel cycle, including reactor technologies, nuclear material trade, information flows, transfers of technologies and goods, etc. The document clarifies the prospects for industrial and technological interaction, cooperation on nuclear fuel reprocessing, contributes to joint efforts in developing fast-breeder reactors for the sake of creating closed nuclear fuel cycles, unexhausted resources for nuclear energy sector, and a cardinal solution to proliferation problems.

The agreement paves the way for scientific cooperation between Russian and U.S. laboratories, e.g. the initiatives for the development of new-generation reactors.

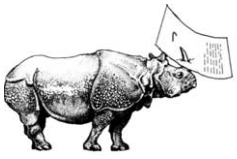
Due to the problems with ratification of the agreement in the United States, Russian parliamentarians and experts are debating whether Moscow can deal without the 123 Agreement. If it does not enter into force, it would be a great loss, a missed long-term opportunity for both countries, even though, of course, we can *survive* without it, since our nuclear industry is self-sufficient.

Further steps in the area of nuclear disarmament and nonproliferation will be to start the negotiations in Geneva on FMCT, to complete the talks on the START replacement treaty; to remove HEU from research reactors abroad and to convert them to work with LEU; to implement the aforementioned multilateral projects aimed at involving plutonium in the closed fuel cycle and to create such cycles; to encourage international cooperation in the area of peaceful nuclear energy uses.

NOTE

[1] The discussion took place at the conference ''Multilateral Approaches to Nuclear Disarmament: Planning the Next Steps'' held by the PIR Center on July 3, 2009 with the financial support of the NTI and the Foreign Ministry of Norway.

Routledge
Taylor & Francis Group



Vladimir Voronkov

THE EUROPEAN SECURITY TREATY AFTER CORFU

The informal ministerial meeting in Corfu convened under the Greek OSCE Chairmanship has become a significant landmark in the implementation of the ideas by President Dmitry Medvedev on conclusion of the European Security Treaty (EST). In brief—our Euro-Atlantic partners participated in the event devoted solely to this topic and set forth their own proposals, hence, by these very facts, proving that the Russian concept is topical, sought after, and efficient.

The initiative was preceded by the thorough analysis of trends in development of the Euro-Atlantic area and the reasons for systemic failures in the sphere of hard security. There are a number of issues that undermine mutual confidence—among them are the NATO operation against Serbia, the recognition of Kosovo, and the crisis over the CFE Treaty and over other arms control and confidence-building mechanisms. Besides, one may remember repeated attempts to isolate Russia, neglect of Moscow's concerns related to NATO enlargement, the approaching of NATO military infrastructure to our borders, the intention to deploy U.S. missile defense in Eastern Europe, etc. Only a strong remedy, such as the tragedy of August 2008 in the South Caucasus, forced our Western partners to reconsider the situation in the Euro-Atlantic zone, in order to prevent its further deterioration.

Unbiased analysis enables us to formulate a few major factors ensuring the demand for the idea of the EST.

There has been a sea change in the role of Russia in the Euro-Atlantic area. Nowadays Russia perceives itself as a subject, not as an object of the EU and NATO policies. Such an pproach differs substantially from the 1990s. We were not bowing to the West at that time either. Russia was not really weak; it was rather seeking—like any new state—its own place in the world. Such a search for identity took place under the influence of the dominant trend in the Euro-Atlantic zone at that time—the willingness of the majority of post-Communist nations to join NATO and the EU.

Today the reality is different. Russia has realized its capabilities and regards itself as an independent international factor. Some Western analysts argue from time to time that the current global crisis will make Russia return to the policy of the 1990s. It is a big mistake. Whatever oil prices are and demand is, Russia is deeply integrated in the global economy and is able to maintain internal sustainability. Yes, there are problems, but we see them and solve them—sometimes in cooperation with Western countries on equal and mutually beneficial terms.

However, our partners in the West also face problems related to expansion. NATO has already engaged all nations possible, including Albania. Other states cannot expect membership or do not seek it. The situation with the EU is even more complicated—the organization invents more and more new criteria and barriers for candidates (at least, that is the way they see the situation). Let us speak frankly—the EU, especially in times of crisis, cannot merge with new members without detriment to itself. The only exceptions would be Iceland and, at best, Croatia. It means that many countries in the Euro-Atlantic area in the near future, or even in the next few decades, will not be covered by the NATO and EU framework.

It is difficult to make forecasts as to whether these non-EU and non-NATO states will have alternatives in the future other than joining the aforementioned alliances. After all, this is their

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570695

inalienable right. As far as Russia is concerned, in the foreseeable future it will certainly keep its status as an independent foreign policy factor. Nonetheless, Russia and these non-aligned states need reliable, equal, legally binding security architecture. This is why the Russian side places an emphasis on focusing the EST on hard security issues, many of which are a matter of serious irritation. By finding solutions to them, we and the West will avoid wasting additional resources on expensive mechanisms inherited from the Cold War arsenal and will create an atmosphere of trust and mutual understanding for sustainable development.

It took about one year to evolve. Our Western partners demonstrated a cautious, if not suspicious (all hard security efforts by Moscow are allegedly aimed at destroying NATO and widening the gap between the EU and the United States) attitude to the Russian proposal, but eventually declared their commitment to start practical work on the treaty. We were not pushing them ahead, bearing in mind that the EST, like any new idea, should first be carefully analyzed and tested for efficiency.

Among the Russian diplomatic community, political experts were active in explaining and promoting the ''constructive agenda for European security'' (as it was named by President Dmitry Medvedev in his blog on June 4, 2009. Russia speaks about new *software* and a new comfortable *interface* for the existing security structures, so that we may avoid *not responding to messages* in the case of crises. The treaty was broadly discussed at the OSCE ministerial meeting in Helsinki (December 2008), at the Security Conference in Munich (February 2008), at the joint meeting of the Forum for Security Cooperation and the OSCE Permanent Council and at the winter session of the OSCE Parliamentary Assembly in Vienna (February 2009), and at the Brussels Forum (March 2009). The Russian and Western political community was also dwelling on the idea. A number of academic conferences were held by the Institute of Modern Development (Igor Yurgens), the Council on Foreign and Defense Policy (Sergey Karaganov), the European College at the MGIMO (Mark Entin), the Institute for Strategic Assessments and Analysis (Vagif Gusseinov), and the PIR Center (Vladimir Orlov). In the West the leading role in discussing the EST proposal is played by the East-West Institute (Greg Austin), which on the eve of the ministerial meeting in Corfu issued a detailed report with specific recommendations on further promotion of the EST—*The Euro-Atlantic Security: One Vision, Three Paths.*

A step forward in the EST debate was the official presentation of the Russian proposals at the Annual Security Review Conference in Vienna on June 23–24, 2009. During his speech at the forum Russian Foreign Minister Sergey Lavrov urged the participants to answer the key question—whether they were ready to fix *de jure* the political decisions of the OSCE and the NATO-Russia Council (NRC), which contain the principle of indivisibility of security and the commitment to refrain from strengthening one's own security at the expense of the security of others. According to the minister, common sense implies that there can be no first-class or second-class reliable security. In the OSCE the principle of indivisibility of security is a political commitment, while in NATO it has a legally binding form. Such a collision occurred in 1999 when the NATO countries ignored their political commitments and conducted (contrary to their pledge not to use force against the OSCE member states) a military operation against Yugoslavia.

Sergey Lavrov presented four major elements of the EST. The first of these would affirm the basic principles of relations between states. It is a matter of the good-faith implementation of existing international commitments, namely respect for the sovereignty, territorial integrity, and independence of states, non-interference in internal affairs, equal rights, and the right of peoples to determine their own fate. An important element has to do with the guarantees that these principles will be uniformly interpreted and observed. The treaty must reaffirm the inadmissibility of the use of force or the threat of its use both against the territorial integrity or political independence of any party to the treaty and in any other way incompatible with the aims and principles of the Charter of the United Nations.

States and international organizations must also reaffirm—but now in a legally binding manner—commitments previously undertaken within the OSCE and the NRC framework, notably:

- ❑ not to seek to ensure one's own security at the expense of the security of others;
- ❑ not to allow within military alliances or coalitions actions whose effect would be to weaken the unity of the common security space, including prohibiting the use of one's territory to the detriment of the security of other states and to the detriment of peace and stability in the Euro-Atlantic area;

- not to allow military alliances to evolve to the detriment of the security of other parties to the treaty; and
- to respect the right of any state to neutrality.

Lastly, the Treaty is designed to reaffirm, again in a legally binding manner, the provision of the Charter for European Security to the effect that no single state or international organization can have exclusive rights to maintain peace and stability in the Euro-Atlantic area.

In the second block, we would propose setting out the basic principles for the development of arms control regimes, confidence-building, restraint and reasonable sufficiency in military doctrine. This includes the principles of non-offensive defense and abstention from the permanent additional stationing of substantial combat forces outside one's territory. We will also have to clearly define what specifically we all mean by the term ''substantial combat forces.'' We are also proposing that there be a reaffirmation of the commitment to continue the arms control process on the basis of negotiations and that the possibility of adapting arms control and confidence-building mechanisms be clearly stated.

The third block must, in our view, be concerned with the principles of conflict resolution. An objective of the Treaty is to set out clear rules that would be uniformly applied to all crisis situations and to enshrine uniform approaches to the prevention and peaceful resolution of such crises on the basis of negotiations. This section should also set out conflict resolution procedures and mechanisms in conformity with the principles of the Charter of the United Nations.

Above all, this refers to the inadmissibility of force as a means of settling conflicts. The parties themselves must come to an understanding. It is essential that everyone be obliged to respect the negotiation and peacekeeping formats that have been agreed by the parties. Conflict resolution must take place in stages: commitments to abstain from the use of force, confidence-building measures, and the initiation of dialogue between the parties. The protection of the civilian population in conflict zones, efforts to prevent their isolation, and the ensuring of their humanitarian and socioeconomic needs are absolute conditions. Any provocations against peacekeepers operating under a mandate agreed upon by the parties are absolutely unacceptable.

The fourth conceptual block of the future treaty would be a section dealing with arrangements for cooperation between states and organizations to counter new threats and challenges, including the proliferation of weapons of mass destruction, international terrorism, illicit drug trafficking, and other forms of transnational organized crime.

Sergey Lavrov pointed out that the Russian proposal was not aimed at undermining NATO or any other organization dealing with the security issues. On the contrary, we stand for enhancing the coordination and synergies among the existing international structures. We believe that no state or organization in the Euro-Atlantic zone should act against one another, but rather should work together on preventing new common challenges. Europe has already experienced the era of *holy alliances* and it would be disastrous and senseless to return to the principle of ''either with us or against us.'' Those who try to revive this idea today provoke the building of new dividing lines and walls in Europe and should recognize the responsibility that they will have to bear for that.

In elaboration of the EST debate Russia suggested holding a summit of the leaders of the key international organizations—the OSCE, NATO, EU, CIS, and the Collective Security Treaty Organization (CSTO). Such a meeting could be convened on the basis of the Platform for Cooperative Security approved by the OSCE in 1999. It could compare the security strategies of all of these structures and this could be an important step forward in developing unified approaches towards the establishment of a single and indivisible security space in the Euro-Atlantic zone.

The principal outcome of the discussions at the OSCE annual conference is the need to continue deep and sincere dialogue on security issues aimed at overcoming the existing differences. None stands against such an approach. Moreover, ideas on the potential substance of the EST were set forth by the United States, Germany, France, and Finland. There is a certain difference in our and Western approaches towards the substance and the tactics of elaboration of the document.

First of all, we would like to focus the treaty on politico-military security—this is the area of grave violations of the Helsinki Final Act provisions and other OSCE basic documents. Our partners regard the principle of indivisibility of security as the compliance with all three baskets of the

Helsinki Final Act—politico-military, economic, and environmental, as well as human rights. In our opinion, the last two baskets did not suffer from erosion of the fundamental principles—they could simply be reiterated.

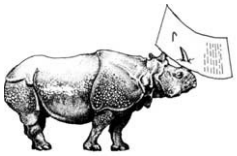
Second, the Western proposals imply that the discussion on security architecture should take place on the OSCE platform. We believe that this would be enough due to at least two circumstances. The OSCE is an inept organization from the point of view of international law and, hence, it has no right to undertake legally binding commitments. Besides, it is not the only and, perhaps, not the most important Euro-Atlantic structure in the area of hard security. So to get the fully fledged product of talks, we should maintain inclusive negotiations, engaging NATO, the EU, the CSTO, and the CIS.

Finally, the Western nations play cunning—the ratification of the EST as a legally binding document is allegedly extremely complicated and, hence, unreal, so let us confine ourselves to political commitments. They can be reaffirmed in the decision (or declaration) of another OSCE ministerial meeting. Thus, it is suggested that we should return quickly to the pre-EST situation. Obviously, we cannot agree to such attempts to neglect our concerns. There are also some brusque offers of totally unacceptable linkages—you withdraw the recognition of South Ossetia and Abkhazia, and we will then speak about the EST. We harshly criticize such an attitude.

The contradictions became clear during the OSCE informal ministerial meeting in Corfu. This was not a surprise for us—the understanding of the new and harmonization of international efforts related to the new is always a complicated and non-linear process. It is important that the ministers of 56 OSCE member states agreed to continue the informal dialogue (the Corfu process), in order to find the common points on a modern European security agenda, including the EST context. Summing up the results of the meeting, Greek Foreign Minister Dora Bakoyannis, who chairs the OSCE, formulated the next steps. Further consultations should concentrate on basic principles of comprehensive and indivisible security; existing commitments within three OSCE baskets should be strengthened and further implemented; the need for strengthening cooperation on arms control, crisis management, and countering of new challenges. Even though the Russian initiative is more specific and is targeted at solving the most topical issues for the Euro-Atlantic zone (i.e. politico-military matters), we are still open to a broader dialogue. Meanwhile, we realize that the EST and the Corfu process are two separate political events, but they do not contradict the common goal—higher confidence in the Euro-Atlantic region from Vancouver to Vladivostok.

It is seemingly time to formalize Russia's proposals on the EST and to fix them in the draft of the treaty. As far as the Corfu process is concerned, there are rumors at the OSCE about the readiness of Finland to hold the OSCE summit next year, in order to commemorate 35 years of the Final Act. Then the dialogue on the most topical security issues in the Euro-Atlantic zone would directly involve the national leaders. Such negotiations are ripe and it is good that the process has started. 

Routledge
Taylor & Francis Group



Oksana Skopich

ISRAEL AND LATIN AMERICA: BROTHERS IN ARMS

Military and technical cooperation (MTC) is one of the key elements of Israel's relations with other countries. Israel is one of the world's leading arms exporters (sales reached a record 4.4 billion dollars in 2007).[1] The Israeli policy is to promote exports of its weapons and military equipment and develop long-term defense industry cooperation with other countries. Tel Aviv views the global arms trade as a means of promoting its national interests and fulfilling international commitments. Exports of Israeli arms, dual-use technology and licensed manufacture of Israeli military equipment abroad have reached significant levels, bearing witness to the high degree of Israel's integration into the global economy. In addition, military and technical cooperation with other countries allows Israel to improve the quality of its own military equipment and services.

Israel does not stop at cooperating with undemocratic and hostile regimes if it feels that such cooperation would be in its own interests. It sold arms to the Khomeini regime in Iran, and to the dictatorial regime of Mengistu Haile Mariam in Ethiopia (linked to the repatriation of Ethiopian-Jews).[2] It has been known to help the fighters of the Christian Kataeb party (Lebanese Phalanges)[3] and traded with various central African nations. In many respects Israel has shown itself willing to cooperate with pariah states. It supported the Romeo Lucas Garcia regime in Guatemala, the Pinochet regime in Chile, the Mobutu regime in Zaire, Idi Amin in Uganda, and Jean-Bedel Bokassa in the Central African Republic.[4] It also became embroiled in the Irangate scandal. It turned out that the Israelis had been selling military equipment to Tehran during the Iran–Iraq war. Some of that equipment was American-made. Senior officials in the U.S. Department of State knew about the operation, and were in fact using Israel to circumvent the Congressional embargo on arms sales to Iran. The proceeds from the operation were apparently channeled to finance the Contras, who fought with the Sandinista regime in Nicaragua (such help was also in contravention of a Congressional bill).[5]

Israel later became one of the main suppliers of military equipment to Nicaragua in order to prevent the rise of anti-Semitism among the country's military junta in the late 1970s and early 1980s.

The United States banned the sale of Kfir fighter jets to Ecuador in the 1970s, much to the anger of the Israeli government, which was trying to open up foreign markets to Israeli military equipment. Latin America was the biggest foreign market for Israeli arms trade in the 1980s, accounting for 50 percent–60 percent of Israeli military exports. According to the Stockholm International Peace Research Institute (SIPRI), one-third of Israeli military exports in the 1980s went to Argentina, which was ruled by the military junta of Jorge Videla, and to Salvador, ruled by the military-civilian junta of Jose Napoleon Duarte.

Israel's policy was largely based on the need to provide security for the Jews living in the two countries and to prevent the rise of anti-Semitism among the ruling elite there. But such policy sometimes led to scandals.

In May 2008, the Russian Supreme Court upheld the extradition to Colombia of Israeli citizen Yair Klein, a retired IDF colonel who was arrested in Moscow in the summer of 2007 on an Interpol warrant. The warrant was issued at the request of Colombia, where Klein, a former commander of

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570711

the Heruv special task force battalion, had been convicted on terrorism charges and sentenced to 10 years and eight months in prison. Bogota accused Klein and two other Israelis, Peri Melnik and Avraam Zadku, of ''training bandits from the personal guard of Colombian drug barons,'' and demanded his immediate extradition.[6] But the European Court of Human Rights, which is now hearing Klein's appeal, issued an injunction in May forbidding his extradition to Colombia.

A book about Klein called *The Story of Colonel Klein, an Israeli Mercenary*, claims that in 1989 American secret services tried to recruit him to take part in deposing Panamanian dictator Manuel Noriega, who was accused of involvement with the drug cartels.[7]

The Latin American countries, which took no part in the Arab–Israeli conflict, represented a promising market for the Israeli defense industry. Israel has established direct contacts with countries in the region. In fact, for a long time the only nations which had their embassies in Jerusalem were Latin American (Salvador and Costa Rica were the last to move their embassies to Tel Aviv in 2006). The embassies of Bolivia and Paraguay still remain in the Jerusalem suburb of Mevaseret-Zion, which bears witness to Israel's special relations with Latin America. Israel maintains diplomatic relations with all the Spanish- and Portuguese-speaking countries except Cuba, and these relations are gradually becoming even closer. It was with Israel that MERCOSUR (common South American market) signed its first free trade agreement outside its home region.

At the same time, Latin America, more than any other region, has seen the rise of militarism—the dominance of the military in the political, economic, and social life of the nation. The Andes region, with its endemic violence, is now also witnessing the rise of drug production and trafficking, described as the ''main financiers of terror and death in the world.'' Another worry is the threats from the Three-Way Border, with its Arab Diaspora. People of Middle Eastern origin are suspected of supporting and funding Islamist organizations. The ideological and political differences between the leaders of various illegal armed groups are often ignored when it comes to the drugs trade and other illegal activities (terrorist attacks, kidnappings for ransom, racketeering, mass murder of innocent people).[8] In view of all this, Israel's military and technical cooperation with Latin American countries has a special role in providing stability and security in the region and beyond.

For now, this cooperation flows in just one direction. Latin America represents an important market for the Israeli defense industry's products and services. But that is about the whole scope of bilateral relations in this area. Latin America buys modern Israeli jets and weapons. Israeli companies also take part in upgrading Latin American military equipment on the territory of other countries, and Israeli experts provide consultations on national security issues.

EXPORTS OF MILITARY EQUIPMENT

Exports of military equipment comprise a key component of military and technical cooperation. Israeli exports in this area are hard to quantify precisely, because many non-Israeli companies (about 220 of them)[9] sell Israeli-made military equipment. The arms trade between Israel and Latin America is very asymmetric, since the Israeli defense industry is much more powerful. There is no information in official sources about Israeli imports from Latin American countries. According to SIPRI, the main Latin American importers bought $388 million[10] worth of Israeli equipment (including licensing deals) over the period 2001–2007. That is, about 17 percent of Israel's total conventional arms exports (jets, armored vehicles, artillery, radar and guidance systems, missiles, and warships) over the same period. Negotiations on military contracts have continued in 2008 as well. The list of the largest importers of Israeli weapons in Latin America includes Argentina, Brazil, Venezuela, Colombia, Mexico, Chile, and Ecuador.

According to SIPRI, Mexico accounts for the bulk of Israeli exports to Latin America (47 percent) followed by Chile with 22 percent, Venezuela with 13 and Brazil with 10 percent. Mexico has bought E-2C Hawkeye aircraft (for $16 million) and C-130E Hercules transports, which had previously been used by the Israeli Air Force. In 2004, the Mexican Navy said it had taken delivery from Israel of three U.S.-made early-warning Grumman E-2C Hawkeye planes (or just Grummans), serial numbers 941, 942, and 946. The planes had been upgraded in Israel by Debek Aviation Division of Israel Aircraft Industries (IAI). The contract for their sale (for $6 million each) had been signed in 2002. This modification has a number of additional features, including the ability to refuel in mid-air from the KC-130 flying tanker. The E-2C Hawkeye aircraft are considered to be the safest in Mexico (new serial numbers AMP-100, AMP-101, and AMP-102).[11]

They are used in operations against illegal fishing, drug and people trafficking, to patrol the areas around coastal oil terminals and other strategic facilities, as well as for regular coastal patrols.[12]

Mexico has also bought Yasur 2000 helicopters from IAI and two navy missile boats of the Aliya class (other sources identify the boats as Aliya and Geula)[13] built by *Israel Shipyards* Ltd. (the deal was worth $64 million[14]). The boats were renamed *Huracan* and *Tormenta*. Some media reports say that anti-ship missiles had been removed from the boats prior to their delivery. Mexico bought Gabriel-2 missiles from IAI to replace them.

In the same period, Brazil bought from Israel short-range air-to-air missiles for no line-of-sight (NLS) targets for the upgraded F-5E (F-5M) jet. In 2002 Brazil also bought a Kfir fighter jet.

With Chile, Israel signed a deal to supply the Litening optical laser-assisted targeting system for the F-5 jets, as well as Derby and Python-4 air-to-air missiles for NLS targets (developed by RAFAEL—Armament Development Authority) for Tigre III combat jets (an upgrade of F-5E) and F-16C jets, and Spike anti-tank missiles (RAFAEL). Colombia has bought Griffin guided bombs from MBT Systems and Space Technology, an IAI division. It also bought short-range surface-to-air missiles and Kfir jets (IAI) previously used by the Israeli Air Force (the jets will be delivered in 2009–2010 as they are now being upgraded from version C-7 to C-10).

Ecuador has taken delivery of airborne radar and air-to-air missiles for NLS targets for Kfir jets.

Venezuela has bought Barak-1 surface-to-air missiles (jointly developed by MBT and RAFAEL) and the ADAMS surface-to-air missile systems for a Dutch missile defense system (ordered via a Dutch company) worth a total of $20 million,[15] and also several missile defense systems (in 2002).[16] In addition, Venezuela bought several EL/M-2238 airborne radar systems to upgrade two Mariscal Sucre frigates (Lupo modification), and air-to-air missiles for F-16A jets.

According to SIPRI, these Latin American nations accounted for 17 percent of the physical volume of Israeli weapons shipments to the key importing countries in 2001–2007.[17]

Israel also exports compact firearms (pistols, primarily the 9mm Jericho, Negev light machine guns, as well as Galil, Israeli Desert Eagle,[18] and Tavor assault rifles). In dollar terms, these sales account for only a small fraction of Israeli arms exports (a few million dollars). But much of this kind of equipment is re-exported illegally via third countries, which represents a negative aspect of Israel's military and technical cooperation with countries such as Argentina, Bolivia, Chile, Colombia, Paraguay, and Venezuela. In particular, Israeli firearms exports were very high in 2001, but then in 2002 several large shipments of UZI submachine guns were seized in Rio de Janeiro, after which imports fell, owing apparently to measures being taken against illegal arms trade.

Another high-profile scandal broke out in 2002, when it was discovered that the Israeli company *GIRSA* in Guatemala sold 3,000 AK-47 rifles and 2.5 million rounds of ammunition to a far-right armed group called United Self-Defense Forces of Colombia (AUC). The deal was arranged by Oris Zoller and Shimon Yelinek. Official statements claimed the buyer of those weapons was the Nicaraguan police.

In 2007, the Spanish customs seized several containers with firearms (1,085 units, including air rifles) on board the *Maersk Detroit*, en route from Israel to Nicaragua.[19]

On the whole, despite problems with illegal sales of compact Israeli firearms, it has to be said that demand for such firearms remains very high. It is worth noting that there is only one company in the world that manufactures the Israeli Galil assault rifles under a licensing agreement—the company is called Indumil, and it is located in Colombia. It manufactures 23,000 to 45,000 rifles every year. The raw materials for the ammunition are also imported from Israel.

UPGRADES OF MILITARY EQUIPMENT

Upgrades of military aircraft and installation of Israeli avionics form an important area of Israeli military and technical cooperation with Latin American countries. The key contractor here is Israel's largest privately owned defense company, *Elbit Systems Ltd*. Many Brazilian aircraft have been upgraded with Israeli electronics, including line of sight indicators, modern avionics, on-board computers, navigation systems, and liquid-crystal displays. In 2002, *Elbit Systems* signed a four-year contract worth over $80 million[20] to upgrade the AF ALX aircraft. Many Brazilian Air Force programs include upgrade contracts with Israeli firms. In January 2001, a $230 million deal

was signed to modernize the avionics of 45 Northrop F-5E fight jets and three double-seat F-5F combat simulators. The six-year modernization program involved the Brazilian national company *Empresa Brasileira de Aeronautica (EMBRAER)*, the Brazilian aeronautics department, and *ST Aero* of Singapore. The new computing avionics (Mil Std 1553B) included electronics made by *Elistra Group*. *Elbit Systems* was involved in the development of an upgrade package for the Brazilian Air Force that included new weapons targeting and self-defense systems, radar, and displays. A demo flight was held in January 2004; the last deliveries were made in late 2005. The upgrade was expected to extend the service life of the F-5 aircraft until 2012.

Cooperation between *Elbit Systems* and the Brazilian government included logistics support of the modernization program by the Israeli government, including technical assistance in the construction of military infrastructure facilities. *Elbit Systems* was involved in building a maintenance facility for the Brazilian company *Aeroelectronica Industria de Componentes* Avionicos S.A (AEL).

In 2003, Israel secured another Brazilian contract to install the Litening targeting pods.[21] In 2005, *Elbit Systems* was chosen by EMBRAER as the supplier of avionics (including logistics support) for the Brazilian 25 Super Tucano/ALX aircraft that would later be exported to Colombia. The Israeli company's share of the project was about $17 million.[22] Cooperation between EMBRAER and *Elbit Systems* has been very successful. The two companies have won several international tenders.[23]

Israeli avionics have also been installed on Chilean planes (the Display & Sight Helmet (DASH) target designation systems and data transmitters). Several contracts were signed in 2004 to supply upgrade components for the F-5 jets.

Upgrade contracts have been signed with Argentina as well. Under a $30 million contract signed in 1989, Israel upgraded five S-2E ASW/MP aircraft to version S-2ET. The Israeli company *Elta Electronics* retrofitted the planes with EL/M-2022 radar (last delivery in 2002). In 2001, *Elbit Systems* and a *Lockheed Martin* branch in Argentina signed a contract to modernize 24 Argentine AT-63 Pampa training jets for the Argentine Air Force. In 2002, deliveries under the contract were put on hold due to the economic difficulties Argentina was going through. But, despite all of this, the upgrade program was completed in 2006, and one of the upgraded AT-63 Pampa planes flew at the FIDAE 2006 air exhibition. The upgraded program included the installation of weapon delivery and navigation systems made by *Elbit Systems*.

In the past decade, RAFAEL has supplied improved Litening targeting pods equipped with laser-guided GPU-12/10 bombs to Venezuela. *Elbit Systems* has also supplied electronics for the country's air force. Under a 2002 deal, the company supplied guided aviation bombs and tactical defense systems (Lizard Systems, last delivery in 2006).[24] In 2006, *Elbit Systems* signed a large contract with the Venezuelan air force to upgrade the Brazilian-made Super Tucano jets. This contract is part of the cooperation program between *Elbit* and *EMBRAER*: the Israeli company provides the avionics, other equipment, repair, and maintenance for the Brazilian-made Super Tucanos.

SUPPLYING SERVICES

Training specialists is another component of Israel's military and technical cooperation with Latin America. According to the Institute for National Security Studies, the INSS, no agreements on joint maneuvers were signed in 2001–2006.

As part of the already mentioned deal to sell the upgraded Hawkeye planes to Mexico, an agreement was signed with *Bedek Aviation Company* to train and issue certificates to 39 officers of the Mexican navy. They took special courses in Israel, including flight training, familiarization with operation systems, radar and electronic equipment, and basic repair and maintenance training. The courses were designed for future pilots, second pilots, mechanics, radar operators, command officers and other Mexican Navy officers who work with the Hawkeyes.

In 2007, Colombian papers reported that former IDS officer Israel Ziv had been training special units of the Colombian army to fight the left-wing FARC rebels. He was said to be the owner of a military consulting firm.[25] The Israeli anti-terror bureau even had to warn its citizens against travelling to Colombia due to the growing threat of attack or kidnapping following the reports of Israeli participation in training the Colombian army.[26] Israeli consultants mainly specialize in

debriefing former rebels (basic interrogation techniques, mission reports, and psychological rehabilitation).

Although the Colombian authorities are very happy with the help they receive from Israeli specialists, there have also been conflicts over arms smuggling and training of rebel groups by former IDS officers. What is more, in 2002 the Colombian army found nine Israeli drones at a FARC base.[27] Several Israelis are now on trial.

All this suggests that closer ties and more productive cooperation is needed in the fight against arms smuggling. Israel and Colombia have close military relations that go back to the 1950s (when Colombia helped Israel despite the international arms embargo). The two countries regularly exchange military delegations, although no detailed information concerning such exchanges is made available. During a visit to Israel in early 2008, Colombian Defense Minister Juan Manuel Santos proposed the creation of a joint military research and development fund. And although Israel does not publish figures regarding its arms exports to Latin America, sources in both countries confirm that Israel is the main supplier of military services and equipment (primarily drones, weapons, ammunition, and electronic equipment, which is used in the fight against the local drug barons, as well as special bombs used to destroy coca plantations).[28]

It must also be said that military and technical cooperation between Israel and Latin America is carefully monitored by the United States. One of the Latin American markets cornered by Israeli companies such as IAI is upgrading the U.S.-made F-16 jets. The Israelis are in stiff competition with many U.S. companies (such as *Lockheed Martin*). Attempts to protect the American market may have been one of the reasons for Washington's decision to block the sale of Israeli aircraft upgrade technologies to Venezuela in 2005.[29] Several Venezuelan F-16 jets (bought back in 1982) were supposed to be fitted with Israeli avionics,[30] but the $100 million contract was put on hold.

OTHER AREAS OF MILITARY AND TECHNICAL COOPERATION

Another aspect of Israel's military and technical cooperation with Latin America is joint ventures, including *Development of Technologies and Systems Ltd*. (DTS)—a joint venture between *ENAER* (*Empresa Nacional de Aeronautica*, the only aircraft maker in Chile) and *Elta Electronics* Industries, a subsidiary of IAI. DTS specializes in producing military electronics and is the regional leader in the field. According to the Bureau of Industry and Security under the U.S. Department of Commerce, the company has customers in Israel itself.[31]

Israel and its partners in the region are working on joint projects and exchanging technology. The Chilean Air Force has signed a contract with IAI to develop an early warning system for the Boeing 707 (CONDOR). Israel is also involved in upgrading Chilean Boeings to enable them to refuel in mid-air.

Many Israeli companies that specialize in military products and services see Latin America as a promising market for investment. In 2001, *Elbit Systems* acquired Brazil's *AEL* (*Aeroelectronica Industria de Componentes Avionicos S.A*), and is now using it as the manufacturing base for its Brazilian and international products.

Israeli companies take part in various conferences and exhibitions in Latin America, including FIDAE, an international aerospace exhibition and the biggest event of its kind in Latin America. End users and distribution agents from all over Latin America come to the exhibition in search of innovative products and technologies. FIDAE is a bi-annual event held in Chile.

Another large Latin American event in which Israel also takes part is LAAD, the bi-annual Latin American Aerospace and Defense exhibition hosted by Brazil. LAAD-2005 coincided with another important industry event, Helitech Latin America (an international helicopters exhibition)—the only world-class exhibition for helicopter technology. Such industry events position Latin America as a promising market for Israeli firms.

Military representatives from Israel and Latin America take part in various events on arms proliferation and security problems. In 2006, Israel hosted an international conference on man-portable air defense systems (MANPADS). The objective of the conference was to discuss possible ways of addressing the threat of such systems falling into the hands of terrorists.

Israel and Argentina are known to be cooperating in the fight against terrorism. The Argentine secret service (SIDE) cooperates with Mossad. Israeli secret services took part in the investigation of the terrorist attack against the Jewish centre in Buenos Aires.[32] The investigation took more than a decade, but in 2006 the Argentine prosecutor's office named the people it held responsible for the attack.

The appearance of Hezbollah units in Latin American countries also dictates the need for further cooperation in the fight against terrorism.

CONCLUSION

The development of Israel's military and technical cooperation with Latin American countries over the past decade has been uneven. That was largely due to a number of external factors, as suggested by SIPRI data on arms exports. Exports to Venezuela have fallen since the conflict in 2002, when reports appeared in the media suggesting the involvement of Israeli intelligence in an attempt to depose Hugo Chavez.

Israel considers its defense industry as a locomotive for the rest of the country's economy. Arms and military services constitute an important item of Israeli exports, so expanding the geography of those exports would be of great benefit for the Israeli economy. In view of growing defense spending in Latin America over recent years, this region represents a promising market for Israeli exports.

Many of the region's countries have great economic potential. Furthermore, countries such as Venezuela and Brazil could well become energy superpowers. Venezuela has large oil reserves, while Brazil is a major producer of the fuel ethanol. It is in Israel's national interests to promote trade with Latin American nations. Military and technical cooperation is one of the areas where it can establish close ties with those nations.

As part of their policy of developing bilateral cooperation, Israel and Latin American countries are trying to coordinate and pool their defense industry resources in order to increase their output and bolster arms exports. For Israel, arms trade and military services are a steady source of foreign currency, and they help fill the order books of its defense contractors. But, despite the obvious advantages of such cooperation, Israel has to take into account the U.S. position on its arms exports. Israel's close ties with Washington, as well as some other political considerations,[33] stand in the way of developing military and technical cooperation with some of the region's nations. In recent years, Iran has been trying to improve its own ties with Latin American countries.[34] For Israel, that should be a signal to step up its cooperation with partners in Central and South America.

Nevertheless, Israel and Latin American countries are well aware of the benefits of their military and technical cooperation. There is reason to believe that, barring economic problems (contracts have often been affected by financial difficulties) and political complications, cooperation in this area will continue to develop.

In the military-political context, cooperation between Israel and Latin America has several effects, not all of them uniformly positive. First, such cooperation strengthens the defense industries of Latin American countries, and better military technology helps them in their fight against terrorism and crime. However, there is the danger of Israeli military equipment and technology falling into the hands of armed groups and crime syndicates, which threatens stability in the region. Weapons can also be used against peaceful civilians.[35] That is why this area of cooperation requires stringent control by governments, especially since globalization of the defense industry has opened up various loopholes in the existing arms exports regulations which enable arms sales to countries that abuse human rights and are the subject of international arms embargos. Like many Western countries, Israel does not pay sufficient attention to controls over arms exports, especially with regard to re-exports of Israeli arms to third countries. At present, there is no indication that arms control regimes can undermine the ability of the world's nations to procure the military equipment and technology they require. There is a clear need for new controls over arms exports.

NOTES

[1] ''Arms exports reach record: Israel's orders backlog for arms exceeded $4.4 billion in 2006,'' *Globes,* January 1, 2007, http://www.globes.co.il/DocsEn/did=1000168111.htm (last accessed July 27, 2009).

[2] ''Ethiopian Ruled Ruthlessly, Killing Colleagues and Shedding Alliances,'' *New York Times*, May 22, 1991. http://query.nytimes.com/gst/fullpage.html?res=9D0CE4DB143EF931A15756C0A967958260 (last accessed July 27, 2009).

[3] According to the Kagan Commission report, Israel began helping the Phalanges in 1975. 104. Report of the Commission of Inquiry into the events at the refugee camps in Beirut, 8 February 1983, http://www.mfa.gov.il/MFA/Foreign%20Relations/Israels%20Foreign%20Relations%20since%201947/1982-1984/104%20Report%20of%20the%20Commission%20of%20Inquiry%20into%20the%20e (last accessed July 27, 2009).

[4] Matt Bowles, ''U.S. Aid: The Lifeblood of Occupation,'' *Washington Report on the Middle East Affairs*, March 8, 2004, http://www.wrmea.com/html/usaidtoisrael0001.htm (last accessed July 27, 2009).

[5] The state of Israel. Foreign Policy, *Brief Jewish Encyclopedia*, Vol. 3. http://www.eleven.co.il/article/11733 (last accessed July 27, 2009).

[6] ''Israel refuses to exchange Navzlin for special task force soldier,'' *Polit.ru*, August 5, 2008, http://www.polit.ru/news/2008/08/05/nevzlin.html (last accessed July 27, 2009).

[7] ''The Klein Affair: County killing him with its indifference'' (in Hebrew), *Yediot Ahronot*, March 6, 2008, http://www.ynet.co.il/articles/0,7340,L-3515503,00.html (last accessed July 27, 2009).

[8] Marina Chumakova. Speech at the round table ''Modern Terrorism: Threats and Ways of Countering Them'' at the Center for Political Studies ILA Russian Academy of Sciences, Moscow, 2004, http://www.ilaran.ru/?n=299 (last accessed July 27, 2009).

[9] ''Study: more than 220 Israeli companies selling weapons in the world,'' (in Hebrew), *Yediot Ahronot,* January 24, 2006, http://www.ynet.co.il/articles/0,7340,L-3205502,00.html (last accessed July 27, 2009).

[10] SIPRI analysts use the so-called trend-indicator in their estimates of exports. This method allows the determination of trends and detection of changes in export patterns and illustrates their geographical distribution, but the figures are often quite at variance with official statistics.

[11] Northrop Grummane-2C Hawkeye/Daya. Mexican armed forces—MAF, 2004, http://www.mexicanarmedforces.org/id27.html (last accessed July 27, 2009).

[12] Ibid.

[13] NationMaster database, http://www.nationmaster.com/encyclopedia/Saar-4.5-class-missile-boat (last accessed July 27, 2009).

[14] Other estimates put the figure at $90 million (SIPRI).

[15] According to the Stockholm International Peace Research Institute (SIPRI).

[16] Zvi Shtauber, *Middle East Strategic Balance 2004–05,* Jaffee Centre for Strategic Studies (Sussex Academic Press, 2006), p. 126.

[17] The figure refers to quantity rather than price (SIPRI methodology).

[18] NISAT, Norwegian Initiative on Small Arms Transfers.

[19] ''Spain intercepts arms shipment from Israel to Nicaragua,'' *Yediot Ahronot*, April 7, 2007, http://www.ynetnews.com/articles/0,7340,L-3421317,00.html (last accessed July 27, 2009).

[20] ''Elbit Systems receives contracts valued at over $80 million to supply avionics and logistic support for the Brazilian Air Force ALX aircraft,'' *Elbit Systems* official site, January 7, 2002, http://www.elbitsystems.com/newsRoomPressRin.asp?s=1&id=31&pr=1&s_year=2002&s_month=all (last accessed July 27, 2009).

[21] Zvi Shtauber, *Middle East Strategic Balance 2004–05*, p. 126.

[22] ''Elbit Avionics for Colombia's Super Tucanos,'' *Defense Industry Daily,* July 27, 2006, http://www.defenseindustrydaily.com/elbit-avionics-for-colombias-super-tucanos-02473/#more-2473 (last accessed July 27, 2009).

[23] ''Elbit Systems selected to provide avionic systems for Colombia's Super Tucano aircraft valued at approximately $17 million,'' July 26, 2006, http://www.elbitsystems.com/data/ESLT_Colombia_Avianoics.pdf (last accessed July 27, 2009).

[24] Haim Israel, ''Offensive on defensive,'' *The Marker*, January 2004, http://www.themarker.com/ibo/analyst/doc/Elbitsys_EN13.1.04.pdf (last accessed July 27, 2009).

[25] According to the Mexican newspaper *La Jornada*, the contract is worth $10 million. ''Israel in Colombia: Death Do We Impart,'' *La Jornada.* March 12, 2008, http://www.zmag.org/znet/viewArticle/17124.

[26] ''PMO Counter-Terrorism Bureau warns Israelis not to travel to Colombia,'' *Haaretz*, September 10, 2007, http://www.haaretz.com/hasen/spages/902873.html (last accessed July 27, 2009).

[27] ''Israel Looks at the Next Generation of Warfare,'' *Spiegel*, November 17, 2006, http://www.spiegel.de/international/0,1518,449171,00.html (last accessed July 27, 2009).

[28] ''Colombian defense minister says ties with Israel are strong,'' *Haaretz*, February 7, 2008, http://www.haaretz.com/hasen/spages/952272.html (last accessed July 27, 2009).

[29] ''U.S. roadblocks re: the Venezuela–Israel F-16 upgrade: politics or protectionism?'' *Defense Industry Daily*, October 26, 2005, http://www.defenseindustrydaily.com/us-roadblocks-re-the-venezuelaisrael-f16-upgrade-politics-or-protectionism-01390/ (last accessed July 27, 2009).

[30] ''U.S. blocks Israeli arms sale to Venezuela,'' *Daily Times,* October 22, 2005, http://www.dailytimes.com.pk/default.asp?page=2005%5c10%5c22%5cstory_22-10-2005_pg4_12 (last accessed July 27, 2009).

[31] Bureau of Industry and Security, U.S. Department of Commerce, http://www.bis.doc.gov/defenseindustrialbaseprograms/osies/exportmarketguides/westernhem/chile.pdf (last accessed July 27, 2009).

[32] ''Argentine intelligence report details Iranian hand in Buenos Aires bombings,'' *Haaretz*, May 19, 2008.

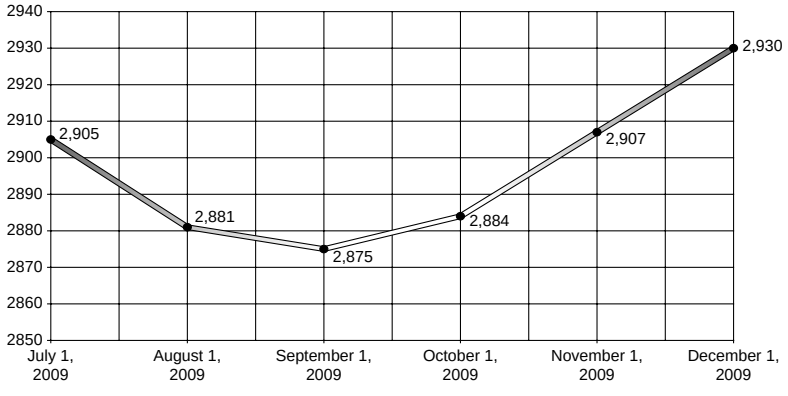
[33] ''Israel recalls Venezuela ambassador,'' BBC, August 8, 2006, http://news.bbc.co.uk/hi/russian/news/newsid_5255000/5255412.stm (last accessed July 27, 2009).

[34] ''Dina Siegel Vann. Iran's Presence in Latin America: Trade, Energy, and Terror,'' Hispanic American Center for Economic Research, http://www.hacer.org/pdf/IRAN.pdf (last accessed July 27, 2009).

[35] Report by the Control Arms Campaign. Participants: Oxfam International, Amnesty International and IANSA, http://report2007.amnesty.org/rus/A-year-in-campaigning/Control-Arms (last accessed July 27, 2009).

REVIEWS OF RECENT WORLD EVENTS: JULY–DECEMBER 2009

Figure 1. **The *iSi* International Security Index (July–December 2009)**



- ***Yury Fedorov.*** **A VIEW BY A RUSSIAN *LIBERAL*: ''NEVER BEFORE, ALL OVER AGAIN.''**
- ***Dmitry Evstafiev*****. A VIEW BY A *RUSSIAN CONSERVATIVE*: ''GLOBAL AGENDA: EMERGING FROM THE FOG OF CRISIS.''**
- ***Konstantin von Eggert, Dayan Jayatilleka, Andrey Kortunov, and Abdulaziz Sager.*** **COMMENTS BY MEMBERS OF THE INTERNATIONAL EXPERT GROUP**

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570737

Routledge
Taylor & Francis Group

NEVER BEFORE, ALL OVER AGAIN

The headline of this review is a quote from Victor Chernomyrdin, famed for his unique style of expressing complex ideas in poignant idiom. In this particular case, this catch phrase of his is an accurate if artless description of the international situation in the past few years. These years have seen a lot of important and interesting events. Sadly, not one of them suggests that anything has changed in world politics.

AXIS OF EVIL, THEN AND NOW

Quoting George Bush Jr. is a terrible *faux pas* in sophisticated company these days. The current vogue is to blame the former U.S. president for all the woes of the world, including climate change and illegal migration—no matter whether they fell upon humanity before or after his tenure began. But the ''axis of evil'' term he coined accurately reflects the current situation with Iran and North Korea, the two centers still remaining to this axle after the rout of the Saddam Hussein regime in Iraq. In his state of the nation address of 2002, George Bush was unequivocal about these two regimes: ''We know their true nature. North Korea is a regime arming with missiles and weapons of mass destruction, while starving its citizens. Iran aggressively pursues these weapons and exports terror, while an unelected few repress the Iranian people's hope for freedom. ... By seeking weapons of mass destruction, these regimes pose a grave and growing danger. They could provide these arms to terrorists, giving them the means to match their hatred. ... In any of these cases, the price of indifference would be catastrophic.''[1]

The legacy of this particular U.S. president is controversial. His biggest mistake may have been starting the war against Iraq instead of focusing on the Iranian nuclear problem. But his assessment of the ''axis of evil'' regimes has been fully vindicated.

NUCLEAR DOMINO IN THE FAR EAST

A severe crisis has become a distinct possibility in the Far East in 2009. With manic resolve, Pyongyang continues to funnel the last remaining resources of a starving nation into producing nuclear weapons and long range missiles. In May 2009, North Korea conducted its second nuclear test. The results were an improvement on the first. It then held a series of ballistic missile launches. Those were not a great success, but they bore witness to persistent attempts by the leadership in Pyongyang to acquire not only a nuclear device, but also the means of its delivery. The United States, still viewed as the main guarantor of security for its East Asian allies, was duly alarmed, but did not produce any coherent reaction. Instead of bringing tough and forceful pressure to bear on Pyongyang-the only language the North understands-there came yet another UN Security Council Resolution 1874.

Council members expressed their ''gravest concern'' and condemned Pyongyang's actions. They demanded ''that the D.P.R.K not conduct any further nuclear test or any launch using ballistic missile technology'' and said the North must ''suspend all activities related to its ballistic missile programme''. The council also urged member states not to assist North Korea in any way in its attempts to create weapons of mass destruction or means of their delivery. It called upon them to freeze all financial and other assets or resources linked to such weapons programs. Finally, the Security Council urged all member states to inspect all cargo to and from the D.P.R.K that may contain items intended for WMD programs.[2] Pyongyang immediately countered by threatening to consider any attempts to inspect North Korean ships as a declaration of war. So far, no-one has volunteered to try such an inspection. It appears that the latest round of the struggle against the North Korean nuclear weapons program has ended with little damage sustained by either North Korea or its program.

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570745

The Russian position on North Korea has been positively dove-like, especially compared to Moscow's policies on Georgia. Some Russian politicians who are close to the country's leadership have been musing openly that the looming nuclear crisis in the Middle East is America's fault, because Washington has ''driven North Korea into a corner.'' The Russian Foreign Ministry helpfully proposed a return to the six-party talks, ignoring the fact of their complete collapse. As for using force against the brazen North Korean leaders, such an approach is totally against Moscow's principles.

Failure to stop the regime in Pyongyang will inevitably lead to a nuclear domino effect in Northeast Asia. For Japan, North Korean nuclear missiles represent a truly existential threat. Tokyo is increasingly skeptical about America's security guarantees, especially in view of the ongoing review of America's foreign and defense policies, its growing commitments in Afghanistan and the deepening crisis in the Middle East over Iran's nuclear ambitions. Which is why public opinion in Japan might well come to view Japan's own nuclear weapons as the only guarantee of national security, and a preventive strike against key military and political targets in the North as the only way of forestalling a nuclear attack and putting an end to barefaced nuclear blackmail by Pyongyang. And there is little doubt that if Japan acquires nuclear weapons to join North Korea in the nuclear club that will inevitably lead to the reanimation of nuclear weapons programs in South Korea and possibly Taiwan. That in its turn would provoke a natural reaction in China, which will be forced to scale up its own nuclear weapons plans. But even this *nuclear domino* effect is not the worst consequence of Pyongyang's nuclear weapons program. The unpredictable North Korean leaders might one day provoke a preventive strike against their own country. That would almost certainly trigger a regional nuclear conflict, whose consequences would be too grave to imagine.

END OF THE WORLD IN THE MIDDLE EAST

The situation with Iran may well follow a similar scenario. Having acquired the technology of designing, engineering, manufacturing and launching multistage ballistic missiles, Iran already has the means of nuclear weapons delivery that put not only the Middle East but even some European countries within its reach.

Many experts believe that Tehran is well on track to creating a nuclear weapon. The IAEA said in June 2009 that the Iranian nuclear center in Natanz already has 5,000 centrifuges in operation, a thousand more than in February, and another two thousand are being built.[3] According to estimates by the German secret service, the BND, which were leaked to the press in July, Iran might well obtain its first nuclear device in six months' time, i.e. at the very start of 2010. A similar estimate has been made by the Institute for Science and International Security, a leading U.S. nongovernmental center for nuclear nonproliferation.[4]

The results of the June 2009 presidential election in Iran have added another cause for concern. The Basij militia, one of Ahmadinejad's key power bases, ruthlessly suppressed the protests of those Iranians who are sick and tired of the fanatical mullahs and who tried to dispute the outcome of the vote. But the spontaneous protests, which mainly reflected the mood of the urban middle classes, (primarily the educated young people), have failed to achieve any tangible results. The protesters had no program, no leaders and no organization. Meanwhile, the lowest classes of the Iranian society, the impoverished and angry majority, backed Ahmadinejad.

The turmoil also highlighted a split in the ruling Iranian clergy, who continue to play the decisive role in national politics. One of the two groups, led by Ali Khamenei, the Supreme Leader, is opposed to even a limited set of reforms. Their opponents, led by Ali Akbar Hashemi Rafsanjani, are considered to be relatively pragmatic, but only in terms of domestic, not foreign policy. There is no discernable difference on the nuclear program between the leaders of the incumbent regime and their opponents in the Iranian establishment.

The deepening conflict between the various cliques in the Iranian clergy serves to strengthen the most odious Iranian grouping-the one led by Ahmadinejad, as well as by the former leaders of the Revolutionary Guards and the Basij militia, the Iranian version of the SS stormtroopers. This grouping seems to be growing in strength and gradually taking over from the mullahs the real power in the country. In other words, we are witnessing the formation of an extremist Islamo-Fascist regime in Iran, which draws support from the impoverished majority of the population and whose political and power base is the Revolutionary Guards and the Basij militia.

After claiming victory in the elections and suppressing the opposition, Ahmadinejad has assumed an even more uncompromising stance on the nuclear talks. The head of the Iranian General Staff, Gen. Hassan Firouzabadi, was blunt in his assessment of the talks' prospects. The EU, he said, ''has totally lost the competence and qualifications needed for holding any kind of talks with Iran'' because it has become embroiled in the turmoil that followed the election and supported the anti-government forces.[5]

Abdulaziz **Sager,** Chairman of the Gulf Research Center **(Saudi Arabia)** – by e-mail from **Dubai:** *The deterioration of the situation in Iran had a negative impact on security in the Gulf and was a new destabilizing factor in the volatile region. The Iranian president is not likely to make compromises on any aspects of the nuclear program and will tend to pursue a hard line in foreign policy. The growing antagonism in foreign policy helps the Iranian leaders to distract people from domestic problems*.

The suppression of the Iranian opposition did not go unnoticed in Washington. President Obama said the whole world was ''appalled and outraged'' by the actions of the Iranian government. Susan Rice, the U.S. envoy to the UN, let it be understood that Washington was prepared to go well beyond diplomacy in order to stop the Iranian nuclear program. ''It's in the United States' national interest to make sure that we have employed all elements at our disposal, including diplomacy, to prevent Iran from achieving that nuclear capacity,'' she said.[6] The U.S. Vice President, Joe Biden, hinted that America would not try to stop Israel if it decided to pursue a military solution to the Iranian nuclear problem. In other words, the Middle East may well be nearing the moment of truth. Israel will have to choose between two very unpleasant options: accepting the risk of a nuclear attack by Tehran, where Islamo-Fascists seem to be taking over the real power, or launching a preventive strike against the Iranian nuclear and military targets.

Meanwhile, political settlement of the Iranian problem (and of the North Korean as well) is being hampered by Russia and China. Immediately after the Iranian election, when the Basij militia was cracking down on opposition protests in Tehran, Ahmadinejad flew to Yekaterinburg to take part in a Shanghai Cooperation Organization summit as an observer. There he met Russian President Dmitry Medvedev, who congratulated him on his election victory. The two presidents discussed economic and humanitarian cooperation and agreed to continue bilateral contacts. The Russian Foreign Ministry said that Russia ''respects the choice of the Iranian people (meaning the choice of the lowest of the low of the Iranian people) and is ready to continue mutually beneficial and neighborly relations with Iran.''[7] The Russian stance on the Iranian nuclear program, announced by a Foreign Ministry representative, is no less noteworthy:

''We reiterate that the best way of resolving the current situation is to work together towards achieving a political settlement of the problem over Iran's nuclear program. Such a settlement should take into account the legitimate security interests of all the nations in the region.''[8]

Careful analysis of his statement suggests that in the opinion of Russia, the Iranian nuclear program should be stopped, and the sooner the better. Iran's nuclear weapons would be a danger not just to Israel, but to the legitimate security interests of almost every nation in the Middle East, because these nations will become targets of Iranian expansionism as soon as the foreign policy ambitions of the Islamo-Fascist regime in Tehran are backed by nuclear weapons.

What the Russian Foreign Ministry unaccountably fails to comprehend is that ''working together to achieve a political settlement'' is pointless because of the stance adopted by Tehran, and also because of the Russian support for such a stance, which only encourages the Iranian leadership to more obduracy. But to accuse the Russian diplomats of unprofessionalism here would be to miss the point. The real explanation is that the top circles of the Russian elite, who view Stalin as an ''effective manager,'' sincerely sympathize with Ahmadinejad, the Revolutionary Guards and the Basij. Moscow is probably studying the Iranian experience of suppressing protests with great interest. It probably also believes that by posing serious problems for the United States and Europe, Tehran draws Western political and military resources away from the former Soviet countries, which the Russian establishment considers to be its own turf.

But whatever the underlying reasons for such a stance, in the long run it is not in the interests of Russia itself. The slogans chanted by Ahmadinejad opponents at the protests in Tehran included not just ''Death to dictator!'', but also ''Death to Russia!'' and ''Death to China!'' And most importantly, the longer the Iranian nuclear problem remains unresolved, the closer Tehran

becomes to acquiring a nuclear weapon, and the closer the world edges to a military (maybe even nuclear) conflict near the Russian borders.

TRAVESTY OR FARCE?

Historians and political commentators love the Marx dictum that history repeats itself, first as tragedy, second as farce. That dictum has been much devalued by overuse, but still remains apt. And it can well be applied to President Obama's Moscow visit. Partridge dumplings for breakfast; a huge bodyguard in a magenta shirt, pumping the samovar with a high leather boot; a meeting with the leaders of the opposition, many of whom are on the Kremlin's payroll; episodes like that push ordinary poor taste well past the edge of farce.

As for the serious part of the American president's visit, especially the decisions on the future strategic arms reduction treaty, there the farce ends, without quite turning into tragedy. These decisions look more like a travesty of the really significant arms control agreements reached during the Cold War.

Some journalists and even people considered to be military experts believe that the goal of those arms control agreements was to strengthen so-called strategic stability. This lofty term was used to describe America's and former Soviet Union's ability to destroy each other in a retaliatory nuclear strike. The true motives of both countries were actually quite different from the ostensible goals. Some arms control agreements were signed simply because neither side could or would plunge into a new arms race in yet another area. The agreements not to deploy nuclear weapons on the bottom of the seas and oceans, or on the surface of the moon and other celestial bodies, fall under this first category. Both Moscow and Washington clearly realized that the only way to position a nuclear weapon on the bottom of the sea was to let it drown. As for the moon, bringing a nuclear warhead to its surface had become a theoretical possibility by the 1960, but even the dimmest specimens of the military industrial complex in both countries realized the pointlessness of such an exercise.

Similar considerations led to the signing of agreements on ballistic missile defense systems. The deals were struck not with strategic stability in mind, but simply because ABM systems had been made pointless by the arrival in the late 1960s of ballistic missiles carrying multiple warheads. It took two or three antimissiles to reliably intercept one warhead. So if the potential adversary could deploy a missile carrying five or six warheads, intercepting them all would take 10–20 antimissiles. The numbers just did not add up, so the wisest course of action was simply to agree to abandon the ABM idea on a mutual basis, if only for economic considerations. Several other agreements on the nonproliferation of nuclear arms and missiles were signed because the nuclear powers wanted to keep their privileged position on the international arena and prevent a regional nuclear conflict. The leaders of those powers probably realized that the consequences of such a conflict would be unpredictable and almost impossible to contain.

A slightly different set of considerations applied to strategic arms agreements. As a rule, those deals were based on the notion that any further increase in the number of warheads or carriers would not yield any tangible military benefits, and the resources required for such an increase would be better spent on improving the quality rather than quantity of the weapons. That led to mutual interest in limiting or even reducing the numbers. Both sides also pursued two additional goals at the talks: to limit, reduce or even eliminate those weapons categories in which the other side had the advantage, and to protect the categories in which the home side had the upper hand. That meant that each round of negotiations would normally degenerate into lengthy and painful horse-trading that ended with numerous trade-offs and compromises. On the whole, the agreements reached at those talks did serve to strengthen strategic stability to the extent that they balanced American and Soviet strategic potential-but that was not the primary purpose of the talks.

The situation today is very different. The United States is interested in reducing the numbers of strategic nuclear warheads. These reductions are already taking place as nuclear warheads are being removed from strategic carriers to be replaced with high-yield and high-precision conventional warheads. The fact is, strategic nuclear arms can be useful for a very limited set of purposes. In essence, their only function is to deter a nuclear strike by the potential adversary. In a limited or regional conflict, they are next to useless. Meanwhile, strategic carriers armed with conventional warheads can come very handy. For example, they are an excellent instrument for

Table 1. **U.S. Strategic Forces (as of January 1, 2009)**[9]

	Carriers		Warheads	
	START-I [a]	Actual [b]	START-I [a]	Deployed [b]
ICBM	550	450	1,250	550
SLBM	432	288	3,264	1,152
HB	216	60	1,062	500
Total	1,198	798	5,576	2,202

[a] START-I counting rules.
[b] Estimate by Frank Norris and Hans Kristensen.

delivering a massive simultaneous strike against hundreds of key military and political targets in North Korea or Iran. In such situations time is of the essence, because it is important not to allow the adversary the time to come to his senses and retaliate in some way of another-the retaliation measures can be quite painful.

Reputable U.S. experts estimate that as of early 2009, the United States had about 2,200 deployed nuclear warheads (i.e. warheads fitted onto carriers) and about 2,500 stockpiled warheads.[10] If need be, those warheads can be deployed on ballistic missiles or heavy bombers. In the meantime, the U.S. military are trying to achieve what they believe would be an optimum balance between conventional and nuclear warheads fitted onto strategic carriers. They are also pursuing a program of modernizing the strategic U.S. arsenal, through measures such as replacing the weapons that have reached the end of their service life with new ones. At the same time, the United States continues the development of an ABM system capable of intercepting and destroying the relatively primitive warheads of the Iranian and North Korean missiles.

Russian top brass appear to be extremely anxious over the U.S. strategic armaments policy. A relative parity now exists between Russia and the United States in terms of deployed nuclear warheads and carriers. But the Russian strategic potential continues to shrink as old missiles reach the end of their service life while the Russian defense industry is unable to replace them all with new ones.

A number of various forecasts have been made by Russian and foreign analysts about the structure of the Russian strategic arsenal in 2015–20. All of them assume that the obsolete *SS-18, SS-19* and *SS-25* (*Topol*) missiles, which now form the bulk of the ground-based strategic arsenal, will have been decommissioned by that time. A certain number of them will have been replaced by the new silo-based and mobile *Topol-M* missiles-some of them carrying three warheads. The nuclear-powered ballistic missile submarines of the *Delta-III* class based in the Kamchatka will have reached the end of their service life. They will have to be decommissioned. It is expected that three new subs of the *955 class* (*Borey*) will have been launched by 2015. They will carry the new *Bulava* SLBMs, with six warheads per missile.

The size of the Russian strategic arsenal by 2015 is hard to predict, because there is still no certainty that the *Bulava* project will deliver a usable missile, or that the production targets for *Topol-M* ICBMs will be met. Experts estimate that in seven or eight years' time, Russia will have 400–500 strategic carriers and about 1,500 warheads.

That means that for every Russian strategic carrier, the United States will have two or three. Meanwhile, the throw-weight of the *Topol-M* and *Bulava* missiles is less than 1.2 metric tons. As a result, Russia will be unable to replicate the U.S. practice of ''unloading'' the carriers and replacing some of the nuclear warheads with conventional ones. Essentially, Russia will have to load each strategic carrier to its fullest capacity so as to minimize the gap with the United States in terms of the number of strategic nuclear warheads.

These considerations inform Russia's approach to strategic arms talks with the United States, which began soon after Obama and Medvedev met in London in early April 2009. The main goal of the Russian delegation is to limit or reduce as much as possible the number of American strategic carriers. This would solve the ''breakout potential'' problem and severely restrict America's ability to arm its strategic missiles with conventional warheads, which now represents a major headache for the Russian generals. Moscow also demands that the Americans stop their ABM program.

Table 2. **Russian Strategic Arsenal (as of January 1, 2009)**[11]

	Carriers		Warheads	
	START-I [a)]	Actual [b)]	START-I [a)]	Actual [b)]
ICBM	469	385	2,005	1,357
SLBM	268	172	1,288	612
HB	77	77	616	856
Total	814	634	3,909	2,054

[a)] START-I counting rules.
[b)] Estimate by Pavel Podvig.

The bottom line is, the ongoing talks on a new strategic arms reduction and limitation agreement are a travesty of the similar talks held during the Cold War. Russia has next to nothing to offer the United States in return for significant cuts in the numbers of strategic carriers. But it continues to press demands which it knows Washington will be very unwilling to accept. Meanwhile, Washington itself probably has very little enthusiasm for such talks, because the Russian strategic arsenal will continue to shrink regardless of their outcome.

RUSSIA–AMERICA–AFGHANISTAN–CENTRAL ASIA QUADRANGLE

There was a document signed during Obama's visit to Moscow in July 2009, which—unlike the declarations that are normally forgotten the very next day—really does have an impact on international affairs. That document was the agreement between the Russian and U.S. governments on military transit to Afghanistan. Under the agreement, Washington can now use Russian territory for air transit of soldiers, arms and military equipment to Afghanistan. That includes commercial flights and U.S. military transports, which are expected to make up to 4,500 flights a year. According to the Russian foreign minister, Sergey Lavrov, ''it is in Russia's interests to make sure that the coalition, which is working in Afghanistan under a UN Security Council mandate, is well supplied and able to improve its effectiveness.''[12]

Mr Lavrov is absolutely right in this particular case, if somewhat disingenuous. It really is in Moscow's interests to make sure that the U.S. and coalition troops in Afghanistan are able to fight the Taliban and other Islamic extremists. That is quite understandable. So long as the coalition continues to contain the Taliban and its allies, the Central Asian regimes can feel relatively secure. Russia, which would otherwise have to defend those regimes militarily, is thereby free to concentrate its military and economic resources in the South Caucasus, the Black Sea region and other parts of the former Soviet Union that are the target of the Russian military and political establishment's interests and ambitions.

But relations in the Russia–America–Afghanistan triangle are far more complex than they might appear after the signing of that truly important military transit agreement. Starting from mid-2005, Moscow has been working hard to achieve the withdrawal from Central Asia of western, especially American, military facilities and troops whose main purpose was and remains to secure Afghan transit. In early 2009, the Kremlin induced Kyrgyz President Bakiev's to order the pullout of the U.S. military airbase at the Manas airport, just outside the Kyrgyz capital. For several years that base had been like a thorn in the side of the Russian generals and diplomats, who could not abide American military presence in Kyrgyzstan.

Part of the reason why President Bakiev acceded to Moscow's demands was the promise of a $2 billion loan. But what is probably even more important, Kyrgyzstan held a presidential election in July 2009. And had Bakiev resisted Russia's pressure, the Kremlin could well have given its backing (and possibly funding) to his rivals. Moscow's success in Kyrgyzstan caused a lot of anger in other Central Asian countries and in Afghanistan. Central Asian leaders were seriously concerned that the closure of the base would make life more difficult for the U.S. troops fighting the *Taliban*, and therefore undermine the security of the countries which share the border with Afghanistan, as well as of Kyrgyzstan itself. Kyrgyz enclaves in the Fergana valley have repeatedly come under attack by militants coming by way of Tajikistan.

Almost all the Central Asian countries have allowed U.S. airplanes to cross their airspace. They have also allowed the refueling of those planes at their airfields. Washington has largely solved the problems with non-military American transit via the Navoi freight terminal in Uzbekistan. The Kyrgyz leadership eventually found a way out of the bind Moscow's pressure had left it in by allowing the Americans to transform their airbase at Manas into a transport and logistics hub. But unlike the former airbase, no military transit is allowed via that hub-not officially anyway. It also remains unclear whether the tanker planes which refuel combat aircraft over Afghan territory will be allowed to use Manas as their base. All that means that securing military air transit via the Russian territory is a major victory for American diplomacy. The question is, what is the concession Washington must have offered in return?

Dayan **Jayatilleka,** Ambassador, Professor of the University of Colombo **(Sri Lanka)** – by e-mail from **Colombo:** *Global and regional security situation have improved. At the global level this happens thanks to Obama's readiness for negotiations rather than confrontation. The progress in nuclear talks between Russia and the United States and the U.S.-Chinese dialogue has a positive impact on international situation. The balanced decision of the Indian voters to support the Indian National Congress instead of belligerent BJP along with the moderate course of the current civilian regime in Pakistan helped to reduce tensions in the region. India and Pakistan agree that terrorism is the major security challenge. A negative factor is the hawkish policy of the Israeli government and its hysteria concerning Iran. Another negative development is the growing U.S. military activity in Afghanistan leading to civilian casualties, which alienate the Pashtuns in Afghanistan and Pakistan from supporting the international coalition.*

STALINISM ON THE MARCH

On July 6, 2009, the Parliamentary Assembly of the OSCE adopted a resolution with a long and slightly boring title ''Divided Europe Reunited: Promoting Human Rights an Civil Liberties in OSCE Region in the 21st Century''. The resolution reads that in the 20th century, the European countries ''experienced two major totalitarian regimes, Nazi and Stalinist, which brought about genocide, violations of human rights and freedoms, war crimes and crimes against humanity.'' The Parliamentary Assembly reiterated ''the initiative of European Parliament to proclaim August 23, when the Ribbentrop-Molotov pact was signed 70 years ago, as a Europe-wide Day of Remembrance for the Victims of Nazism and Stalinism, in order to preserve the memory of the victims of mass deportations and executions.'' The assembly rejected ''all totalitarian rule from whatever ideological background,'' urged the participating states ''to continue research into and raise awareness of the totalitarian legacy,'' and expressed ''deep concern at the glorification of the totalitarian regimes, including the holding of public demonstrations glorifying the Nazi or Stalinist past, as well as the possible spread and strengthening of various extremist movements and groups, including neo-Nazis and skinheads.''[13]

For those trying to sweep the monstrous crimes of Stalinism under the rug and portray Stalin as an ''effective manager'', this resolution does not make for a pleasant reading. But neither can it be considered anti-Russian or even anti-Soviet in any way. It talks about Stalinism, not about the Soviet Union. And starting from the 20th Congress of the Communist Party, Soviet propaganda has been laboring the point that Stalin's crimes do not define the entire Soviet record. In fact, the party's key assertion was that the Stalin regime and the Soviet Union are two completely different things, and mixing the two is a great ideological fallacy.

The reaction of the Russian parliamentarians to the assembly's resolution reminds me of Victor Chernomyrdin's outburst about members of the Russian Duma back in the 1990s, during yet another showdown between the cabinet and the legislature: ''Why are we even arguing whether they should be checked by a psychiatrist? Of course they should be checked, all of them!'' The former Russian premier may have been a bit too harsh of course. But what cannot be disputed is that members of the State Duma and the Council of the Federation must all have had a well-deserved F in History of the Communist Party [a mandatory subject in all Soviet universities].

A few days after the OSCE parliamentary assembly adopted its declaration, the two chambers of the Russian parliament responded with a special statement. Leaving aside their strange remarks about ''anti-historical provocations'' and alleged attempts to rehabilitate collaborationists, which

have nothing to do whatsoever with the letter or spirit of the resolution, the gist of the retort is as follows:

- The OSCE parliamentary assembly ''has attempted to equate Nazi Germany with one of the principal members of the anti-Hitler coalition and a founding member of the UN, the Soviet Union'';
- ''The proposal to proclaim August 23—the day the Soviet Union and Germany signed a non-aggression pact—as the day of remembrance of the victims of Stalinism and Nazism in equal measure, and attempts to portray that document as the trigger of the war'' are described as ''absolutely unfounded.''
- The resolution is ''an outright insult of the memory of millions of our compatriots who sacrificed their lives during World War II for the liberation of Europe from the yoke of Fascism, from the Holocaust, gas chambers and concentration camps, who died so that we could live in a free and peaceful Europe.''[14]

The very first point of that statement makes it depressingly clear that the Russian parliament members make no distinction at all between the Soviet Union and Stalinism-which goes completely against the ongoing Russian campaign to banish ''falsification of history.'' The resolution of the OSCE parliamentary assembly, in full accord with the principles of European political correctness, talks about the responsibility of Stalinism and Nazism, not of Germany and the Soviet Union.

The second point simply twists the words and the meaning of the resolution. Nowhere does it say anything about the Molotov-Ribbentrop Pact being ''the trigger of the war''—although in the opinion of many Russian and foreign historians, that assertion would actually be quite accurate. The resolution links the pact only to mass deportations and executions. That last point about executions is not entirely correct though. Mass-executions had begun in both the Soviet Union and Nazi Germany long before August 23, 1939. But for the Poles and the Balts, the mass-executions and deportations really did begin on that dark day.

Finally, it is not clear at all how the resolution ''insults the memory'' of Soviet citizens who died in the struggle against Fascism. It appears that the Russian parliament members equate Stalinism with the Soviet people, which is absolutely wrong. They also forget the fact that the Soviet people could have avoided many of those sacrifices had it not been for the deliberate actions of the Stalin regime. Suffice is to recall that thanks to the Soviet political and military leadership, the Soviet army, which had been amassed in the Western regions of the country, was decimated in the very first few weeks of the war, with the loss of millions of human lives.

As I was working on this review, I was not sure whether the Russian parliament's reaction to the OSCE parliamentary assembly's resolution deserves a separate mention. But this is not the first, and sadly not the last time that the Russian parliament ends up with its foot in the mouth thanks to the ideological zeal and poor education of its members. What is worse, the ill-educated and falsely emotional statement by the Russian parliament is part and parcel of the ongoing and deliberate campaign to implant into the Russian public opinion yet another historical delusion-and the rehabilitation of Stalinism is a key element of that delusion. The authors of this campaign are following in the footsteps of Stalin himself, who in the 1920 also revised history and ''rehabilitated'' Ivan the Terrible, Peter I and other figures of very dubious repute. But experiments with history tend to end up very badly. Stalin's campaign against the falsification of history became part of the preparations for Big Terror.

CONCLUSION

Great German philosopher Georg Hegel once said in a fit of melancholy: ''What experience and history teach is this—that people and governments never have learned anything from history.'' World affairs in the past six months only confirm this pessimistic concept. Instead of working to bring the leaders in Tehran and Pyongyang back to their senses, Moscow and Washington are devoting their energies to a new strategic arms agreement. Any such deal would only formalize the existing balance of forces between Russia and the United States, but it cannot actually change it in any discernable way. While Russian and American negotiators are aping their Cold War predecessors, a huge storm is looming in the Far and Middle East. Another distinct possibility is a

new war in the Caucasus, which would lead to Russia's isolation—though such an outcome would actually be welcomed by those who are working on the restoration of Stalinism. Washington still has not figured out that the war in Afghanistan cannot be won, and the longer the U.S. troops stay there, the harder the Afghan syndrome will be. If people at the helm of the leading democracies fail to realize the need for a deep change of political strategy, what now seems a historical farce will turn into a new historical tragedy.

Yury Fedorov

NOTES

[1] ''... We know their true nature. North Korea is a regime arming with missiles and weapons of mass destruction, while starving its citizens. Iran aggressively pursues these weapons and exports terror, while an unelected few repress the Iranian people's hope for freedom. ... By seeking weapons of mass destruction, these regimes pose a grave and growing danger. They could provide these arms to terrorists, giving them the means to match their hatred. ... In any of these cases, the price of indifference would be catastrophic.'' *The President's State of the Union Address*. Washington, D.C., January 29, 2002, http://georgewbush-white house.archives.gov/news/releases/2002 /01/ print/20020129-11.html (last accessed September 25, 2009).

[2] UN document S/RES/1874 (2009). Resolution 1874 (2009) passed by the UN Security Council at its 6141st session on June 12, 2009.

[3] Associated Press, ''Diplomats: Iran advancing nuke program,'' *MSNBC,* August 20, 2009, http:// www.msnbc.msn.com/id/32492439/ns/world_news-mideastn_africa/,

[4] Ibid.

[5] The EU ''has totally lost the competence and qualifications needed for holding any kind of talks with Iran,'' says George Jahn in ''Hopes fading for Iran nuke talks. Official says EU has lost the right to engage on atomic activities,'' Associated Press, July 1, 2009, http://www.msnbc.msn. com/id /31686557/ns/world_news-mideastn_africa/page/2/ (last accessed September 25, 2009).

[6] Susan Rice: ''It's in the United States' national interest to make sure that we have employed all elements at our disposal, including diplomacy, to prevent Iran from achieving that nuclear capacity,'' Ibid.

[7] Commentary by the Russian Foreign Ministry department of press and communications on the presidential election in Iran, http://www.mid.ru/ns-rasia.nsf/1083b7937ae580 ae432569e7004199c2/432569d80021985 fc32575dd0055ee6a?OpenDocument (last accessed September 25, 2009).

[8] Reply of Russian Foreign Ministry representative Andrey Nesterenko to a question from the media about U.S. Vice President Joe Biden's statement on the possibility of the use of force by Israel against Iran, http://www.mid.ru/ns-rasia.nsf/1083b7937ae580ae432569e7004199c2/432569d80021985fc 32575ec005a8d46?OpenDocument (last accessed September 25, 2009).

[9] ''START Aggregate Numbers of Strategic Offensive Weapons''. Bureau of Verification, Compliance, and Implementation. Fact sheet (April 2009), http://www.state.gov/t/vci/ris/121027; Robert S. Norris and Hans M. Kristensen, ''Nuclear Notebook: U.S. nuclear forces, 2009,'' *Bulletin of Atomic Scientists* (March–April 2009), 61.

[10] Robert S. Norris and Hans M. Kristensen, ''Nuclear Notebook...'', 60.

[11] ''START Aggregate Numbers...''

[12] Russian Foreign Minister Sergey Lavrov's interview with the Russian news Channel *Vesti*, July 7, 2009, http://www.mid.ru/brp_4.nsf/2fee282eb6df40e643256999005e6e8c/2dd08b7da5f86ce1c32575ef0052046b? OpenDocument (last accessed September 25, 2009).

[13] http://www.oscepa.org/images/stories/documents/activities/1.Annual%20Session/2009_Vilnius/Final_Vilnius_ Declaration_RU.S..pdf (last accessed September 25, 2009).

[14] http://www.vz.ru/information/2009/7/7/304857.html (last accessed September 25, 2009).

GLOBAL AGENDA: EMERGING FROM THE FOG OF CRISIS

Everybody loves to complain about the global economic crisis. It stands accused of undermining the existing balance of power and interests—though that balance had clearly been teetering on the brink even in 2007, let alone 2008. It is also said that by stalling global economic growth, the crisis stands in the way of solving the social and economic problems of the *Fourth World*, i.e. of the countries unable to develop on their own. But the proceeds of the *financial bubble* would not have been able to solve those problems either. Finally, it is said that the global economic crisis has exacerbated military and political tensions on the international arena, by spurring international competition for resources. That last assertion is actually true—but it is only part of the whole truth, and a small part too.

The larger truth is that the crisis has accelerated the emergence of a new global geopolitical reality. This new reality reflects the new trends and shapes new developments in the system of international relations and global security. This article can hardly accomplish a full description of the new reality—but it can at least outline some of its hallmarks.

One of them is that the relative importance of financial instruments will increase, while the existing system whereby large transnational corporations largely shape the world economy will begin to crumble. In other words, money will still run the world, but there will be new managers.

Another feature of the new geopolitical reality is the increasing importance of control over key transport communications for the geopolitical stability of nations. One testament to that is the heated struggle for the existing and new transport corridors—and there is reason to believe that these battles are only just beginning.

The new geopolitical reality is conducive to renationalization of foreign (let alone domestic) policies of the key nations. On the whole, the idea of national sovereignty is once again becoming one of the cornerstones of the nations' conduct. One clear example of this is the situation in the European Union, where all the talk of the Lisbon Treaty smacks of the member-states' desire to ensure maximum freedom of action for themselves. And to think that ''sovereignty'' was almost a dirty word only three or five years ago.

The conflict between the North and the South will become another key feature of the new geopolitical reality. The North, being relatively more affluent but also more affected by the crisis, will aim to curtail its formal and informal commitments to the South. It will also try to shield itself from the consequences of the current state of affairs in the South. That is why fighting illegal migration is becoming one of the central and almost universal ideas in both the EU and the United States.

New energy technologies will be become increasingly important, as the crisis has demonstrated that extreme dependence of economic growth on the prices of hydrocarbons is an absolute and unalloyed evil. The hydrocarbon economy has reached its limits. That is why interest in nuclear and renewable energy remains extremely high, despite the current level of oil prices.

Finally, the new geopolitical reality will mean more political and sometimes military tensions in the nations that have not yet fully formed their state systems. In other words, the problem territories which our American friends have so indelicately dubbed failed states will no longer be able to expect generous support from their sponsors, nor will they yet find the strength to solve their problems on their own.

In simple terms, the new world will see a wholesale redistribution of assets using previously accumulated financial resources—and this redistribution may well end up with some shots fired in anger. So the developments of the past few months should be viewed not as separate events but as parts of the bigger picture. That picture is still being painted, but the sketch is already clear. This is a picture of the ways and methods that will be used to shape international security in the next 30 years. And, most importantly, that picture shows the mechanisms and techniques that will separate the players from the pieces on the chessboard of world politics.

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570760

RUSSIAN–AMERICAN STRATEGIC RELATIONS: THE CONCEPT OF MIDDLE BROTHER

The Russian leadership is facing criticism from some quarters that it gave up everything it could during talks with Barak Obama in return for him doing nothing more than toning down Washington's anti-Russian rhetoric. The charge has no merit whatsoever. Hardly anyone had been paying attention to that rhetoric anyway—senses had been blunted by America's reaction to the operation to force Mikhail Saakashvili to peace. The real question is about the appearances kept up during the Russian leadership's move to exit the state of potential confrontation with the United States. Even before the crisis, which has hit Russia much harder than many other countries, no one had seriously believed that Moscow was capable of maintaining confrontation with the United States for any significant period of time. Of course, the Brest Peace, which I had hoped for in the previous review, has not come about. Furthermore, it is Washington that is largely in control of the battlefield now that the forces have withdrawn—and that charge can be laid at the door of Russian diplomacy. But we are still at the very beginning of our journey. And further dealings with Barak Obama and his administration will probably persuade the Russian leaders that softening their stance in exchange for softer rhetoric may not be a bad thing in itself, but it may end up rather badly, as Mikhail Gorbachev's experience suggests. Those who accept such trade-offs may well end up advertising American pizza.

But, on the other hand, it would not be fair to claim that Moscow has suffered a total defeat in its horse-trading—not confrontation, horse-trading—with Washington. True, the United States has not made any significant concessions. It has said it will not go ahead with plans to deploy the ABM system, but that was in the planning stages anyway, and the decision is probably only temporary. Overall, though, nothing tragic has happened in strategic arms reduction, and further constructive dialogue remains entirely possible. That dialogue, by the way, will be far more fruitful if the Bulava missile, excellent in every respect except for its reason for existence, finally reaches the general vicinity of the target and maybe even hits it, hard though this may be to imagine right now. That would give the Russian leaders a lot more confidence in any future negotiations on the numbers of deployed and stockpiled warheads.

Andrey **Kortunov, President,** New Eurasia Foundation **(Russia)** — by phone from **Moscow:** *The readiness for dialogue– not only between Russia and the United States, but also between Russia and NATO–indicates Moscow's willingness to take a more moderate position on a number of international issues. The global economy is starting to recover slowly and psychological tensions and panic are abating. The politicians are starting to feel more confident in general crisis situations and behave adequately on some issues not related to the economy. The key question is whether the second wave of the crisis will occur. If it does, the security situation may be aggravated. If not, we can speak about the continuation of the positive development scenario.*

The same logic applies to the agreement on military supplies transit to Afghanistan. Does anyone in Russia really want NATO troops to be pulled out of Afghanistan? That would only create additional problems and threats for Russia itself by destabilizing the southern border of the CIS, and give NATO far more military flexibility than it has now. Russia's goal is to make sure that NATO troops successfully continue their mission in Afghanistan, and preferably in Iraq as well, for as long as possible, hopefully forever. Because while NATO is busy scraping together enough soldiers to fight in the Hindu Kush foothills, its strategists will hardly be able to concern themselves with the situation in the Central Russian Upland, the Dnieper Plateau, or even Transcaucasia.

In the end, Russia should follow the middle brother strategy in its relations with the United States and, to a lesser extent, with NATO. It should not be a junior brother, the geopolitical Ivan the Fool, who kept searching for his luck and then jumped into boiling milk. That role should be left to Ukraine and Georgia. If the ruling elite of those two countries wishes to jump into boiling milk in the hope of becoming a prince, our role is to fish out the body and arrange a respectful funeral. The middle brother does not go on silly quests searching for his luck. He keeps to his granary and stockpiles his resources. He is respectful to his senior brother, the rich capitalist—if sometimes slightly jealous. He does not miss an opportunity to swindle him on occasion, but he also keeps him, by word and by deed, from making silly mistakes—such as accepting Georgia into NATO or making too many overtures to European fascism.

Russia's role is to say to the United States, almost in whispering tones: ''Senior brother, we accept your seniority—that is only the stark truth. But now, right now, you are making a big mistake. Stop now, don't make this mistake, or I will be forced to feed rat poison to your favorite cat, and if you still keep fooling around, I'll torch the barn.''

I believe that is exactly the model of relations that began to emerge, from the rhetoric and hard feelings of the past, during Barak Obama's talks in Moscow with Dmitry Medvedev and Vladimir Putin.

Something else also comes to mind. The bulk of the recent problems in Russian–American relations had resulted from the fact that the Russian leadership had established almost friendly relations with George W. Bush, but failed to reach even a basic understanding with Vice-President Dick Cheney. Meanwhile, it was Cheney who had really stood at the helm of America over the past eight years, while George W. Bush was too busy talking to God and choking on pretzels. It was Cheney who made all the important decisions, issued orders to the CIA, and built a system of managed democracy in the United States. He was the reason for the deterioration in Russian–American relations in the past few years, largely because Moscow did not take into account (and failed to understand) his business interests in the post-Soviet countries.

Of course, Barak Obama can play the role of an American Yevgeny Petrosyan (a Russian stand-up comedian), cracking jokes at various gatherings. He can deftly kill flies in front of an enraptured audience. He can talk about democracy far more convincingly than George W. Bush ever could. But what if it turns out at some point that the real decision-maker in Washington was the quiet and unassuming Joe Biden, flesh of the flesh of American aristocracy, a man with connections in all the key lobby groups, a man whose wisdom and knowledge were never questioned even by the neocons? Here is the man who talks little but probably does a lot. And would it not be a strategic mistake to throw ourselves into Obama's embrace and forget about the man who could well be the real leader of *the world's only superpower*?

Shouldn't we hedge our bets this time around?

NORTH KOREA: STRATEGIC DEADLOCK OR SYMBOL OF THE INEVITABLE

Pyongyang, meanwhile, keeps politicians and political analysts alike well entertained. But the obvious question is, haven't we seen it all before? The missile and pseudo-nuclear tests, America's tough statements, Seoul's frightened impotence? Beijing, just as impotent but artfully covering it up with heavy hints about some kind of *special* relations with the North? Moscow's promises not to let the West drive the North into a corner? Threats of new sanctions? Plus of course Pyongyang's imaginative invective against America? We know almost exactly what is going to happen next, down to every specific step: nothing is going to happen next.

We can of course berate the North Korean leaders and Kim Yong Il personally, though his status as the real leader of the country is far from certain by now (and despite all that, the North continues its geopolitical game with great success). We can talk about the destabilizing effects of Pyongyang's actions. But it would probably be more productive to think along the following lines. What if those actions by the North are the result of the general military and political situation in the region? What if the current crisis results from the fact that as military and political tension in the region grows, North Korea, its weakest and most vulnerable country, feels that it can survive only if it acts tough and brazen, and, most importantly, if it seizes the initiative?

In our preoccupation with the North Korean nuclear program we are neglecting the fact that this situation cannot be separated from a chain of other events. They may be less conspicuous but are no less important for that. To name just a few:

- ❑ The new Japanese cabinet, which, for the first time since the end of World War II, is openly voicing revanchist sentiment, previously the domain of Japanese extremists—and all that against the backdrop of a severe economic crisis.
- ❑ Dangerous instability in China's ethnic provinces, clearly orchestrated and instigated from abroad; its consequences could spread across the entire region and beyond.
- ❑ Severe territorial tensions between China and Vietnam, which could well degenerate into other, far more significant problems affecting other countries in the region. Strangely

enough, everyone seems afraid to say out loud the word Spratly (disputed islands in the South China Sea).

- Growing tensions between Tokyo and Seoul over the nationalist proclivities of the Japanese cabinet, which is beginning to revert to the old thinking about the period of 1933–1945 as an era of bringing true civilization to the nations of Southeast Asia and China.

The bottom line is obvious: over the past 18 months, the level of political and, consequently, military tension in Northeast and Southeast Asia has risen quite substantially, if not to say dramatically. Meanwhile, there is not even a hint of cooperative security measures in the region. The only bright spot is the relative stability in the relations between China and Taiwan, but that bright spot only serves to make the rest of the situation seem even darker. So the question is, what if the periodic tensions over North Korea serve as a lightning rod for some far more significant and dangerous regional antagonisms that could otherwise degenerate into an open conflict? In this situation, North Korea plays the role of *enfant terrible*, for which it is rewarded with another dollop of humanitarian and financial aid, and reaffirms its status during every spiral of the crisis as a leading international player.

The problem is, at some point this mutually beneficial imitation of a confrontation will break down, and everyone, including Russia, will have to face the real threats rather than phantoms. And let us remember than Northeast Asia is one of the few remaining regions of the world where a *big war* is still a possibility.

AFGHANISTAN: ANOTHER FINAL PUSH AGAINST THE TALIBAN, OR RUNNING IN CIRCLES

Something that became quite obvious back in early July can now be declared a hard fact: the Western coalition's large offensive against the Taliban in the south of Afghanistan has failed, despite attempts to declare a glorious victory there. It's not just about the fact that not a single key town has been retaken by the coalition in the southern provinces, or that the losses have been staggering (more coalition soldiers have died in Afghanistan in one month than in Iraq over the past three years). It is not even about the colossal moral boost the Taliban has received by repelling a decisive NATO attack. The real problem is that having failed with their campaign in the south, and with no firm control over the western provinces of Pakistan (despite their scorched earth tactics there), the United States and its allies are clearly beginning to lose the initiative in Afghanistan. Any talk of winning the hearts and minds of the Afghans is long in the past—now it is only about keeping some semblance of stability.

Clearly, the Taliban will not be able to take Kabul, and the biggest problems are for now in the south of the country, which has seldom been under the central government's control anyway. But it is becoming increasingly obvious that the multinational forces are finding themselves confined to the big cities, leaving the countryside and key roads under Taliban control. It is now the Taliban, not the United States and its allies, who will increasingly determine where the next battlefield will be, and who have a much stronger position from which to negotiate their reintegration into the Afghan political system. This in itself represents a fundamental defeat of the entire Western policy of the past eight years in Afghanistan.

The lesson of this story is simple. All the talk of a major NATO offensive against the Taliban is a smokescreen to hide the stark truth: the alliance has no idea how to rebuild Afghanistan or foster the emergence of a normal political and social system there. Neither does it have any ideas on how to win the war with the Taliban for the hearts and minds of the Afghans. As a result, NATO is now following in the footsteps of the Soviet generals and politicians, who had concluded shortly after sending their troops into Afghanistan (''at the request of the Afghan workers'') that in order to win there, they needed to bring the battle to Pakistan and the key mujahedeen bases there. But at least the Soviet Union was actually building economic infrastructure in Afghanistan at the same time as waging war, and that infrastructure still exists. Meanwhile, NATO does not appear to be building any Afghan economic infrastructure at all. And second, Moscow had achieved notable progress in shifting the burden of the fighting onto the Afghan forces—witness the fact that after the Gorbachev government betrayed its Afghan allies, they had managed to hold off for quite some time against the mujahedeen, who had continued to receive massive military assistance. As

for the Hamid Karzai government, it will be lucky to survive much longer than it takes the Taliban to climb down their mountains and march into central Kabul if the NATO forces declare victory and promptly depart.

The only question that remains is whether Barak Obama, who has declared Afghanistan to be America's key foreign policy priority, has the political will to turn the tide. Turning the tide here means authorizing a massive escalation of the military campaign (and probably taking it to Pakistan as well) and, most importantly, changing the entire strategy of America's presence in Afghanistan. That means abandoning the strategy of destroying the Taliban and adopting the strategy of controlling the territory. So far, there is little indication that Washington is prepared to act. More importantly, there is little indication that America actually has the resources such a change of strategy would require. In the end, all America is now doing in Afghanistan is creating an impression of massive military activity while trying as hard as it can to save money and resources. Any talk of Washington's NATO allies taking on more of the burden of stabilizing Afghanistan has also died down. The financial crisis seems to have brought about a rapid change of plan in that regard.

This situation poses a major threat to Russia because, with all due respect to our country, no serious analyst would argue that Russia in its current state can successfully contain the spread of aggressive Islamism in Central Asia.

ATLANTIC UNITY OR THEATRE OF EUROPEAN SHADOWS? NATO'S 50TH ANNIVERSARY

Strange things are afoot on the European peninsula, which continues to think of itself as the center of the universe. The more fervent the declarations of European unity, the more questions about this unity seem to arise. NATO's anniversary was just another occasion to raise the issue of the European security system and the structure of relations between its key players. And I do not mean the pan-European system of security Russia has been trying to propose—none is hearing Russia, for none is listening. The reason none is hearing is because European security is a matter of convenient political fiction, which can be discussed ad nauseam without committing to any practical steps. The system I mean here is the European security system in its narrow definition: the system of military and political alliances in Western Europe, because the past 15 years have proved that security can be shared. Witness the renewed meetings of the Russia-NATO Council, which, as it turned out, simply has no really serious issues to discuss.

So far, European unity is a purely political issue, an indicator of whether there is a common economic basis on which to build political relations. And it is not a matter of the new EU members being increasingly arrogant in their demands for their share of the common European pie. It has been clear right from the start that this would happen sooner or later. And the economic crisis has only accelerated that process by highlighting the fact that New Europe is nothing without Old Europe. So, in order to survive, New Europe must become the leader of the Transatlantic and European structures so as to be able to channel the financial flows towards itself. Old Europe has of course rebuffed the NATO neophytes, both within the EU and NATO, showing that it won't stop at washing its dirty linen in public. But the election of Anders Fogh Rasmussen (amid an unprecedented acrimony which no one had even bothered to cover up) only confirmed the fact that without U.S. support, Old Europe can hardly even defend its own interests within NATO.

And what about the 50th anniversary celebrations? Those, it must be said, looked rather strange, and felt more like a funeral banquet than a grand jubilee. The dearly departed here was not of course NATO itself, but the role and status it had commanded in the European security system over the past 20 years.

To begin with, the celebrations were very subdued, considering that the creation of NATO 50 years ago really has had a colossal impact on the entire system of international relations. That low-key approach was not due to an unexpected bout of modesty on the part of NATO members. Only five or six years ago NATO was lauded as almost the center of the whole universe, and the phrase about it being ''the most successful military alliance in history'' was an obligatory part of every speech. Naturally, some of that lack of pageantry was due to the economic crisis. Europe is trying to put up a good front, but it has been hit hard, and no one wanted to throw a gala party for all the millions of unemployed to see. But that is not the whole story—after all, no money was spared to throw a merry junket in dirt-poor Bucharest a year ago.

Second, the celebration lacked any clear agenda. It would have been logical to use the semi-festive occasion to discuss the future of the alliance, its goals, and its objectives. But nothing of the sort was on the agenda. All the talk focused on the glorious past rather than the future. It became blindingly obvious that NATO has no coherent development plan, and the decisions are made on a day-to-day basis. In other words, even with America still in the lead, NATO is now reacting to events rather than shaping them.

Third, the anniversary summit, which could have been a summit of the victors, degenerated instead into some strange spectacle whose main outcome—as trumpeted by all the Western newspapers—was the preservation of the unity of the NATO alliance. Effectively, the declared goal for the foreseeable future is just to survive. So the refusal to speed up the admission of Ukraine and Georgia can be attributed more to the deep worries about the future of the alliance than to any wariness in terms of offending Moscow in the short term. The key issue that worried the European Atlanticists was maintaining unity with the United States on the key objectives and tasks of the alliance. The survival of NATO as an organization that retains any shred of international influence depends on the United States. That point has been well made.

So the question now is whether and to what extent any further weakening or even collapse of NATO would be in Russia's interests. Strange though it may sound, given the regular scandals and promises of *stiff opposition*, Russia feels quite comfortable living side by side with NATO. That is largely because NATO is extremely predictable and increasingly immobile. Politically, the alliance is unlikely to take any revolutionary steps, while militarily it is severely constrained by the need to keep its troops in Iraq and Afghanistan. There is every reason to believe that Russia would not feel quite as comfortable and even a bit smug if NATO were to be replaced by a more compact informal (and later, inevitably, formalized) alliance of nations, led of course by the United States. Such an alliance would be capable of taking a far more aggressive and assertive course of action, including the offer of direct military guarantees to countries Russia has a problem with. So instead of gloating over the crisis in the alliance, shouldn't Russia think about offering NATO some options for keeping it more alive than dead for as long as possible?

IRAN: THE PERESTROIKA THAT NEVER HAPPENED

Western hysterics about the ''*slaughtered hope for democracy*'' in Iran have somehow overshadowed the real question: what really happened there? And do the Iranian events impinge in any way on issues of international security and strategic balance? I believe they do.

Like it or not, the events in Iran were an obvious attempt to trigger another colored revolution. Or perhaps it would have been more aptly dubbed a pistachio revolution, given the role of the Iranian figures linked to the powerful family of former president Hashemi Rafsanjani, who made their fortune selling pistachios. (As for Mirhosein Musavi, who played the role of an Iranian Gorbachev or Saakashvili—he belongs to an extremely influential family but is hardly capable of independent actions.)

The assertion that the Iranian events were provoked by the government's machinations, and that the West had nothing to do with them whatsoever, does not hold water. There are several indications that those events had been carefully orchestrated from abroad. First, the well-coordinated and deliberate campaign in the Western media, which almost immediately received political backing. Western correspondents seemed to know the details which they simply could not have come by through the course of their normal work in a country like Iran. The doctor who said he had treated the female student who was killed, allegedly by a revolutionary guard, promptly surfaced in London—where else?—to issue a series of passionate proclamations about democracy. And Musavi, with his reputation as a henpecked coward (almost a political death sentence in an Islamic Iran, unlike some other places), would never have dared to act with such an astonishing doggedness, for lack of a better word, had he not felt the support of some very influential forces. Inevitably for any Western-coordinated colored revolution, anti-Russian slogans surfaced at a certain stage of Iranian events. But the key indicator of the Western-coordinated nature of those events is the similarity of the street revolution techniques and methods, which in a modern-day Iran could only have been introduced from abroad. Such know-how does not suddenly appear out of nowhere.

The United States has practically no leverage left to influence the domestic situation in Iran, let alone organize any docile political groupings. So the question is, why did some European

countries try (to the extent of their abilities) to construct a colored revolution or the sort America has been touting until recently to scare its adversaries?

At first sight, the logic of the people who had orchestrated that attempted new revolution was simple. Musavi, a relatively weak politician, did not have the slightest intention of pursuing any radical change in the Iranian regime in the event of his victory. But he would have found himself forced increasingly to adopt a pro-Western stance in his struggle with internal opponents—just as Mikhail Gorbachev did. The West, in the meantime, had already made clear what concessions it expected from Iran and what benefits it could offer the Iranian politicians in return. Funnily enough, those benefits consisted mostly of foreign financial aid to stabilize the Iranian economy and the inclusion of the Iranian leadership in the circle of key international politicians who are accepted by the global powers. Weren't exactly the same carrots dangled before Mikhail Gorbachev by his two bosom friends, Margaret Thatcher and Ronald Reagan?

But all that aside, did anyone seriously believe that the seasoned Iranian radicals, who control the secret services, the Revolutionary Guards, the police, and the army, would yield to a bunch of students and the nascent middle class, hated by the provincials for nothing more than the small outward signs of Europhilia still allowed in Iran? There might have been some hopes of course, but no serious European politician could have placed all his/her bets on such a turn of events. On the contrary, their secret intention might have been for the revolution to fail, which would inevitably lead to the obvious consequences and disrupt the tentative U.S.–Iranian dialogue.

Given all the domestic Iranian problems and the desire of a large part of the Iranian elite to become accepted by the international community, that dialogue could well have led to a ''soft'' scenario of American withdrawal from Iraq, and also, just as cleverly, to a reduction of U.S. commitments to its allies in Afghanistan. Notice how reluctant and careful the leaders in Washington were in their initial condemnations of the *ayatollahs' regime* for its *disproportionate* use of force. Notice also their use of NGOs and various rights groups to voice those carefully worded criticisms.

If all those suspicions are true, then we should congratulate our European friends, who have pulled off such a brilliant combination. They can now rest assured that the Americans will not be leaving either Iraq (making trouble there is the simplest way for the Iranian radicals to hit back at the Americans) or Afghanistan any time soon. Second, we should recognize the fact that the Europeans have proved themselves capable of pulling off a truly significant geopolitical operation, and have the instruments to manipulate the political situation in some key countries. By Europeans I mean mostly the British, but also the French, for the *moderate* Iranian politicians have been quite proud of their French connections. And third, while we continue to shame the Americans for their practice of *colored revolutions*, we should keep in mind that since the Europeans have mastered that art as well, they too could try to bring that mastery to bear in Russia.

The new owner of the White House has been elegantly framed by the Europeans in Iran, and negotiations with Tehran are no longer possible. So the only way for the Americans to save face is to authorize the use of force against Iran. The operation need not be large, and Washington can choose to use Israel as a proxy. But, either way, the Americans will not be welcome in Tehran for another 15 years or so after such an operation, while the Europeans will be free to reap the dividends from restoring relations with a post-crisis Iran. As for President Ahmadinejad, everyone realizes that this duck is not just lame but actually ripe for plucking, and one way or another the Iranian elite will be forced to seek contacts with the outside world on acceptable terms.

So the next question is, what were our European partners thinking when they launched such a risky combination? The answer is: whatever they were thinking, the promotion of democratic values and ideals was very far from their minds. It appears that the main question that concerned them was, who will control the colossal geopolitical potential of Iran, a country that can make or break any regional security system? Who will make use of Iran's respectable military potential accumulated over recent years? Who will integrate Iran into a new geopolitical system in the larger Middle East, a system that is now apparently being constructed? How will this integration be achieved?

Quite tellingly, some Western papers are already suggesting that the Iranian nuclear bomb is a reality and we simply need to learn to live with it. That is quite cynical, but well in the spirit of the scenarios of the *pistachio revolution*.

SLEEPING ELITE, SLUMBERING STATEHOOD

To round up this review, let us try to understand to what extent Russia in its current shape is prepared to face the new geopolitical reality. The idea that statehood, especially nascent statehood, depends on the global context (i.e. its features, potential, and strength depend on its ability to respond adequately to global trends) may seem questionable to some, but this idea has the right to exist. If we see Russia as an independent state, and not as a fragment of the former Soviet Union, we should recognize that our statehood also depends on this global context. The question is, how well are we prepared to respond to the new trends that shape this context?

If we look impartially at the state of our country, we will have to admit that Russia is not well prepared to face these challenges. And it's not just about the fact that Moscow is beginning to lose the battle for control over the new transport corridors into Europe. Ultimately, the reduction of Russia's share of the EU hydrocarbons market means also the reduction of Russia's dependence on the EU, which is unquestionably a good thing. It's not that the Russian financial sector has turned out to be a bunch of parasites who survive by siphoning off budget funds and who have no place in the system of global economy. It's not even that our government has no intelligent economic strategy, which sorry fact has been highlighted by the ongoing downturn, despite upbeat official reports of economic stabilization.

The main problem is that after briefly coming to its senses and showing signs of adequacy when the oil price fell to $35 a barrel, the Russian elite is again falling into its oil and gas-drugged slumber as the crude prices continue to climb above $65. This slumber has not yet led to cataclysmic social turmoil, but only because a large part of our society is still hoping for a speedy recovery. But the very word *modernization*, which is the global trend Russia should become part of in the next few years, is increasingly causing our elite a great deal of annoyance. This word is disturbing their slumber. The problem is, this slumbering elite of ours may well sleep through its own death—which, after all, would only be logical from the historical perspective.

The definite positive trends in our armed forces, which are becoming capable of facing the new geopolitical reality, represent the only bright spot. But even that bright spot is overshadowed by the generally cheerless background—especially since the Russian elite has no idea how to use that tangible military potential (which has cost us a lot, socially and politically) for the good of the country and without scaring our neighbors too much.

Which is why our country's failure to become part of the global context is becoming dangerous—far more dangerous than Ukraine's possible admission into NATO or the deployment of ABM elements in Eastern Europe. In most of the developments that have been shaping the international relations and global security agenda in recent months, Russia has been quite irrelevant. It has found itself outside the global context. And were it not for the Soviet nuclear arms potential (the only Russian contribution to that potential, the notorious Bulava missile, is failing to deliver) this irrelevance would have been complete and totally hopeless.

Konstantin von **Eggert, member of the Royal Institute of International Affairs** — by e-mail from the **United States:** *Security situation has not changed in principle, but a few events create the prerequisites for its exacerbation in the future. These are the suppression of opposition demonstrations in Iran and missile launches in North Korea. For Russia the destabilizing factors are the deteriorating situation in the Northern Caucasus and tensions in relations with Ukraine. The latter are the result of the growing gap in views of the Russian and Ukrainian elites. This may lead to a serious conflict in the next year or two.*

Russia is increasingly losing its relevance not just for the oil and gas projects in the post-Soviet space, but for the entire system of political and economic relations there. All the Russian projects in post-Soviet Eurasia are failing. A new context is being formed in this region, which, as it turns out, has a certain role to play in world affairs. Russia has either lost its relevance in this new context, or is about to.

On February 4, 1931, one strange and rather controversial man said this: ''We have fallen 50 or 100 years behind the leading nations. We have 10 years to close that gap. Either we do this, or we will be crushed.'' And 10 years later, on June 22, 1941, the Soviet people confronted

Fascism, which came from the West. By dint of great effort, the Soviet people came out the winners.

Why did I use this quote? Because we are lagging 30–50 years behind the leading countries. We have eight years to close that gap. And the global economic crisis has offered us a chance to do so. Either we do this, or we will be crushed.

Dmitry Evstafiev

Routledge
Taylor & Francis Group

Alexander Morogov

DEVELOPMENT OF JAPAN'S ENERGY SECURITY SYSTEM

Due to the world financial crisis, the world energy market–as an integral part of the economy–has been subjected to considerable changes: a sharp drop in oil prices, statements from OPEC and other oil producing countries regarding cuts in production make one seriously consider the future of the world energy sector. The impossibility of competition between oil exporters, who are losing billions of dollars in profits daily, gloomy forecasts for the depletion of nonrenewable sources of energy, slow search for and introduction of alternative sources of energy prompt one to have rather negative thoughts regarding the future of the world energy security system.

Given the above, it is particularly interesting to study the past experience of overcoming previous crises, specifically the 1973 world energy crisis, which still remains one of the most memorable events in the history of world energy and foreign policy.

FIRST ENERGY CRISIS

It is hard to overestimate the significance of the 1973 world energy crisis for the modern history of international relations and regional politics. The events in the Persian Gulf showed to the whole world the important role energy resources can play in the political and diplomatic struggle between states, in exercising pressure in modern international relations. From the moment OPEC countries imposed an embargo on oil supplies to western countries, from the energy point of view, the world politico-economic system turned into a balance of interests between countries that possess energy resources and countries that have a great demand for them, in other words between exporters and importers of raw materials. If for the former oil became an instrument of pressure and a factor of asserting themselves on the world arena, allowing them to act from the position of strength, for the latter the crisis revealed the need to search for ways of reducing their dependency on outside energy resources and of developing their own effective energy policy.

The sudden outbreak in October 1973 of a war between Egypt and Syria on one side and Israel on the other had a considerable impact on the balance of forces in the region. With U.S. support Israel managed to quite quickly return its lost territories and already in November sign cease-fire agreements with Syria and Egypt. On October 17, in protest against U.S. policy, OPEC imposed an embargo on oil supplies to the Unites States and introduced a 70-percent increase in oil prices for U.S. allies in Western Europe. An uncontrolled rise in oil and petroleum product prices, a fall of the main financial indices, a drastic increase in the cost of consumer goods became a heavy blow for America and its allies, making them search for ways out of the crisis as soon as possible.[1]

One of the U.S. allies to be the worst hit by the energy crisis was Japan, a country that does not possess considerable energy resources and had to import oil from the extremely unstable Middle East region. Despite the difficult situation that Japan found itself in during that energy crisis, its experience of overcoming it and creating a comprehensive functional system of ensuring energy security continues to be relevant and interesting for a thorough analysis. Below we shall look in detail at how Japan responded to the 1973 events, what steps its ruling circles took, what results they brought and how the system created back then shows itself today.

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570778

For Japan, the reduction in oil supplies from the Middle East resulted in three main problems: a negative economic growth, high inflation and a large deficit in the balance of payments. To resolve these problems, the government had to draw up a long-term strategy for developing the country's energy policy, which in future would prevent external factors from having such an important impact on the Japanese economy and public life.

The October 1973 energy crisis resulted in a drop in oil production and, consequently, in a considerable reduction in Middle East oil supplies to the Japanese market. At the same time over a period of six months oil prices rose by 200 percent and by a further 50 percent over the next three months. Practically immediately Japan's ruling circles realized the need for a comprehensive set of measures in the energy sphere in order to prevent any future crises from having a catastrophic effect for Japan.

PARAMETERS OF STRATEGY

It was announced that from now on Japan would seek to:

- ❑ sign only long-term oil contracts and ensure the security of oil supplies to the country;
- ❑ diversify sources of oil supplies;
- ❑ create and maintain a national system of oil reserves;
- ❑ increase the use of natural has in the structure of energy consumption;
- ❑ develop the country's nuclear energy sector; and
- ❑ develop technologies that would make it possible to replace oil with other resources in the vital industries.[2]

The second energy crisis that began following the Iranian Revolution in 1978–1979 further convinced the Japanese authorities of the validity of their chosen energy policy. Japan responded to a fall in oil production in Iran in 1978–1979 and the effective doubling of oil prices on the world market with continued commitment to reducing dependency on oil and efforts to change the balance of energy consumption. However, the attempt to reduce Japan's dependency on oil turned out to be only half-successful. Despite the fact that the share of oil in energy consumption has truly become less, Japan continued to be the world's third largest importer of oil, with United Arab Emirates, Saudi Arabia, Qatar, and Iran remaining its main suppliers. Any tension in the Gulf in the early and mid-1990s resulted in a negative impact on the Japanese economy. That is why the diversification of oil supplies, a growing use of natural gas and nuclear energy and energy conservation have been and continue to be the key elements in Japan's energy balance[3].

In addition, particular attention is now paid to strengthening relations with Middle East countries. The *Diplomatic Bluebook* published by the Japanese Ministry of Foreign Affairs every year described the world energy crisis as the biggest problem Japan had to face in 1973, while the task of strengthening relations with oil exporting countries was named one of the priorities in Japanese foreign policy.[4] With Japan's support, the Washington Energy Conference in 1974 set up a coordination group aimed to assist in establishing a constructive dialogue between oil producing and oil consuming countries. Later documents (1973–1976) continued to pay special attention to the consequences of the world energy crisis; the government kept to and reinforced its policy of developing partnership relations with Middle East countries (Japan opened embassies in Saudi Arabia, Jordan and later in other countries of the region).[5]

After the 1973 oil crisis Japan's perception of the Middle East changed. It recognized the region's political weight on the international arena and the significance of a stable Middle East economy for Japan's prosperity. Prior to the early 1970s, Japan considered the Middle East in a one-way fashion, purely from the economic point of view. Although the lack of political influence in the region was compensated for with Japan's economic presence in the region. After the energy crisis, the situation changed and Japan increasingly began to pay attention to events in the region's political and social life, taking part in various conferences on Middle East peace settlement. This has brought some results: some experts analyzing the history of Japan's relations with Middle East countries have concluded that after the oil crises of 1973 and 1979, during the Iran-Iraq war and the 1991 Gulf War Japan was not that severely affected by those

conflicts although the situation at the time was rather tense. Experts attribute this primarily to active efforts to create an emergency supply of oil and an overall reduction in the share of oil in the country's structure of energy consumption. Despite the achieved success and the stability of oil supplies over the past 10 years, instability in the Middle East will be perceived in Japan as a threat to its energy security.[6]

Another important stage in forming a system of Japan's energy security was the creation of a full-fledged national petroleum reserve. Prior to the 1973 energy crisis Japan did not have a national emergency supply of oil, while stock reserves in the private sector could last only 67 days. Following the *oil shock*, a program of building up a strategic reserve was adopted. At present this emergency supply of oil amounts to some 600 million barrels, or 172 days of uninterrupted oil consumption. Out of that reserve, oil in the Japan National Oil Corporation's 10 storage facilities can meet the country's requirements for 91 days, while oil stored by private companies can secure supplies for a further 81 days. That is considered sufficient to avoid big losses due to possible price instability on the oil market. Japanese experts note that following the start of the Gulf War in January 1991 oil prices jumped to $32 per barrel but then sharply went down to $10 when it became clear that the conflict would be over soon.[7]

The system of an emergency oil reserve in Japan began to be particularly actively developed not so much after the crises of the 1970s as after the first Gulf war in 1991. The system consists of two key elements: state reserves and private companies' reserves. Oil depots are located along the perimeter of the Japanese islands, some distance from the main cities.[8] The 1976 law on petroleum reserves obliges private oil companies to maintain a reserve of oil that would meet the country's requirements in petroleum products for 70 days. Overall, under the law, the Japanese oil reserve should last approximately six months. Japan is also holding consultations on the issue of creating a system of reserving oil in the ASEAN + 3 format in order to make sure that possible disruptions in oil supplies do not affect Japan's closest economic partners in the Asian region.[9]

Apart from everything else, the 1973 oil crisis highlighted the need to save energy. Post-1973 energy conservation became a key area in Japan's energy policy. That work is largely based on the 1979 law on the rational use of energy, envisaging a set of measures for effective energy use in production, construction, and transport, on the rational use of heating and energy in residential and administrative buildings given the specifics of each region.[10] Outcomes of the energy-saving policy and its prospects were summed up in June 2001 in a report called ''Main principles and measures of energy conservation'' prepared by the Agency for Natural Resources and Energy under the Japanese Ministry of Economy, Trade and Industry. The report said that thanks to the efforts of the country's government and people, Japan ''was a world leader in energy conservation,'' however ''the problem of energy supplies still remained,'' while ''high dependency on Persian Gulf oil had even increased.''[11]

To address these issues after the oil crises of the 1970s, many countries turned their attention to renewable sources of energy, such as solar, wind, geothermal. Given Japan's advanced technological development, it can and should pursue these areas in its energy strategy. However, for the time being even the most advanced technologies do not allow Japan to increase the share of the use of alternative sources of energy above the current two percent of total energy consumption. Judging by materials published by government sources, this area will in future become extremely significant for ensuring Japan's energy security.[12]

The world energy crisis became a powerful incentive for developing Japan's nuclear energy programs that first began in the 1950–60s. Nuclear power plants will remain Japan's main source of energy in the near future. At the same time the Agency for Natural Resources and Energy's report says work to develop other sources of energy continues. Starting in April 2003 the Japanese government passed a new law that requires energy producers to use unconventional sources of energy, such as wind power or hot springs. At the same time the government intends to build more nuclear power plants, to reduce carbon dioxide emissions.[13]

IMPLEMENTING THE STRATEGY

Modern Japan, like any other country, views the issue of ensuring energy security as one of its main and most advanced political goals. For more than 30 years it has been developing an area of energy policy that has recently received a powerful new impetus due to the changing situation in the world, in particular high oil and gas prices, an increase in the number of major importers,

instability in the Middle East, and considerable changes in the overall situation after the September 11, 2001 attacks. All that, as well as–in the opinion of Japanese researchers–internal internal instability in the world's main oil and gas producers (Iraq, Iran, Venezuela, Nigeria, Russia) and endless natural disasters should make Japan's energy policy more flexible and capable to react to the relevant challenges.[14]

An analysis of the process of how Japan's energy policy was formed will show that over the past 10 years Japan has been busy implementing a strategy of ensuring its energy security, at the same time revising some of its aspects and making amendments to the policy being carried out by government agencies. A considerable progress has been made in implementing this strategy, in particular the share of oil in the structure of energy consumption has reduced, there is an active monitoring of new foreign sources in place, the consumption of natural gas and new alternative sources of energy has increased. Still it is not yet possible to say that Japan has a fully-formed strategy of ensuring energy security. Mechanisms of implementing it are being further developed and practiced, decisions and programs are being implemented, however the process of forming an energy security strategy in Japan is still continuing and is developing fast. Simultaneously diplomatic methods that play a decisive role in ensuring Japan's energy security are being further improved and augmented.[15]

Japan has achieved a lot since the time of the world energy crisis. The main results of Japan's foreign policy post-1973 as far as energy is concerned are: stronger relations with Middle East countries, a system of oil reserves, efforts to establish a dialogue between exporters and importers, diversification of energy sources. Since the 1970s Japan has developed a system of ensuring energy security based on regulations and governance mechanisms, as well as an external energy policy and energy diplomacy. These systems are continuing to change and improve so that in future Japan is able to avoid possible consequences of any world energy crisis.

The experience and record of this leading Asian nation over the past 30 years shows that the creation of a comprehensive system of energy security is a complex and multilayer process that includes not only the development and maintenance of the efficient operation of all internal energy systems but also measured international diplomacy. In Russia too processes are under way aimed to create a stable operational system of ensuring energy security. Energy policy is governed by the main policy document–*Russia's Energy Strategy to 2020*–which has been in effect for six years already. The main areas for action are: maximum possible development of nuclear and hydropower generation; increase in energy yield at coal-fired power plants; increase in power generation capacity; growing role of natural gas as a future source of energy. The same principles were key in the Japanese strategy too, with programs to implement them being actively put to life: the role of the gas factor in the economy is increasing, the use of alternative sources of energy is on the rise, the nuclear energy sector is being upgraded. Clearly, there are parallels between the two countries in terms of their domestic policy aimed to ensure energy security, and Russia should pay attention to the Japanese experience of creating a system of energy security in order to avoid disastrous consequences for its economy during a crisis.

As for energy diplomacy, due to their differing economies the two countries have opposite objectives: for Japan it is essential to diversify the sources of energy imports, whereas for Russia it is important to expand the list of real importers of energy. Given these overlapping and mutually beneficial interests, energy cooperation between Russia and Japan can and should become strategic. All prerequisites for this are already in place: Russia's energy strategy envisages the implementation of the East-Siberian route for its oil exports, which could ensure the development of new oil production centers in East Siberia and Russia's entrance to the Asia-Pacific market. As part of this energy strategy, in December 2005 the Russian government passed the resolution to build the East Siberia–Pacific Ocean pipeline, whose construction is under way.[16]

The key role that Russia could play for Japan's energy sector has more than once been highlighted by former Japanese Foreign Minister Yoriko Kawaguchi in her speeches. In particular, she spoke of the Sakhalin projects as of specific examples of how the potential of Russian-Japanese economic cooperation was being realized. These are major projects for both Russia and Japan that envisage the development of oil and gas fields. The total investment in the Sakhalin-1 and Sakhalin-2 projects is estimated at $22 billion, including $8 billion from Japanese companies. If both projects are implemented, the maximum production capacity is estimated at 410,000 barrels of crude oil a day and over 15 million tons of gas a year. That makes up about 14 percent of Russia's total oil and some 10 percent of gas exports in 2000. According to Ms Kawaguchi, it was decided to invest $10 billion in the Sakhalin-2 project, including $4.5 billion

coming from Japanese businesses. That became possible thanks to a decision taken by Japanese gas and energy companies to purchase liquefied natural gas for a period of more than 20 years.[17]

At present the Sakhalin-2 project is being operated by *Sakhalin Energy Investment Company* belonging to a consortium of foreign companies within the Russian *Gazprom*, the Anglo-Dutch company *Royal Dutch Shell* and two Japanese companies, *Mitsui* and *Mitsubishi.* For Japan, sourcing oil and gas from the Russian Far East is undoubtedly a promising area in the implementation of its energy strategy as regards the diversification of sources of energy. The joint implementation of the Sakhalin projects and of the East Siberia–Pacific Ocean pipeline project would meet the strategic interests of both sides, however for the time being Japan remains only slightly dependent on energy supplies from Russia and the share of these supplies in the overall structure of energy consumption in Japan does not exceed one percent. In addition, the territorial dispute between the two countries prevents them from having a fully effective dialogue on many issues, whereas China and Russia have established stable mechanisms of developing bilateral relations, including in the energy sphere. Perhaps, the implementation of joint energy projects will allow Japan and Russia not only to share valuable experience but also to have a productive dialogue aimed to realize mutual interests and contribute to resolving disagreements.[18]

Japan's experience of overcoming the negative consequences of the world energy crisis, of developing an effective system of ensuring energy security is extremely useful for Russia and other countries that are in the process of establishing a comprehensive system of ensuring energy security in this difficult period. At the same time Japan itself cannot afford to rest on its laurels. It needs to continue to improve internal and external mechanisms of protecting its energy vulnerability in order to avoid possible negative consequences of future fluctuations in the world energy system.

NOTES

[1] Sarah Horton, ''The 1973 Oil Crisis'', October 2005, http://www.envirothonpa.org/documents/The1973OilCrisis.pdf (last accessed December 13, 2008).

[2] ''A Framework for Energy Security Analysis and Application to a Case Study of Japan Nautilus Institute for Security and Sustainable Development'', June 1998, www.nautilus.org/archives/energy/eaef/EAEF_ Report_ 20021.pdf? (last accessed December 13, 2008).

[3] ''Japan: Energy Situation'', Review by Inter-regional Business Cooperation Center, http://www.mcds.ru/default.asp?Mode=Review&ID_L0=6&ID_L1=29&ID_L2=209&ID_L3=2822&ID=&ID_Review=119694 (last accessed December 13, 2008).

[4] Ministry for Foreign Affairs of Japan. *Diplomatic Blue Book 1973*, http://www.mofa.go.jp/policy/other/bluebook/1973/1973-3-2.htm (last accessed September 9, 2008).

[5] ''Fundamental Concepts Underpinning Japan's Oil Policy. Securing a Stable and Efficient Supply,'' http://www.enecho.meti.go.jp/english/energy/oil/policy.html (last accessed December 16, 2008).

[6] Alan Dowty, ''Japan and the Middle East: Signs of Change?'' http://www.meria.idc.ac.il/journal/2000/issue4/dowty.pdf (last accessed August 15, 2008).

[7] ''Chronicles Concerning Energy Conservation Measures'', http://www.eccj.or.jp/chronicle/index.html (last accessed October 10, 2008).

[8] Naoaki Kurumada, ''Outline of Petroleum Stockpiling and Emergency Response in Japan,'' December 2002, http://www.iea.org/textbase/work/2002/beijing/KURUMADA.PDF (last accessed July 13, 2008).

[9] ''Chronicles Concerning Energy Conservation...''

[10] Law Concerning the Rational Use of Energy (No. 49), June 22, 1979, http://www.eccj.or.jp/law/rational_use_of_energy.html (last accessed December 13, 2008).

[11] Fundamental Law on Energy Policy Measures (No. 71), June 14, 2002, http://www.eccj.or.jp/eng/e2101basic_law.html (last accessed September 11, 2008).

[12] ''Necessary Measures for Reaching Targeted Levels of Energy Supply and Demand,'' http://www.enecho.meti.go.jp/english/policy/policy/measures.html (last accessed January 13, 2009).

[13] ''The Position of Nuclear Energy in Japan,'' http://www.enecho.meti.go.jp/english/policy/nuclear/position.html (last accessed September 10, 2008).

[14] Ken Koyama, ''Japan's New National Energy Strategy'', August 30, 2006, http://eneken.ieej.or.jp/en/data/pdf/350.pdf (last accessed October 10, 2008).

[15] Irina Nosova, ''Japan's energy diplomacy'', *Japan Year Book 2004–05*, http://www.japan-assoc.ru/publikacii/ezhegodnik-japonija.html (last accessed April 23, 2008).

[16] ''The Oil Wars in the Pipeline'', April 2004, www.economist.com/world/asia/displayStory. cfm?story_id=2633952 (last accessed May 8, 2008).

[17] Japanese Foreign Minister Yoriko Kawaguchi's speech, Vladivostok, June 29, 2003, http://www.ru.emb-japan.go.jp/NEWS/PERFORMANCE/FOREIGNMINISTER/29062003.html (last accessed March 7, 2008).

[18] Ivan Rubanov, Yekaterina Shokhina, ''Nado pravilno delitsya'', *Ekspert*, no. 35, (September 25, 2006–October 1, 2006), 29.

Routledge
Taylor & Francis Group

HEROES OR VILLAINS? TERRORISM IN THE 1970S AS SEEN FROM TODAY

Stefan Aust. Baader-Meinhof: The Inside Story of the RAF (The Bodley Head: 2008), 480 pp.

Reviewed by Konstantin von Eggert

I held Stefan Aust's book *Baader-Meinhof: The Inside Story of the RAF* as I was boarding a Continental flight from Houston to New Orleans. ''Is it any good?'' the Homeland Security officer asked, checking my boarding card. ''Yes,'' I said. ''It is about terrorists in Europe, in Germany I think, right?'' the man in gray uniform continued. ''Yes, in Germany. They've made this book into a movie. It's quite good,'' I said, then got my card stamped and moved on. A few minutes later, I was politely taken aside and my hand luggage was searched. It could have been just a coincidence. But if it wasn't, Andreas Baader, known for his love of publicity, would have been very smug indeed. Even now, 30 years after his death, his name apparently still means something even to junior American secret service officers—even though it is only in the past 15 years that they have had to deal with the terror threat on American soil.

UNDERSTANDING THE MOTIVES OF TERROR

Andreas Baader and his henchmen had held Germany in fear for almost 10 years, starting from the arson attack on two department stores in Frankfurt in 1968 and ending with the abduction and murder of the head of the German Employers' Association, Hanns-Martin Schleyer, in September 1977. Those last events were later dubbed German Autumn. According to Stefan Aust—and not just him—that was the most serious challenge to date to Germany's post-war order.

Andreas Baader, Ulrike Meinhof, and their accomplices called themselves the Red Army Faction (RAF). The majority of Germans called them the *Baader-Meinhof Gang*, while the sympathizers among the left-wingers often used the more neutral *Baader-Meinhof Group*. To this day, which of the two terms a German uses in a conversation serves as a calling card, signifying his/her political preferences.

Aust began writing the book almost immediately after the mysterious deaths of Andreas Baader, Jan-Carl Raspe, and Gudrun Ensslin in September 1977 in Stammheim prison near Stuttgart. The first edition was published in 1985, and there have been several updates since then. The latest edition, which contains substantial revisions and new information, includes the previously classified materials from the archives of the Stasi, the East German secret police, which actively helped the RAF. The new edition also comes hot on the heels of *Der Baader-Meinhof Komplex*, a movie starring Bruno Ganz and Moriz Bleibtreu, which has garnered international success. The plot of the movie, made by Germany's best-known and most successful movie director Bernd Eichinger, is based on an earlier edition of the book that came out in America and Britain. The movie was nominated for the Oscar in the Best Foreign Language Film category, but lost to a Japanese entry.

In 1994–2008, Stefan Aust was the editor-in-chief of *Der Spiegel*, arguably Germany's most prestigious weekly. He belongs to the 1960s generation, and has spent years working for the left-wing press, including *Konkret*, the bastion of the German radicals. He personally knew many of the participants of the events described in his book, including Ulrike Meinhof and her husband Klaus Rainer Rohl. Furthermore, he had even become embroiled in a dramatic episode during the couple's divorce. After deciding to devote all her energies to revolutionary struggle, Meinhof

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570794

began preparations to send her twin daughters to a camp for Palestinian children in the Middle East, where they would have been made into *proper rebels*. But just a few days before their departure, her former husband (fresh after divorce) managed to whisk the children away from the hippy community where she lived. He was helped by none other than Aust. The author recounts the episode very calmly, without any emotion—even when he tells of his narrow escape from a bullet fired by Andreas Baader.

The tone of the book is completely dispassionate. The introduction contains a disclaimer that the book is neither a prosecutor's statement, nor a defense lawyer's retort. Aust says his sole purpose is to understand the motives of what may well have been Germany's most notorious group of people who have left such a deep mark on the national history and psyche. After dozens of interviews with the direct participants of those events (former RAF militants and the police and secret service agents who hunted them), and after a long trawl in the archives, Aust compiled an almost day-by-day account of the rise and fall of the self-proclaimed army of *urban rebels*. I thought the beginning of the book was overloaded with details—but as I continued reading, I became so immersed that I could almost see the events being described. In some ways, Aust's book reminds me of Frederick Forsyth's *Day of the Jackal*, which details the failed attempt on General de Gaulle. *Baader-Meinhof* literally immerses the reader in the daily routine of the terrorist grouping, showing life through the eyes of Andreas Baader and those who followed him in his war with the System—capitalism and imperialism embodied in the German state and American military bases in West Germany.

IDEOLOGICAL GENESIS OF THE RAF

In the introduction, Aust compares the consequences of German Autumn of 1977 with the effects of 9/11 on America. He also tries to put the events into context. ''Every act of terrorism has at its roots a wider conflict. This conflict—and nothing else—gives it strength; it is the source of support for secret groups of killers.'' And just as the roots of 9/11 lie in the unresolved conflict between the Arabs and the Israelis, in the revival of Islam and in America's involvement in the Middle East, so is the RAF phenomenon rooted in pre-war and post-war German history, the author believes. This point of view is nothing new. The youth movement of the 1960s in Germany, which gave rise to far-left terrorism, is thought to be a reaction to the conformism of German society in the first post-war decade, to its unwillingness to come to terms with its Nazi past, or, conversely, its desire to forget this past as soon as possible. That is why, in the opinion of Ulrike Meinhof, the chief RAF ideologist, the German police in the 1960s were no different from the Nazi storm-troopers of the 1930s. The German youth were playing at resistance against Nazism, the resistance their fathers did not offer—all in the settings of a fairly accomplished German parliamentary democracy of the 1960s. The youth protests in France and America had also produced their share of left-wing radicals, but nothing approaching the RAF in either scale or degree of organization had ever appeared there—nor indeed could it do so.

Aust's take on the ideological genesis of the RAF is not original, and is similar to the views held by a substantial part of the moderate left in Germany and in wider Europe. The book and the movie have both been criticized for their desire to *understand* the terrorists' motives—and the distinction between *understanding* and *justifying* is often blurred. Interestingly, one of the people who appear in the book, Horst Herold, who was the head of West Germany's criminal police and fought the Baader gang in the 1970, argued that the social reasons that set some people on the path of terrorism cannot be ignored. ''The fight against terrorism is primarily the job of the politicians,'' Herold used to say.

The idea of terrorism being the product of its social and political environment is nothing new—and the 30 years that have passed since the German Autumn have shown that this idea can be dangerous. Because there is the temptation to assume that acceptance of the terrorists' demands can somehow put an end to terrorism itself. And while Andreas Baader demanded the dismantling of capitalism and a withdrawal of U.S. troops (first from Vietnam, then from West Germany), today's followers of Osama bin Laden and Ayatollah Khomeini want to put an end to Israel and America, and eventually to force the whole world to convert to Islam. Where does the border lie between reasonable compromise and capitulation? Despite all the doubts of its author, *Baader-Meinhof* demonstrates through the logic of its facts that this border is actually quite clear: state and society have not only the right but also the duty to resist terrorist violence, and to respond to this violence with violence, if need be.

And although this truth seems to have long been learnt (with Israel's fight against the Palestinian militants and the German government's struggle with the RAF serving as object lessons), it is well worth repeating. The 1970s debate on whether terrorists are criminals or political activists, on how they should be tried and what kind of confinement they should be kept in, is extremely similar to today's debate in Europe and America on the status of Guantanamo prisoners, on their rights, on which jurisdiction should try them, and on the role of the Geneva convention on prisoners of war in their plight. The chronicle of the 1975 trial of Andreas Baader, his lover and RAF second-in-command Gudrun Ensslin, and other terrorists reads like a John Grisham courtroom thriller.

It is amazing how helpless the German legal system was against Baader, who regularly turned court sessions into his one-man political shows, and how widespread the sympathy for the terrorists was among the German public. Not only did members of that public cheer the militants in the courtroom but dozens if not hundreds of people offered them shelter, gave them money, and did their bidding. These people are the ideological forebears of today's apologists of Islamism on the pages of the *New York Times* and the *Guardian*, in many rights groups and on parliamentary benches.

Aust's book is written as a historical account, but it remains very topical in this day and age. The author tries to be honest with himself and with his past, and therefore he does not try to conceal a certain degree of sympathy with the leftist movement of the 1960s, or his skepticism regarding the German law-enforcement system. But being a professional journalist he honestly recounts the facts. And these facts inevitably lead to the conclusion that, in the end, bloodshed had become not just an end in itself for the RAF, but also a perverted form of personal fulfillment. By adopting the slogan ''If the world is against me, then I'm against the world,'' the terrorists had become trapped in a vicious circle, and only a few ever managed to break free. The book shows how idealists who have lost the plot gradually lose their moral sense and degenerate into ruthless killers who believe they hold the power of life and death in their hands. Nothing has really changed in terrorist psychology since Fyodor Dostoevsky wrote *The Possessed*.

STAMMHEIM'S BLOODY SECRET

One secret still remains in the RAF affair. Andreas Baader, Jan-Carl Raspe, Irmgard Möller, and Gudrun Ensslin, who were serving a life sentence in Stammheim prison, expected to be exchanged for the passengers of a Lufthansa airliner hijacked by Palestinian terrorists and taken to the Somali capital Mogadishu at the request of RAF members who still remained at large. On the night of September 17–18, 1977, Baader and his accomplices learned that the West German special forces (the GSG 9 unit) had stormed the plane and freed the hostages. They heard it on the radio (the liberal practices in German prisons, where the prisoners enjoyed huge freedoms, is another of the book's revelations). Using a secret communication system between their cells, the RAF members made a so-called suicide pact. The following day, the police in the French town of Mulhouse found an abandoned Audi-100 containing the body of the abducted head of the trade union of German capitalists, Hanns-Martin Schleyer. He had been shot in the back of the head.

The terrorists' supporters and sympathizers still claim that the prisoners were murdered in their cells. Aust cites quite a lot of circumstantial evidence that the prison guards knew about the secret communication system, and that a German secret service agent had been listening in on the prisoners' conversations. The author believes that, if that was truly the case, the audio recording made on that fateful night may still exist, almost certainly locked in a very reliable safe. Officials resolutely deny the existence of such a recording—otherwise they would have to admit responsibility for the suicide of Baader and his accomplices. If the communication system really had been wiretapped, the guards could have disrupted the suicide pact. The only surviving prisoner, Irmgard Moller, says she does not remember anything.

These suspicions may be well founded—the German government might well have decided that a dead Baader was preferable to a living one. So, from the purely legal point of view, the prison guards and those who gave the order not to interfere with the suicides should be brought to account. But even if the recording does indeed surface at some point in the future, it will change very little in the final verdict of history. Andreas Baader and other RAF members were bloody villains. And any attempts to exonerate them are, in the end, immoral.

Routledge
Taylor & Francis Group

THE ROOTS OF THE POPPY

Withdrawal Symptoms in the Golden Triangle: A Drugs Market in Disarray. Transnational Institute (TNI) Report. Amsterdam, January 2009. http://www.tni.org/drugs; Martin Jelsma, Tom Kramer and Pietje Vervest, eds. Trouble in the Triangle: Opium and Conflict in Burma (Bangkok: Silkworm Books, 2005), 231 pp.; Yekaterina Stepanova. The Role of the Drugs Trade in the Political Economy of Conflicts and Terrorism (Moscow: Ves Mir, 2005), 312 pp.; Yekaterina Stepanova. Addressing Drugs and Conflicts in Myanmar: Who Will Support Alternative Development? SIPRI Policy Brief (SIPRI, June 2009), 8 pp.

Reviewed by Vladimir Orlov

Uproot (verb):
—to pull up by or as if by the roots
—to displace (a person or persons) from native or habitual surroundings
—to remove or destroy utterly[1]

In late January and early February, crimson and snow-white blooms spring up on the primeval meadows among the forested mountain slopes of northern Laos. The flowers, some of the most beautiful in Southeast Asia, are known as *Papaver Somniferum*—or simply as the poppy. The plant, which has been used in traditional Chinese medicine for ages, has brought this region the dubious fame of the opium capital of the world.

Once again I come to the Golden Triangle, at the junction of the borders between Burma, China, Laos, and Thailand. The catchy moniker was coined by a middle-ranking U.S. diplomat in 1971, when opium production here reached its peak, with the backing of the CIA. The drugs money was used to arm the local tribes who fought the Communists.

My first coming here coincided with a momentous event for the local drug lords and those who fought them. It was November 2007. Tidings came from the Burmese capital, Rangoon, that the opium king of the Golden Triangle, Khun Sa, had died in the comfort of his own home, where he was kept under house arrest. Was that the end of an era for the Golden Triangle?

Press reports in recent years have trumpeted a sharp drop in opium production in Burma and the Triangle as a whole—by as much as 80 percent. The top spot in the world ranking of heroin exporters now firmly belongs to Afghanistan.

What I came here to find out was whether the Triangle had really become the first—and so far the only—success story in the international war on drugs, exactly 100 years after the introduction in 1909 of international controls over narcotic substances.

I have covered hundreds of miles driving and cycling along the roads and tracks in the Burmese, Lao, and Thai parts of the Triangle. I have left behind me more miles by boat along the Mekong and its tributaries. And, during my travels, I kept reading books, articles, and reports on the *subject matter*, making notes and writing down my own impressions from what I saw along the way.

PAPAVER SOMNIFERUM: A USER'S GUIDE

The best place to grow the opium poppy plant is high on the mountain slopes, where the temperatures and the soil are just right for it. The seeds are planted shortly before the end of the wet season, in late September–early October. It is better to plant the seeds on fields previously used to grow maize, because maize crowds out all the weeds and can be used as fodder. Poppy seeds are planted right between the dry maize stalks.

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570786

Three months later, just after the poppy plants drop their petals, the women and children of the Mona, Lakhu, Lisu, and other mountain tribes of the Triangle go out to harvest the crops. They make vertical cuts on the poppy capsules, and let the sap that oozes out dry up in the sun. Making the cuts is a form of art, and requires a firm hand. The cuts are made using special instruments that look like little sickles, with two or three blades screwed tightly together. If the cut is made too deep, all the sap will spill out onto the ground. If it is too shallow, the sap will go dry inside the capsule. If it is made just right, the resulting resinous opium gum, which turns dark amber in color, is collected the next day, rolled into little balls and folded into banana leaves. That is how it is then sold to the intermediaries.

The mountain tribes believe that the poppy plant is an ideal crop. The money even a small amount of opium gum brings is good, the produce does not go bad over time, and the intermediaries come to the villages themselves to collect it, so the tribes do not even have to worry about taking their crops to the market—which is especially important as there aren't any proper roads around. And there is one other advantage the mountain tribes have over the farmers in the valleys: the poppy does not grow very well in the lowlands—it does not like the soil and the climate there.

But the money paid for opium gum is loose change compared with the prices at the later stages of processing and transportation. In the early 1990s, the price of 1kg of heroin produced from opium gum in Burma itself was about $1,200–$1,400. That figure doubled as soon as the heroin reached the first large transit node (such as the town of Chiengrai in Thailand), tripled in the Thai capital Bangkok, and reached $60,000 at its final destination, such as New York, rising up to 50-fold along the way.[2]

SEARCHING FOR THE ROOTS OF EVIL

I am in the Opium Hall in the far north of Thailand. From here, I can see Burma and Laos. I am studying a wide selection of opium pipes and scales with the little weights shaped in the form of elephants . . . .

This is just a museum—one of the most unusual museums I have ever been to. Built using the latest multimedia technology under the patronage of the royal family itself, this museum does not just tell its visitors about the woes of drug addiction. It also tells them about the roots of this evil.

The displays will show you how the evil came from the West. Since the seventh century, when the Arab tribes brought opium to China, it had been used there for medicinal purposes. Initially, the opium poppy plant was grown in what is now the Chinese provinces of Sichuan, Yunnan, and Gansu. Only later did the mountain tribes bring it to what is now the Golden Triangle during their migration to the south. The poppy was not cultivated on a large scale in the region, and its consumption was not widespread.

Everything changed in the seventeenth and eighteenth centuries, when opium smoking spread across the whole region thanks to the Dutch. And in the nineteenth century, British traders turned opium into one of the most profitable commercial crops. The British East India Company, which held a monopoly on opium production in Bengal, sold much of it in China, where the number of users in the first quarter of the nineteenth century had reached more than 15 million people. (To put that figure into perspective, today the world number of users of opiates, such as opium, morphine, and heroin, is also estimated at 15 million.)[3] Then came the two Opium Wars with the British Empire, which China lost.

The Opium Hall gently prods the visitor to the same conclusion that Yekaterina Stepanova (who, unlike me, has not been to that remarkable museum, but thinks along the same lines as its curators) makes in her book: the drug trade was used by European powers as an instrument of their colonial policy.[4]

These powers are paying the price now, but they keep blaming us for it, the curators of the museum in the Golden Triangle seem to suggest—without any gloating of course, but full of confidence in the accuracy of their historical analysis.

Researchers in the Netherlands, meanwhile, also seem to be ashamed of the policies of their forebears: ''A hundred years ago, when European colonial powers encouraged opium production everywhere they could, the world output of that drug was at least triple the current figure.''[5]

THE BIG O INDEX

The Golden Triangle now accounts for less than 1 percent of heroin exports to Europe and North America.

In the Thai sector, opium—known in the streets of Western cities as the Big O—has been displaced by maize, tobacco, and tea. Its production here has plummeted by 96 percent over the past 30 years.

In Burma, the output of opium gum has also fallen substantially, but the situation here is quite different. Widespread and abject poverty among the farmers in provinces such as Shan and Kachin makes it hard for them to switch from the poppy to other crops. According to one farmer, 25 kg of opium gum would fetch him $1,500 in the nearest market town—enough to sustain a small family for a whole year. To make the same amount of money on corn, he would need to bring fifteen hundred 50kg sacks of it to the market. A local farmer cannot even grow that much, let alone take it to the market: a family that owns at least one mule is considered wealthy here, and the roads are passable only during the dry season.

THE METHODS

In the far north of Thailand, in Chiang Rai province, Thaksin is revered regardless of any turmoil in Bangkok.

Thaksin Shinawatra is one of Southeast Asia's most controversial politicians. A business tycoon and former prime minister, he is being persecuted (for corruption or possibly for political motives, or maybe both) but has a good chance of becoming the Thai leader once again. A typical Thai oligarch, Thaksin is. But the farmers of Chiang Rai are falling over themselves telling me how much he had done for them when he was in power: ''He had built schools, and he had booted out the drug lords as well.'' I ask them whether his methods were, at the very least, controversial. More than 2,000 people suspected of links with the drug lords were killed in 2003 without any trial: the government said they had been shot in ''gang-on-gang violence''. Another 80,000 were arrested. Western rights activists describe that episode as the *dark pages* of Thailand's history.[6] But the farmers I talk to disagree: ''Our lives have improved, there is less violence now.'' True enough, all I see on the mountain slopes in front of me at the height of the poppy season is picturesque tea plantations. They used to grow the best opium in the region here not so long ago. Lyrics from that song by *Leningrad* come to mind, but I make myself focus on the serious things. The local farmers have their fair share of problems too. The previous day, the authorities had unexpectedly released one of the village chiefs of the Lisu tribe, who was probably one of the late Khun Sa's key lieutenants in the drug trade. The farmers fear that the drug lords will try to claw their power back.

''Thaksin fought against drugs because it was a personal vendetta for him. His son was an addict, he got hooked on methamphetamines, on ecstasy. So his war on drugs was for real,'' one farmer tells me. The villagers here know all the latest—everyone follows the news from the capital.

LAOS

Northern Laos is a sleepy kingdom of rivers, jungles, and caves. Another few years, and it will surely become thronged with tourists—its rare natural beauty cannot stay unnoticed for long. But the crimson banners with the golden hammer-and-sickle sigil—the flags of the revolutionary armed forces—serve as a gentle reminder that this is a socialist country with a one-party system, so the locals will be happy to chat with you about anything but politics.

The poppy plantations seem to be shrinking here as well, and the opium business is wilting. What a difference a few decades can make!

The huge unexploded bombs with ''Made in U.S.A.'' stamped on their sides, put on display here and there throughout the whole country, are quite incongruous with the general feel of this peaceful and pacified country. More bombs have been dropped on its people, per capita, than on any other nation in the world. Children and farmers are still dying after treading on unexploded munitions. Just as incongruous in these surroundings is the report I read about the history of Lao

drug trafficking, one of the most controversial papers on this subject written 15 years ago. It has largely been taken over by events, but still remains an interesting historical document.

PULP FICTION

''The Golden Crescent and the Golden Triangle became the leaders in opium production in the 1960–80s thanks to the policies of the West, primarily America's CIA, which was cooperating with international organized crime syndicates,'' the report reads:

> During the Cold War, such cooperation became their usual practice.... Back in the 1960–70s, during the war in Indochina, the U.S. government was not only turning a blind eye to drug trafficking by its allies in the ''fight against Communism,'' such as the chief of the Lao rebels from the Meo tribe, General Vang Pao, and corrupt bureaucrats of the military regimes in Saigon or Bangkok—it was also turning its back on the complicity in this *business* of many CIA, Navy and Air Force officers. That gave birth to the Indochina–U.S.A drug smuggling route.[7]

But then the war ended. The Cold War, which served as a breeding ground for the drug trade in Afghanistan and Southeast Asia, came to an end as well, some time later. Laos remained standing—but now it stood alone. It found itself forced to adjust to the new reality and the new players.

I continue reading the report, diving in deeper and deeper into the atmosphere of the 1990s:

> In the autumn of 1991 or thereabouts, a number of former (Russian) security officers...set up...the so-called *Moscow drug ring*, which is still active and has branches not only in Moscow or Chechnya, but also in Mazar-e-Sharif (Afghanistan), Louangphapang (Laos), London and the Cayman Islands (in the Caribbean).... The Afghan and Lao branches are involved in smuggling raw materials (opium gum and morphine) for the heroin *industry*. They are making use of the Moscow drug traders' old contacts dating back to when they served in the 1970s and 1980s as advisors and specialists in Indochina and Afghanistan. Starting from 1991, the Chechen mafia and the Moscow drug ring have been working on raw materials supplies for heroin production with some agents of the National Security Service of Uzbekistan, a number of field commanders in Afghanistan and, since the winter of 1992–93, with some rebel leaders in the Burmese Shan province, with the mediation and direct participation of representatives of law-enforcement agencies in Laos and Cambodia, several North Koreans and, until recently, several officials in Yemen.[8]

I pause and catch my breath here, to assimilate the geographic scale of the operation. When one drifts down the Mekong, it is easy to forget about the whole wide world outside.

I continue reading:

> Experts believe the criminal ties between the Moscow drug ring and the separatists in Burma's Shan state were established in late 1992. Among the mediators and direct participants of this criminal business were representatives of law-enforcement agencies in Laos and Cambodia, North Korean citizens, and corrupt Yemeni civilian and military officials. This cooperation became possible thanks to previous contacts between the above participants, North Korea's strong influence in Cambodia, as well as the former KGB officers' contacts in the region dating back to the 1950–80s.... Approximately in 1990, another group of Soviet citizens in Laos, who worked in cooperation with the locals, received a very lucrative offer from morphine producers in Shan, who said they could supply large batches of the drug on a regular basis. The large criminal group that sprung up some time later consisted of Soviet citizens and operated in Laos, Cam Ranh, Moscow and Vienna. The business was organized in the following way. The Shan people would bring morphine across the Mekong to Laos. It would then be taken by Lao planes to Cam Ranh. Here it would be handed over to the personnel of the base who took part in the drugs ring, who would then get it to Saigon (Ho Chi Minh city). In Saigon, it would be received by a Vietnamese gang who had the necessary production facilities to process large quantities of morphine into high-quality heroin. The heroin would then be smuggled into Central Russia, disguised as various produce of the wood-processing industry. In Central Russia, the drug was taken out of the containers and somehow shipped to Vienna, where it was bought in large batches by the Sicilian Mafia.[9]

As I reach the bit about the Mafia, I take a break for a minute to look at cows grazing on the banks of the Mekong. Not a lot of cows, just a couple. There aren't any cowherds here at all. There aren't any crowds, either: just a lonely fisherman, a shepherd or a gold-digger here and there. By the way, the Lao do not milk their cows. They get by without cow's milk.

I return to my reading:

> . . . The Lao drug dealers did not want to lose their huge profits. Using their old connections, they approached the Moscow drug ring and became its branch. The smuggling resumed, but the destination changed. New partners joined the business: North Koreans and the Khmer. The new partnership was based on a clear division of labor. The Shan people retained the function of buying up opium gum from the mountain farmers in the rebel-infested areas, processing it into morphine in underground laboratories on Burmese territory near the Lao and Thai border, and smuggling it across the Mekong into Laos. The Lao, together with the newly formed local branch of the Moscow drug ring, assumed the task of providing air transit from the Huei Sai airfield . . . .[10]

Not 15 minutes ago our boat passed Huei Sai, something between a small town and a big village. I made a stopover there, took a walk along its dusty alleys. Alas, I found no airfield in or around the town. Maybe the Moscow drug ring had wiped it from the face of the earth back in those strange 1990s, trying to cover up its tracks.

> . . . to Savannakhet airfield, storing it there and smuggling it out to Khmer territory on board Cambodian military transports. At the same time, the Lao used the Huei Sai and Louangphabang airfields to take delivery of arms and ammunition from Cambodia for the Shan rebels—that was part of the payment for the drugs—and turned a blind eye to the smuggling of those arms across the Lao border into Burma. The Cambodian and the North Korean partners in the business (led by the North Koreans, who acted as general managers and direct partners of the Moscow drug ring at ''high level talks'') took care of delivering the drugs from Laos to the Kampong Saom airfield on board Cambodian Air Force transports. At the same time, the Kmer and the Koreans were supplying weapons and ammunition to the Shan rebels in payment for the drugs.[11]

LOUANGPHABANG

Was there ever a Luan Prabang drug ring? Was there a Lao branch? Or was it just a myth? Some 15 years on, as I sit in a cozy cafe on a terrace overlooking the Han river and drink excellent local coffee grown on the mountain plateaus, all this really sounds like an ancient myth, a legend with diverse geography.

The land here is very conducive to flights of fantasy.

Louangphabang is famed for its temples and its Golden Buddha—Phra Bang, which has been guarding this town from evil since time immemorial. This Buddha is special, and the neighboring countries once claimed it as their own. But the Golden Buddha, the guardian of the royal capital without a king (the last one was killed by a revolutionary mob 30 years ago as he was returning to his capital from the far north by the same route I am taking now; his remains were never found) is his own master. ''He flies quite a lot,'' my young guide tells me. ''He flew to Thailand recently, but now he has come back home.''

My other guide, an elderly man, shakes his head: ''This is not the real Phra Bang. This is just a copy. The real Phra Bang, our real guardian, has been pent up in some vault in Moscow for many years.''

The Moscow drug ring, it seems, has left its trace here after all.

''THE GOLDEN TRIANGLE DRUG MARKETS ARE UNDERGOING A DEEP TRANSFORMATION''

The quote above was taken from a recent (January 2009) report by the Amsterdam Transnational Institution (TNI), which has long been tracking the situation in Southeast Asia and other drug markets.

The traditional opium production in the Golden Triangle is being displaced by synthetic drugs—methamphetamines. Burma is becoming a leading exporter of meth to other countries of Southeast Asia, China, India, Australia, and Japan. It exports about 700 million tablets (every year), including the Yaba tablets and the so-called *crazy pills*. They are produced mainly in the inaccessible eastern and northern mountains of Shan state.

The traditional smuggling channels from Burma into Thailand, via the border towns of Tachileik and Mae Sai, have been replaced by more tortuous routes, mainly via Lao territory, where experts say crossing the border along the Mekong is not a problem at all.

I actually had a chance to see for myself how easy it is. Under the cover of darkness and the famous local fogs, dozens of fast local boats start crisscrossing the river. Some are going to the Burmese casinos hidden among the marshes, others are delivering goods to the opposite side of the river. . .. Even North Korean refugees manage to reach this place in the middle of nowhere with relative ease, via China and downriver along the Mekong. The drug traffickers have well-established smuggling routes here. The border guards patrol the banks well enough, but I have not seen a single patrol boat during several hours on the river.

Meanwhile, the methamphetamines are on the offensive.

In Thailand, at least five percent of the population are regular users. In China, the number of addicts is estimated at 3.5 million. There is stable demand for drugs.

''The assumption that cutting the production of opium gum will reduce drugs consumption across the board has turned out to be false,''[12] say Dutch researchers Martin Jelsma and Tom Kramer.

They and many others are worried that the retreat of the poppy plantations in the Triangle has resulted in heroin shortages on the regional markets, leading to rising prices and the falling quality of the drug. They believe that the drug addicts in Southeast Asia are facing a choice of either quitting altogether, or using more accessible drugs instead of heroin. Alas, quitting has not been the addicts' first preference. Some have moved to Yaba, others are experimenting with opioid and benzodiazepine-based medications.

Researchers believe that because almost every government in Southeast Asia is cracking down on drug users, the addicts simply go underground and graduate to harder drugs. Instead of smoking opium, they start injecting heroin and various pharmaceutical substances, and users of meth pills start dissolving them to inject intravenously instead of swallowing them. The numbers of new HIV infections are spiraling in northern Burma and southern Chinese provinces.

THE BALLOON EFFECT

What we are seeing now as a result of the self-proclaimed *victory* over opium in the Golden Triangle can be described as the balloon effect. The hot air balloon flies where the wind takes it. It has been blown away from opium, so now it is slowly moving towards other drugs. ''In order to overcome this effect, one needs to study and understand the way the market reacts to policy interventions in the production and consumption of drugs,''[13] the Dutch researchers argue.

Their Russian colleague Yekaterina Stepanova, in her brilliant book *The Role of the Drugs Trade in the Political Economy of Conflicts and Terrorism*, which has already become a classic, arrives at the same conclusion: opium has been displaced by methamphetamines in the region. In her assessment, meth has certain advantages to offer the drug lords, despite the fact that heroin prices are much higher and its production would therefore appear more profitable. Thanks to the lower prices and better availability of methamphetamines, their consumption is becoming increasingly widespread. Stepanova believes that, unlike heroin, whose main markets lie far away from the Triangle and therefore require a costly and extensive transit system, meth is bought in large quantities on the domestic markets of the region, reducing transportation costs. And since it is also usually sold in large batches, the return on investment comes so much quicker.[14]

The bottom line is, opium is on its way out, but it place is being taken by poor-quality synthetic drugs.

Meanwhile, the illegal drug trade in Southeast Asia remains one of the most stable and resilient sectors of the region's economy.[15]

BURMA

I am crossing the bridge from Thailand to arrive in the Burmese border town of Tachileik. Ten years ago, it sat astride a river of opium from Burma into Thailand. The drug lords were in charge here. Even the Queen of Thailand's motorcade once fell foul of them. Today, the Queen can be completely at her ease here. The border is secure.

All experts agree that, over the past decade, opium production in Burma has plummeted. According to the U.S. Department of State, it fell by 81 percent over the seven years between 1996 and 2003, while the acreage under poppy plantations shrank by two-thirds.[16]

Stepanova believes that several factors had contributed to the reduction in the Burmese share of the world production of opiates.

The first is the opium boom in Afghanistan, which began in the 1990s and continues to this day. Afghan heroin has seized almost the entire European market. (In the United States, almost 80 percent of the drug comes from Colombia; Southeast Asia's share is no more than seven percent, and Burma's probably less than one percent.)

The second is the changing structure of the international and regional drugs market, with the ongoing shift from natural to synthetic drugs I have already mentioned.

And the third—and here I put an exclamation mark in the margins of the book by Stepanova—in her opinion, a major role in the falling production of drugs in Burma has been played by the central government's course towards a comprehensive solution of the opium problem, which is not limited to the use of police and security agencies in the war on drugs.[17] ''That course was aimed at finding a fundamental solution to the problem of drugs, which is closely intertwined with the problem of peaceful settlement,'' Stepanova writes:

> That latter problem was given the priority at the initial stages. Under the terms of the truce with the opposition ethnic groups, the Burmese government for a time abandoned attempts to intervene with their economic activity, including drugs. That strategy was based on the notion that only peaceful settlement will over time allow the government's writ to be strong enough to expand central administration and policing into the tribal areas, and create the economic, social and political climate that would bring an end to opium production by former rebel groups.[18]

Stepanova is inclined to believe that the ruling Burmese junta is not itself actively involved in the drugs trade; ''there is no evidence to equate the Burmese regime to a narcodictatorship,'' she believes. On the contrary, there is plenty of evidence that the Burmese authorities are actively waging a war on drugs.[19] This war appears to be making use of a combination of persuasion in dealing with the ethnic rebel groups and an authoritarian style of central government:

> In the case of Burma, it is impossible to ignore the facts which Western experts refuse to recognize, based primarily on the ideological imperative of *spreading democracy* and *opposing dictatorship* by any means available. The fact is that in Burma, only the tough and authoritarian nature of the ruling regime (which wields both political and military power) has allowed the government to force the rebel drug lords to abide by the terms of the truce, and to take many drug-producing parts of the country under at least partial government control.[20]

And here Stepanova makes her final conclusion, which the reader has already been prepared for: ''In the long-term struggle against production and illegal turnover of drugs, no amount of international assistance can replace a strong or even hard-line national government.''[21] That is a dig primarily at the Karzai government in Afghanistan.[22]

CASINO MEKONG

Many were surprised when the late *Opium King* of the Golden Triangle, Hmong army commander Khun Sa, who fought for the independence of the Shan state, gave himself up to the authorities in 1996. He then proceeded to live in comfort in Rangoon, having invested tens of millions of dollars—mainly drugs money—in legitimate businesses inside the country. For the junta, he became ''a walking encyclopedia on everything drugs-related,'' in the words of the generals themselves. He must have retained control over some part if his drugs industry.[23] The government not only failed to prevent, but actually encouraged the legalization of Khun Sa himself and his millions, in an effort to make sure the drugs money is invested in the country's economy.[24]

I can see this money. I can really see it. I am sitting in a Burmese casino close to the Mekong, on the crossroads of the main routes of the Golden Triangle. There aren't many European faces here. There are a lot of Thais, a few rich Burmese, but the majority here are Chinese, who come quite a long way from the north along the river to gamble in Burmese casinos.

Gradually, even imperceptibly, the Chinese are becoming the dominant economic force in the Triangle. They are taking over the retail trade. The have started buying up small Lao islets on the

Mekong to build their own casinos. They are even looking at larger tracts of land in northern Laos, hoping to buy them up via front men.

At the same time, the Chinese are becoming the main consumers of drugs from Burma, and from the Triangle as a whole. The drug traders from Hong Kong, Macao and Shenzhen have established contacts with their counterparts in Burma's Shan state. Over the seven years from 1995 to 2002, the number of registered heroin addicts in China rose by 520,000 to reach 900,000. The real figure is thought to be four times as high.

China has found itself on the receiving end of two mighty rivers of drugs: one from the West, from Afghanistan via Pakistan, Tajikistan, and Kyrgyzstan; and the other from the south, mainly from Burma. The Burmese drug lords are ramping up the exports of methamphetamine pills to China. It is believed that large synthetic drug labs are also located in China itself, in its southern Yunnan province.[25]

It is difficult to quantify the scale of the problem of drugs production and consumption in China. But as for the key supplier of drugs to China from the south, Burma, researchers are unequivocal: ''Considering the explosive growth of methamphetamines and ecstasy, the situation with drugs in Burma is no better than it was in the previous decade; it may have actually got worse . . . . There is little doubt that drugs from the Burmese sector of the Golden Triangle will continue flooding . . . the world.''[26]

Pervasive corruption among the bureaucracy, police, and customs services across the Triangle make such an outcome all the more likely.

But here I start to lose the thread of the narrative. What about strong and authoritarian government then? What about all the achievements they told me about in Thailand and Laos? What about the successes hailed in UN reports? Or is it just the balloon effect? Will it just go on forever? Will this Hydra spring new heads as quickly as we are able to lop off the old ones? Will the drug trade always come out on top, in a new guise and with a new selection of poison to offer?

UPROOT! UPROOT WHAT?

In order to collect my thoughts somehow, I need to move from the cigarette-smoke-filled Burmese casino into the airy Opium Hall of the Museum of Opium. I walk past the screens showing a documentary about Khun Sa: that is how eminent drug lords become museum relics. I enter the Hall of Reflection. It has been cleared of government proclamations and boastful reports of successes. This hall, unlike the serious books I have read, is not about ''states,'' or the ''international community,'' or its ''efforts'' and ''role'' in the fight for a world without drugs.

The Hall of Reflection is about man.

We can describe man as an object. We can describe man as a consumer.

In this hall, which is as spacious as the rest of the museum, there are several plaques. The inscription on the first is a Buddhist proverb about the true nature of victory: ''The greatest victory is not over a thousand warriors, but over oneself.''

The plaque beside it is a Cortazar quote, which you don't really expect to see in the middle of the Thai jungle. A century and a half after Pushkin's ''A habit is a gift from above,'' he responded with his own verdict: ''The evolution from happiness to habit is one of the most powerful instruments of death.''

And here is our answer. That is the instrument that must be uprooted. The ball of opium gum, the Yaba pill—these are merely its products. But how to uproot it? Humankind has not yet come up with a way, and probably never will. And that means there will always be synthetic happiness, which blunts the horror of sliding down the path towards habit, towards an addiction to false bliss contained in a pill or a syringe.

It will never go away, even if we uproot all the crimson poppy flowers of the Golden Triangle. 

NOTES

[1] Collins English Dictionary.

[2] Yekaterina Stepanova, *The Role of the Drugs Trade in the Political Economy of Conflicts and Terrorism* (Moscow: Ves Mir, 2005), pp. 166–167.

[3] Martin Jelsma, Tom Kramer and Pietje Vervest, eds., *Trouble in the Triangle: Opium and Conflict in Burma* (Bangkok: Silkworm Books, 2005), p. 151.

[4] Yekaterina Stepanova, *The Role of the Drugs Trade in the Political Economy*..., p. 163.

[5] Martin Jelsma, Tom Kramer and Pietje Vervest, eds., *Trouble in the Triangle*..., p. 151.

[6] See: ''Withdrawal Symptoms in the Golden Triangle: A Drugs Market in Disarray,'' Transnational Institute (TNI) Report (Amsterdam: January 2009), http://www.tni.org/drugs (last accessed February 2, 2009).

[7] Ivan Ivanov, *International Drugs Smuggling and the Former U.S.S.R* (Moscow: Felix Research Group, 1995). I am referencing this report as stated in the publisher's imprint, although I know the real name of the author (unlike the names of most of his sources).

[8] Ibid.

[9] Ibid.

[10] Ibid.

[11] Ibid.

[12] ''Withdrawal Symptoms in the Golden Triangle...''

[13] Ibid.

[14] Yekaterina Stepanova, *The Role of the Drugs Trade in the Political Economy*..., 168.

[15] Ibid., 170.

[16] Martin Jelsma, Tom Kramer and Pietje Vervest, eds., *Trouble in the Triangle*..., 148.

[17] Yekaterina Stepanova, *The Role of the Drugs Trade in the Political Economy* ..., 180.

[18] Ibid.

[19] Ibid., pp. 185, 195 on the implementation of government plans on the war against drugs—the *New Destiny* plan and the *Great Fight against Opium* plan, which the government devised together with the leadership of the United Army of Va Country. The plan involved the relocation of up to 50,000 Va farmers from the drugs-producing regions to more fertile lands in the south of the country.

[20] Ibid., p. 195.

[21] Ibid.

[22] The book has separate chapters on Afghanistan and on Columbia.

[23] ''Khun Sa was a kind, open and sincere man,'' our reader Valery Kovalev wrote to me after finding out from the News section of the PIR Center Website that I was planning a piece on Burma and drugs. Like me, Mr Kovalev had traveled the region and wanted to warn me against demonizing Khun Sa. I have not had the opportunity to meet Khun Sa, so I am not prepared to comment on his personal character.

[24] Yekaterina Stepanova, *The Role of the Drugs Trade in the Political Economy* ..., pp. 184–185.

[25] Martin Jelsma, Tom Kramer and Pietje Vervest, eds., *Trouble in the Triangle*..., pp. 133–134.

[26] Ibid., pp. 123–124.

PIR CENTER ADVISORY BOARD
(as of December 31, 2009)

Akhtamzyan Ildar, Dr., Assistant Professor, Chair of International Relations and Foreign Policy, Moscow State Institute of International Relations (MGIMO-University) of the Ministry of Foreign Affairs of the Russian Federation, Moscow, Russia

All-Russian Scientific Research Institute of Experimental Physics (VNIIEF), Federal Nuclear Center, Sarov, Russia

Antipov Sergey, Dr., Head of Laboratory, Nuclear Safety Institute of the Russian Academy of Sciences, Moscow, Russia

Antonov Anatoly, Amb., Dr., Director, Department on Security and Disarmament, Ministry of Foreign Affairs of the Russian Federation, Moscow, Russia

Arbatov Alexey, Dr., Corresponding Member, Russian Academy of Sciences (RAS); Head, Center for International Security, Institute of World Economy and International Relations (IMEMO), Moscow, Russia

Baev Pavel, Dr., Research Professor, International Peace Research Institute in Oslo (PRIO), Oslo, Norway

Baranovski Vladimir, Dr., Prof., Corresponding Member, Russian Academy of Sciences (RAS), Deputy Director, Institute of World Economy and International Relations (IMEMO), Moscow, Russia

Bertsch Gary, Prof., Director, Center for International Trade and Security, University of Georgia, Athens, U.S.A.

Bunn George, Prof., Consultant, Center for International Security and Cooperation, Stanford University, Palo Alto, U.S.A.

Cirincione Joseph, President, Ploughshares Fund, Washington, D.C., U.S.A.

Dhanapala Jayantha, Amb., President, Pugwash Movement of Scientists, Colombo, Sri Lanka

Dvorkin Vladimir, Dr., Maj. Gen. (ret.), Consultant, Carnegie Moscow Center, Moscow, Russia

Eggert Konstantin von, Vice President, ExxonMobil Russia Inc., Moscow, Russia

Einhorn Robert, Senior Advisor, International Security Program, Center for Strategic and International Studies, Washington, D.C., U.S.A.

Eleukenov Dastan, Dr., Counsellor, Embassy of the Republic of Kazakhstan in the United States, Washington, U.S.A.

Evstafiev Dmitry, Dr., Vice President, KROS Corporation, Moscow, Russia

Fedorov Alexander, Dr., Expert, Russian Foreign Intelligence Service, Moscow, Russia

Geneva Centre for Security Policy, Geneva, Switzerland

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570810

Gottemoeller Rose, Assistant Secretary of State (Verification and Compliance), Department of State, Washington D.C., U.S.A.

Institute of Strategic Stability, Moscow, Russia

Ji Zhiye, Vice President, Chinese Academy of Contemporary International Relations, Beijing, China

Johnson Rebecca, Dr., Executive Director, Acronym Institute, London, U.K.

Kirichenko Elina, Dr., Head, North America Research Center, Institute of World Economy and International Relations (IMEMO), Moscow, Russia

Kortunov Andrey, Dr., President, New Eurasia Foundation, Moscow, Russia

Krasnov Alexei, Head, Manned Space Flight Programs, Federal Space Agency of the Russian Federation, Moscow, Russia

Kurchatov Institute—Russian Research Center, Moscow, Russia

Ladygin Fedor, Col.-Gen. (ret.), Advisor to Director General, Sukhoy Aircraft Holding Company, Moscow, Russia

Laverov Nikolai, Acad., Vice President, Russian Academy of Sciences, Moscow, Russia

Lebedev Vladimir, Deputy Chief, International Relations Department, Moscow City Government, Moscow, Russia

Lewis Patricia, Dr., Deputy Director, James Martin Center for Nonproliferation Studies, Monterey Institute of International Studies, Monterey, U.S.A.

Luedeking Rudiger, Permanent Representative of Germany to the UNO and Other International Organizations, Vienna, Austria

Lysenko Mikhail, Amb., Director, Department of International Cooperation, the Rosatom State Corporation for Atomic Energy of the Russian Federation, Moscow, Russia

Margelov Mikhail, Chairman, Committee for Foreign Affairs, Council of Federation of the Federal Assembly of the Russian Federation, Moscow, Russia

National Research Nuclear University MEPhI, Moscow, Russia

Moscow State Institute of International Relations (MGIMO University) of the Ministry of Foreign Affairs of the Russian Federation, Moscow, Russia

Mueller Harald, Dr., Prof., Director, Peace Research Institute, Frankfurt-am-Main, Germany

Murogov Viktor, Dr., Professor, State Technical University of Nuclear Power, Obninsk, Russia

Nikitin Alexander, Dr., Prof., Director, Center for Political and International Studies, Moscow, Russia

Novikov Vladimir, Dr., Senior Research Officer, Russian Institute for Strategic Studies (RISI), Moscow, Russia

Parkhalina Tatyana, Dr., Deputy Director, Center for European Security Studies, Institute of Scientific Information on Social Sciences (INION), Moscow, Russia

Pikayev Alexander, Dr., Chief of the Department for Disarmament and Conflict Resolution, Institute of World Economy and International Relations (IMEMO), Moscow, Russia

Ponomarev-Stepnoi Nikolai, Dr, Prof., Acad., Honorary Vice President, Russian Research Center Kurchatov Institute, Moscow, Russia

Radchuk Alexander, Prof., Advisor to the Chief of General Staff, Russian Armed Forces, Moscow, Russia

Rybachenkov Vladimir, Dr., Advisor, Embassy of the Russian Federation to the United States, Washington, D.C., U.S.A.

Satanovsky Yevgeny, Dr., Prof., President, Institute of Middle East Studies, Moscow, Russia

Routledge
Taylor & Francis Group

ABOUT THE AUTHORS

Antonov, Anatoly Ivanovich, is Ambassador Extraordinary and Plenipotentiary, Director of the Department of Security and Disarmament Affairs of the Russian MFA. Before that he worked as Deputy Permanent Representative of the Russian Federation to the UN and international organizations in Geneva. He graduated from the Moscow State Institute of International Relations (MGIMO) in 1978. Dr. Antonov heads a number of Russian government delegations, including the negotiations with the *G-8*, the Nuclear Non-Proliferation Treaty (NPT), etc. He is a member of the UN Secretary General's Advisory Board on Disarmament and of the PIR Center Advisory Board (pp. 52–54).

Eggert, Konstantin von, is a member of the Royal Institute of International Affairs (London), Vice-President of Exxon Mobil Russia Inc. Born in 1964, he graduated from Moscow State University's Institute of Asian and African Countries in 1987, where he studied history and Arabic. After university he served in the army as a member of the Soviet military mission in the Yemen Arab Republic. In 1980–1990 he worked in the Middle East. He worked for the newspapers *Kuranty* and *Izvestia*. He became a diplomatic correspondent for the latter, and then deputy international editor. In 2002–2008 he was editor-in-chief of the Moscow bureau of the BBC Russian service. He is a member of the *Security Index* editorial board, the PIR Center Advisory Board, and a member of the board of founders of the Centre russe d'études politiques, Genève. Email address: konstantin.von.eggert@exxonmobil.com (pp. 101–103).

Evstafiev, Dmitry Gennadievich, is Vice-President, KROS Corporation. Born in 1966, he graduated from the History Department of Moscow State University's Institute of Asian and African Countries with honors in 1989, then served as a junior research associate, and then research associate, at the RAS U.S. and Canada Institute, where he received the degree of candidate in political science in 1993, defending a dissertation in the area of military policy. In 1995–1998 he worked as a senior leading expert at the Russian Institute for Strategic Research (RISI). Later he served as a senior research associate and project director at the PIR Center. He was a leading expert on the military and political facets of Russian national security, U.S. foreign and military policy, and regional aspects of nuclear nonproliferation. In 2001–2006 he worked for the KROS Public Relations Development Company, serving part of that time as vice-president. Later on he joined the National Laboratory for Foreign Policy as Deputy Director General. He is a member of the PIR Center Advisory Board and *Security Index* editorial board (pp. 85–93).

Evstafiev, Gennady Mikhailovich, is PIR Center Senior Vice-President, Lieutenant-General (ret.). Born in 1938, he has worked in governmental agencies for over 40 years, including Soviet embassies in Pakistan and other countries, and the UN Secretariat. In 1986–1991 Lieutenant-General Evstafiev participated in CFE negotiations. In 2000–2003 he worked in the Russian mission to NATO headquarters in Brussels and was in charge of WMD nonproliferation and arms control issues. Email address: evstafiev@pircenter.org (pp. 56–57).

Fedorov, Yury Yevgenyevich, is an Associate Fellow, Chatham House—The Royal Institute of International Affairs, London, UL; Member of the *Security Index* editorial board. He graduated from Moscow State University's Physics Department. He was a Candidate of Historical Sciences, and Professor. He worked at the Sociological Research Institute of the U.S.S.R. Academy of

ISSN 1993-4270 (print)/ISSN 2151-7495 (online) DOI: 10.1080/19934270903570802

Sciences, and headed the section on disarmament issues at the Institute for International Economy and International Relations (IMEMO) of the Russian Academy of Sciences. He also worked in the international division of the Soviet Communist Party Central Committee, after which, in 1991, he became deputy head of the political science department at MGIMO. In September 1998 he became section head, and in December 2000 head of the division on military policy research at the RAS U.S. and Canada Institute. In 2001–2002 he served as deputy director of the PIR Center. In 2002–2003 he was Deputy Director of the Institute of Applied International Research. Several of his academic studies have focused on energy security, particularly of the Caspian region. He is the author of a monograph entitled *Substrategic Nuclear Weapons and Russian Security Interests* (Moscow: Nauchnyye zapiski PIR Tsentra, No. 16, 2001). Fedorov is a member of the *Security Index* editorial board. Email address: yufedorov@rambler.ru (pp. 75–83).

Gliniasty, Jean de, is Ambassador Extraordinary and Plenipotentiary of France to the Russian Federation. He graduated from Science-Po in Paris and has diplomas in philology and law, as well as a diploma from the National School of Administration (Ecole nationale d'administration (ENA)). In 1975 he joined the diplomatic service in the Department for North Africa and the Middle East. He then moved to the Department for Economic and Financial Matters, was Deputy Head of the Center for Analysis and Forecasts, and worked in the French mission to the EU in Brussels. In September 2006–January 2009 he served in the central administration of the MFA as Director of the Department of Africa and Indian Ocean Countries. In January 2009 he started his mission in Russia (pp. 11–14).

Kalinina, Natalia Ivanovna, heads the Group on Non-Traditional Security Challenges at the Center for International Security of the Institute of World Economy and International Relations (IMEMO) of the Russian Academy of Sciences. Prof. Kalinina is a member of the PIR Center Executive Council. She is one of the leading experts in nonproliferation of chemical and biological weapons. In 2003–2004 Dr. Kalinina was Assistant to the Prime Minister and was then Deputy Chief of the Board of Auditors Inspection. She is the author of numerous publications on chemical disarmament and international programs in this area (pp. 31–46).

Kislyak, Sergey Ivanovich, is Ambassador Extraordinary and Plenipotentiary of Russia to the United States. He graduated from MEPhI in 1973, the Foreign Trade Academy in 1977 and since then joined the MFA. He headed the Department of International Scientific and Technical Cooperation, and the Department of Security and Disarmament Affairs. In 1998–2003 he was the Russian ambassador to Belgium and Permanent Representative of Russia to NATO. In 2003–2008 he was Deputy Foreign Minister of Russia (pp. 15–20).

Kozyulin, Vadim Borisovich, is Special Projects Director of the PIR Center. Born in 1965, in 1990 he graduated from the Moscow State Institute of International Relations and in 2002 from the All-Russia Foreign Trade Academy. Dr. Kozyulin worked in the Russian Foreign Ministry, then in the Exclusive Information division of *Moskovskie novosti*, and served as a representative of Kazspetsexport in Russia. Since 1994 he has worked as research associate in the PIR Center. Dr. Kozyulin is Professor of the Academy of Military Sciences. He currently cooperates with companies involved in military-technical cooperation in CIS and beyond. His research interests focus on Russia's military-technical cooperation with foreign states. Email address: kozyulin@pircenter.org (pp. 31–46).

Lysenko, Mikhail Nikolaevich, is Ambassador Extraordinary and Plenipotentiary, Director of the Department of International Cooperation of the State Nuclear Energy Corporation (*Rosatom*). He graduated from MGIMO in 1977 and joined the diplomatic service. In 1992–1996 he was Deputy Director of the Department of North America, in 1996–2000 Counselor of the Russian Embassy to Canada. Until 2008 he was the Russian ambassador to New Zealand. Before that he headed the Department of Security and Disarmament Affairs of the MFA. He is a member of the PIR Center Advisory Board (pp. 58–59).

Malygina, Anastasia Alexandrovna, is Senior Lecturer in the International Relations faculty of St. Petersburg State University. Dr. Malygina graduated with honors from the International Relations faculty of St. Petersburg State University. In 2007 she defended her doctoral thesis on the prospects of the nuclear nonproliferation regime and participated in the International Summer School on Global Security. Email address: asmolina@mail.ru (pp. 57–58).

Morogov, Alexander Anatolyevich, is a graduate student of the Institute of History and Political Science of Tyumen State University, and a lecturer in Japanese at the same institute. He

graduated from Tyumen State University with a degree in international relations. His research interests include the energy policy of Japan, the nuclear potential of Japan and energy security cooperation (pp. 95–100).

Orlov, Vladimir Andreevich, is the founder and President of the PIR Center—Center for Policy Studies (Russia) and Editor-in-Chief of the *Security Index* Journal. He is the President of the Centre russe d'études politiques, Genève. Dr. Orlov is a member of the Public Board at the Ministry of Defense of the Russian Federation. Vladimir A. Orlov was born in 1968 in Moscow, Russia. He graduated from the Russian Foreign Ministry's Moscow State Institute of International Affairs (MGIMO). In 2001–2002 he served as a UN consultant on disarmament and nonproliferation education by appointment of the UN Secretary General. Dr. Orlov regularly publishes his views in Russian and foreign periodicals and has edited more than a dozen books on international security issues, published both in Russia and abroad. Dr. Orlov continues to teach on a regular basis, giving lectures on Russian foreign policy and WMD nonproliferation. Email address: orlov@pircenter.org (pp. 7–9; 105–113).

Radchuk, Alexander Vasilyevich, is Advisor to the Chief of the General Staff of the Russian Armed Forces. Col. Radchuk graduated from the Moscow Baumann High Technical School, the General Staff Military Academy and the Russian Civil Service Academy. He served in the Central Research Institute of the MOD. Dr. Radchuk is the author of over 130 publications on strategic stability and national security, nuclear deterrence, and modeling of efficiency of complicated systems. He is a member of the PIR Center Advisory Board (pp. 49–50).

Skopich, Oksana Andreevna, is a student of social and economic studies at the Center for Judaism and Jewish Civilization of the Institute of Asian and African Studies. Research activities are related to the migration processes in the Middle East, Israel and the eastern Mediterranean. In 2008 she was a PIR Center intern. Email address: arngrim1@rambler.ru (pp. 65–72).

Timerbaev, Roland Mikhailovich, is PIR Center Executive Board Chairman, Ambassador Extraordinary and Plenipotentiary. Born in 1927, he is a Russian leading expert in the sphere of nonproliferation and arms control, is world renowned as one of the authors of the Nuclear Non-Proliferation Treaty (NPT)—the cornerstone of the nonproliferation regime. After graduating from the Moscow State Institute of International Relations (MGIMO) in 1949, Roland Timerbaev dedicated over 40 years to the diplomatic service, first in the Soviet Foreign Ministry and then the Russian Foreign Ministry, retiring in 1992 from the post of Permanent Representative of the Soviet and Russian Missions to International Organizations in Vienna. He actively participated in drafting several key international agreements in the nuclear sphere, including the Anti-Ballistic Missile Treaty, the U.S.–Soviet Agreement on Measures to Reduce the Nuclear War Threat, the IAEA safeguards system, the Threshold Test Ban Treaty, and the Peaceful Nuclear Explosion Treaty. In 1974–1978 he participated in the work to establish the Nuclear Suppliers Group. He has also taken part in six NPT Review Conferences. Professor Timerbaev has a doctorate in history, and has broad academic and teaching experience both at leading Russian institutions (Moscow State Institute of International Relations, Moscow Engineering and Physics Institute) and abroad (in particular, at the Monterey Institute of International Studies). His works include *The Peaceful Atom in the International Arena* (1969), *Verification of Arms Control and Disarmament* (1983), *The Complete Prohibition of Nuclear Tests* (1986), *Russia and Nuclear Nonproliferation, 1945–1968* (1999), *International Monitoring of Atomic Energy* (2003), and *The Current Status of the Nuclear Nonproliferation Regime and its Prospects: Towards the Upcoming 2005 NPT Review Conference* (2004). Email address: timerbaev@pircenter.org (pp. 21–29; 55–56).

Unnikrishnan, Nandan, is Director for Eurasian Studies, Senior Fellow of the *Observer* Research Foundation (India). In 2001–2004 he was an independent TV director and freelance journalist making documentaries on Russian–Indian military cooperation, Russian–Indian relations, etc (pp. 54–55).

Voronkov, Vladimir Ivanovich, is Director of the Department for Pan-European Cooperation of the Russian MFA. In 1975 he graduated from Moscow State University. Since 1989 he has served in the Ministry of Foreign Affairs. In 2000–2002 he was Minister Counselor to Poland, then in 2002–2005 he was Deputy Director of the Human Resources Department of the MFA. In 2005–2008 he was Deputy Permanent Representative of Russia to the OSCE. Dr. Voronkov is a member of the PIR Center Advisory Board (pp. 61–64).

Wollebaek, Kari Eken, is First Secretary for Political and Economic Affairs of the Royal Embassy of Norway to Moscow. She has a master's degree in contemporary history of Azerbaijan. She studied Russian and literature, comparative political science, and history at the University of Bergen (Norway) and the Friedrich-Wilhelm Rhein University of Bonn (Germany). Since 2000 she has served in the MFA of Norway (pp. 50–52).