



Oral evidence: [Russia and Ukraine](#), HC 628

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Members present: Sir Richard Ottaway (Chair); Mr John Baron; Ann Clwyd; Mike Gapes; Mark Hendrick; Andrew Rosindell; Sir John Stanley; Nadhim Zahawi

Questions 1-29

Witness: **Edward Lucas**, Senior Editor, The Economist, gave evidence.

Q1 Chair: I welcome members of the public to this sitting of the Foreign Affairs Select Committee. This is a one-off evidence session to have a look at developments in Ukraine, particularly over the past few weeks. I am delighted to welcome our first witness today, Mr Edward Lucas, who is the senior editor at The Economist, and, more to the point, a well-known expert on the region and the background to it. Mr Lucas, welcome. Thank you very much indeed for coming along. Is there anything you want to say by way of an opening statement? We have seen the evidence you gave us last night. Otherwise, we will just go straight into questions.

Edward Lucas: Let's go straight to questions.

Q2 Chair: Fine.

There are two basic arguments about the approach to how we should be dealing with Russia. The first is to go gently-gently, negotiate and hope diplomacy will win the day; the other is to wield a big stick, confront them and be aggressive. Which camp are you in?

Edward Lucas: I think it's not quite as simple as that, if I may be so bold. One of the problems in this debate is that we have had a simplification and polarisation, where you are either in favour of confrontation or in favour of dialogue. I think we need both, and the problem is that we haven't really had either.

It is important to maintain an open door to Russia in the widest sense, because our quarrel is not with the Russian people, but with the leadership of Russia and the many things they do that are antithetical to our interests. We have failed, so far, to show Mr Putin that we are serious on the things that he minds about, which are things that are very much against the interests of this country and the West. It is in our interest that the countries of Europe—both in the EU and NATO, and outside—should be free internally and free to make choices about their future. Putin doesn't agree with that; he thinks in terms of spheres of influence, and he deeply resents the fact that former Soviet countries are either turning west or are in the West. He doesn't like the Atlantic alliance, which is the bulwark of our security. He thinks it is ridiculous and he has been extremely critical of the American role in Europe. He wants the

Americans to give up in Europe and Europe to give up on the Americans, which is not in our interest.

He also doesn't like the way in which the EU is trying to bring order to the energy market. Russia profits enormously from the different forms of abuse in the energy market, particularly its monopoly of gas supplies to a large part of eastern Europe. The European Commission has commendably been taking that on and been trying to apply anti-trust and other measures to Gazprom. Putin hates that, because it attacks the business model that underlies his regime.

We have to show him we are serious, and at the moment we are not. My grave worry is that, as a result of this, what we have seen in Ukraine is just a foretaste of future confrontations, dangers and difficulties.

Q3 Chair: Do you have any examples of how outside influence may change Russian behaviour?

Edward Lucas: I think our role at the moment is pretty limited. There was a time when Russians had a very high opinion of the West, and what we said counted for a lot. That has gone. Most Russians now think the West is decadent and hypocritical. To some extent, I think they are right about the hypocrisy, because although we criticise Russia for corruption, a lot—in fact, most—of that corruption happens aided and abetted by the West. We have vast money-laundering machines, in not only this country but others, that are accomplices in the theft of tens of billions of dollars from the Russian people every year, which is extremely serious. I think we have lost a lot of our purchase on Russia. We can still gravely raise the cost of doing business with Mr Putin; we should do that, and I think the sanctions we have imposed so far are not nearly enough. I think the main thing we can do at the moment is to protect our allies and friends from things getting even worse. Our ability to change things inside Russia in the short term is very limited.

Q4 Chair: What do you think Russia's attitude to Europe is? What is his aim? What is he trying to do? Is he malign, or is he just protecting his national interest?

Edward Lucas: I think he is protecting what he sees as his national interest, but that is malign. There is an old joke that the definition of a secure Soviet frontier is something with Soviet soldiers on both sides. I think that pretty much is the way Putin sees Russian frontiers. It is a condition of Russia's security that its neighbours feel insecure. It is not just about NATO, although he is trying hard to intimidate the NATO members in the Baltic states. He has also been intimidating Finland and Sweden, which are not members of NATO, so there is an itch in the psyche of the Russian leadership to get at the neighbours and try to unsettle them. He may think that is in the national interest, but it is not something we can accommodate. I would argue that it is not in Russia's national interest. It is in Russia's interest to be integrated into the world, rather than isolated from it; to be a friend, rather than a pariah; and to be a prosperous member of the wider West, which was the great prize that was there in the 1990s, and Mr Putin and his associates have, for different reasons, taken it away from the Russian people.

Q5 Chair: It is quite remarkable how his attitude has changed.

Turning to the referendum over Crimea, the EU does not recognise that referendum. Do you think it was illegitimate and that the EU is right, or should we have a different approach to it?

Edward Lucas: It was profoundly illegitimate. Members of this Committee, as elected representatives, will know particularly that it is not just elections that are part of democracy, but what happens in between elections. It is who is allowed to run, how the campaign is organised, who counts the votes and all those other questions. The so-called referendum in Crimea, which I would call an electoral stunt rather than a referendum, did not meet those conditions. It was held in the aftermath of the military occupation of Crimea and the no campaign was not able to canvass effectively. If you look at all the opinion polls that have been held in Crimea over the past 15 or 20 years, you won't find one that is in favour of joining the Russian Federation. The overwhelming majority of Crimeans wanted special status within Ukraine, which is what they had, and it has been taken away from them.

I would also point out that the Russian lie that Crimea is historically Russian has been unquestioningly accepted in some quarters. The original inhabitants of Crimea, the Tatars, who suffered more than anyone else under Soviet rule—they were deported en masse and half of them were killed—are the greatest victims of this, and it is shameful that their voices and their story have been neglected.

Q6 Chair: I have just been informed that Ukraine has agreed a permanent truce with rebels in the east as a result of a conversation between President Poroshenko and Mr Putin. I don't know whether that permanent treaty is going to last the day or not, but we shall see.

Edward Lucas: I saw that on the wonderful Twitter as we were waiting outside. I think this marks the end of one particular episode in this story, but we would be unwise to think it is the end of the saga. If the ceasefire holds, we now have another frozen conflict and a quasi-state in the east that may be incorporated into Russia, as with Crimea, or exist in a kind of limbo, as with South Ossetia, Abkhazia, Nagorno-Karabakh and Transnistria. We are going to have to deal with a Ukraine that is going to be in political and economic turmoil, as well as vulnerable to future Russian meddling for years to come. We are also going to have to cope with Mr Putin, who will basically think he has won. We told him not to do this, and he did it; we told him not to do more stuff, and he did that; we told him not to do more stuff, and he did that, too. The lesson he draws from that is that international agreements are worthless and our warnings carry no weight. I quail to think what that will mean in the future.

Q7 Sir John Stanley: We are here to scrutinise the British Government's Foreign Office. Could you give us your view of how well or not so well you feel the British Government have dealt with this situation, from the annexation by Russia of Crimea onwards, within what can be reasonably expected of a single Government? Can you tell us whether you think the British Government have done all they reasonably could, or whether there are policies that they could and should have followed, and failed to do so?

Edward Lucas: Answering that excellent question very briefly, I think it is a mistake to start from the annexation of Crimea. The annexation of Crimea came as a result of a series of catastrophic western mistakes in dealing with Russia and the former Soviet Union, which go back 15 or 20 years. We have sent the wrong message consistently to Mr Putin—particularly, that what we are really interested in is his money. Particularly with the Blair Government, which went absolutely overboard on trade and investment as a priority in

dealing with Russia, exemplified by Lord Mandelson's approach, we have laid the foundation for the most disastrous position in European security we have had in my lifetime. The Crimea annexation is a symptom of that, the neglect of Ukraine and the unwillingness to see Russia for what it is—a revisionist power that wants to tear up the European security order in so many different ways.

Strong words come cheap, and there have been a lot of strong words since the annexation of Crimea, but none of them have had any impact. As I argued in my written testimony, there are three things we need to do, and they are all becoming much more difficult as time goes on. We really need to raise the cost of doing business with Mr Putin, with real sanctions that hurt him—both very extensive visa sanctions, and going after the corruptly obtained Russian assets that have been laundered in the West, including in this country. I was delighted to see the National Crime Agency saying in *The Times* today that it was going to go after these state-backed criminal organisations and their assets. It did not mention Russia, but that is a major vulnerability for Russia. It is also something that we have made a huge amount of money from, so it will hurt, but we need to go after that.

We need to boost our allies, particularly in the Baltic states. NATO is talking about that, but it needs to do a lot more—and very quickly, because there is now a huge danger of Russia trying a stunt in the Baltic states. Thirdly, we need a Marshall plan to help Ukraine. We need to help it with military and security, and also economically, financially and in every other way.

Those are the three things that we need to do. If we had done them five years ago, they would have been quite cheap and easy; doing them now will be expensive, difficult and quite dangerous.

Q8 Sir John Stanley: Just one very specific policy question: do you think that the British Government should follow, as reported, Canada, Poland and the Baltic states in calling for the repeal of the 1997 Founding Act under which the then NATO members agreed with the Yeltsin Government that there would be no permanent stationing of NATO forces in former Warsaw Pact countries?

Edward Lucas: I do believe that. The NATO-Russia Founding Act was part of a deal under which NATO started intaking nervous new member states, but it did so in a way that reassured Russia that this was not directed against the existing Russian Government. The thinking was that Russia is a friend of NATO and that, for historical reasons, these countries are very nervous—and we can see why they are nervous—and we want to help them without alienating Russia. So that was the deal: we would not put permanent bases in Eastern Europe because there was no reason to do it—Russia is not planning to attack these countries, so why would we need bases? NATO in those days was very much moving away from territorial defence to becoming a broader security alliance, and it did some excellent work—not least in Ukraine, but also with Russia on all sorts of things to do with military reform, safety, crisis management and so on.

I am afraid that those days are gone, and they are gone largely thanks to Russia. Russia now terrifies its neighbours. It has repeated military exercises in which it rehearses the invasion and occupation of countries that have suffered abominably, in living memory, from invasion from the east. In 2009, for example, in the Zapad '09 and Ladoga exercises, they

practised the invasion and occupation of the Baltic states and finished up with a dummy nuclear attack on Warsaw. Only that prompted NATO, finally, to start drawing up even contingency plans to reinforce the vulnerable front-line states in the event of a crisis.

We still do not have a standing defence plan; we have only a reinforcement plan. We are still not planning on the basis that war could actually happen there. I think it could and, by not having these defensive plans for the real defence of the Baltic states, we make war more likely. That is very important.

The theology of whether the NATO presence in the Baltic states is persistent or permanent is a side show. If the NATO-Russia Founding Act prevents it, we should get rid of it, actually, for symbolic reasons. But the really important thing is that we have to do what needs to be done in terms of pre-positioning, planning and wider deterrents to make Mr Putin think that, however much he got away with in Ukraine, there is absolutely no chance of anything in the Baltics, because if we do not do that, we risk world war three.

Q9 Mike Gapes: On NATO and the summit, clearly article 5 obligations mean that the Baltic states are in a different position from Ukraine, in that an attack on them by use of force could immediately trigger a military response because an attack on one is an attack on all. One of the issues, however, is that the Russians seem to be using not direct force, but other means to destabilise neighbours and countries that are not in NATO. What should NATO be doing about that? What should be the outcome of the Newport summit in a few days' time?

Edward Lucas: You are absolutely right to put your finger on that. NATO is designed to stop the Soviet Union attacking Western Europe; it is not configured for this new kind of hybrid warfare that Russia is waging. We saw this very clearly in Ukraine, and a Latvian scholar called Janis Berzins has done some excellent analytical work on this. If you read the Russian military journals, it's all laid out how they do this. You have a mixture of economic warfare, subversion, propaganda and the use of these irregular forces—the so-called “little green men”, who are soldiers without insignia, so you don't know where they come from. You may have cyber-attacks, both to spy on the enemy so that you know what he's up to, and also to disrupt, as well as artificial financial panics. These are things that NATO is not well set up to deal with. NATO—and, indeed, this country—are just getting back into the idea of psychological warfare and information warfare. That is something we gave up on in the 1990s; we thought it wasn't necessary because what chance would Russian propaganda have against us? Actually, it does pretty well.

This is the front line. I have with me some Lithuanian cheese and a Polish apple. These are countries that have depended very much on exports to Russia and have been very badly hit by Russian sanctions. Poland is one of the largest apple producers in Europe. Half its apple exports went to Russia, but now none of them do. Lithuania is a major agricultural dairy exporter and, suddenly, all Lithuanian cheese is cut off. Both were for bogus sanitary reasons. NATO cannot save the Polish apple industry or the Lithuanian dairy industry, but this is causing real economic pain in those countries. That starts the softening-up process and you then get a lobby of people who say, “Well, I've just lost my job because of our foreign policy. Can't we do something different? Can't we appease Mr Putin? I'd like to have my job back.”

Q10 Mike Gapes: But the European Union clearly does play a major role in the economic relationship, as opposed to NATO, which is a security organisation. Are we doing enough with regard to this economic issue, particularly in terms of the sanctions that the EU is pursuing? Is there a reluctance to do things not just because there is a lack of agreement within different European states on what could specifically be done, but because the UK itself is reluctant as we have vested financial and City interests that would be damaged if there was a more comprehensive approach?

Edward Lucas: I think you are entirely right. The City is a fifth column in this country and it lobbies very hard against restrictions on the import and laundry of dirty money here. The Financial Services Authority, as was, exposed the glaring omissions in the “know your customer” requirements that big City institutions were demonstrating in their dealings with the Russian regime and others. They published a report and there was a lot of tut-tutting, but basically very little has happened—you’re right on that.

I think the European Union is a vital part of this, and we really need to have it, NATO and other organisations such as the OECD, the Financial Action Task Force and other good-government organisations working together against this kind of network Russian threat—because it’s partly criminal, partly intelligence, partly business, partly diplomatic and partly military. Russia joins all these dots up and we tend not to.

With regard to helping people who have been hit by sanctions, I am a little queasy about this as a free marketeer, because I’m not quite sure why taxes levied on companies that were prudent enough not to go after the easy money of selling to Russia should then be given to companies that were reckless in going into Russia. BP, to my mind, made the reckless and very misguided decision to jump into bed with Rosneft. If BP is hit, I don’t think it would be right to help it out with taxpayers’ money. To some extent, that applies to other people who bet too heavily on the Russian market as well.

Q11 Mike Gapes: Other people have said that EU policy has been driven by, in shorthand, a Weimar triangle of Germany, France and Poland, and that the UK’s influence in determining what the European Union is doing has been very limited. Do you agree with that assessment?

Edward Lucas: Yes. I think that one would expect Germany, France and Poland to be heavily involved in this, but I am very sad that Britain hasn’t been more involved. We had, historically, a very important role in central Europe and the Baltics. To my mind, it’s part of the misguided dislike in this country of an EU foreign policy—although the High Representative for foreign policy, Baroness Ashton, is British—that we haven’t had our shoulders to the wheel on this. I think there are some things that have been very foolish in EU policy. I think they naively believed that it would be possible to support Ukraine’s pro-European aspirations and that Russia would see this as a win-win. I personally told senior EU officials, “Russia won’t like this. It was quite right to help Ukraine, but you are engaged in geopolitical competition with Russia, and you must expect them to push back.” I was told to my face that the era of geopolitics is over. Unfortunately, it is not over as far as Mr Putin is concerned, and this is a problem. So, yes, if Britain would add its weight and influence to the EU’s policy, we would correct the mistakes and improve its chances of success—well, we could.

Q12 Mr Baron: May I return us, with the NATO summit pending, to the military options? We have discussed briefly the point that NATO seems to be a little out of kilter in its ability to respond to the sort of manoeuvrings we see from Russia, particularly in eastern Ukraine—the combination of subversion, men in green suits and all the rest of it. What would you want to see at the NATO summit specifically on the military aspect? How can NATO adapt to this sort of subterfuge when you are facing a determined aggressor who is willing, basically, to tear up the rule book and undertake these sorts of manoeuvrings?

Edward Lucas: You start off by working on the threat perception. We need to have a really clear idea of what the danger is. I think we need to put a lot more money into intelligence and military intelligence, and to pool our resources. We need to listen to the people who know best. The Baltic states and Poland have excellent capabilities; they have been watching this for a long time, and they have been warning us—in some cases for 15 years. We have been patronising and belittling them, telling them that they have got their hair on fire, they are paranoid and they are exaggerating but, actually, they have been proved 110% right—this has happened exactly as they warned. We need to take a step back and accept that we have been wrong on this.

Q13 Mr Baron: But may I push you on that? Military intelligence is fine, but let us assume that we knew the issue was coming around the corner. How do you think NATO will adapt its structures to respond to the specific threat?

Edward Lucas: The rapid response force is excellent, but what is crucial is that it should be with political pre-authorisation. If there is a crisis in which, for example, Russia suddenly complains that the railway from Belarus to Kaliningrad has been blocked by the Lithuanians and that, for humanitarian or other reasons, they must send these trains across to Kaliningrad, and they create a classic ambiguous, confusing thing, we need to be able to deploy the NATO reaction force instantly—overnight, within hours—without waiting for the North Atlantic Council to meet. This must be under SACEUR; it must be a military decision. Countries that are timid or otherwise worried should not be able to block it—that is No. 1.

We need a standing defence plan—a real plan—for defending countries. We need pre-positioned ammunition, fuel and these sorts of things—hardened infrastructure. That sort of solves the micro-military problem but, in a way, the Baltics are a bit like West Berlin—it would not be possible to defend the Baltics against a determined Russian attack, even if we covered the entire region in concrete. So we need a much wider deterrence so that Russia thinks, “If we try anything in the Baltics, we are confronting not just the Baltic states, but the whole of NATO, everywhere.” Then it is job done, and I think Russia will just back off and say, “We’re not going to do that.” When we have that wider picture of defence, and the idea that NATO is the world’s most powerful military alliance—that if you mess with one little bit, you mess with all of it, and they will mess with you everywhere—we are safe, but we are not there yet.

Q14 Nadhim Zahawi: Mr Lucas, I want to take you back to your wonderful props—the apple and the cheese. Can you say a little more about the reverse of that? We hear reports that Russian food prices are going up. They cannot import salmon and all sorts of other stuff that they need, or would like to have, on their tables. How effective have the sanctions been? You touched on how we can make them more robust. Can you give us a flavour of what things we should be looking at doing to make the cost of doing business far greater for Mr Putin?

Edward Lucas: Of course, the restrictions on European food going into Russia are due to a sanction imposed by Russia on itself—that was not our doing. Visa sanctions are a very potent weapon. We have large numbers of the Russian elite who have children at university here and their wives—I say wives, because they are mostly men—come shopping here. They may have girlfriends here. They have savings in the West. Although this anti-westernism is now the kind of doctrine of the Putin regime, their words and deeds don't match.

I think we could do a lot more with visa sanctions and asset freezes of the kind pioneered in the campaign to vindicate the whistleblower who died in prison, Sergei Magnitsky, who was working for the British financier Bill Browder. America has been commendable on that. They pushed through the Magnitsky Act—Congress, not the Administration; the Administration resisted. Russia did not like that, so we can see that is something that really works—going for visas and asset freezes. I think we can do that on a European level and it is a very powerful weapon.

We are not part of the Schengen area, but anyone on the Schengen blacklist can't go to any Schengen country. One thing we could do is to work with the EU and say that if it puts someone on the Schengen blacklist, we will also blacklist them for this country. The money-laundering investigations are vital, so I would go after that.

We also need to work on energy security because that is Russia's big weapon. The faster we go down the route of interconnectors, the better we can shift gas around Europe as a proper European gas grid. There are alternatives to gas with electricity interconnectors so that we can switch fuels. Liquefied natural gas imports are building up more and more resilience. That all blunts the edge of Russia's big energy cosh, which at the moment is pretty intimidating.

Q15 Nadhim Zahawi: I was going to ask whether the EU misjudged the handling of the offer of an association agreement with Ukraine, but I think you answered that in the affirmative to Mr Gapes. What should the EU have done differently?

Edward Lucas: We have to start from the position that the perception of the EU in Ukraine is very different from that here. Here it is seen by many people as a nuisance, an anachronism and a bureaucratic monster, and the ardently pro-European camp here is pretty small. To Eastern Europe, it looks very different. It is seen as the epitome of dignity, legality, prosperity, freedom and integration with the West—all the things that we take for granted and they largely do not have. Those EU flags being waved on the streets of Kiev represented a very sincere emotion. I suspect it was the only time in Catherine Ashton's life that she went out on a balcony and had large crowds chanting, "Ashton, Ashton." No disrespect to her, but this is a very big emotional deal—they really want to be part of Europe.

We have to start by saying that whatever the nuances of our worries about reform in Europe, this is a civilisation choice that they have made, and we should respect it. The EU should have realised that it is in geopolitical competition with Russia. It should have said clearly to the Russians, "We're going to do this because the Ukrainians want it. We understand that you do not like it. We will do what we can to make it okay for you in terms of maintaining trade ties. We want this to be a win-win. If you want to see it as a win-lose, that is your problem, but you are not going to stop us. We are 500 million people. Combined, the

EU is the biggest economy in the world and you are our rather small neighbour in comparison and quite backward. You need us a great deal more than we need you. We are going to bend over backwards trying to be nice about this, but we are going to do it.”

If they had spoken in a calm and confident way to the Russians about this, I think it would have been very different. Instead, the Russians thought they had a chance of derailing that and, as today’s news shows, they have. They have managed to split Ukraine, humiliate the West and set the stage for much graver confrontations ahead.

Q16 Mark Hendrick: Mr Lucas, you touched briefly on energy. Can you go into a bit more detail about what can be done to mitigate the effects of attempts by Russia to use energy as a weapon against the EU, and what we can do about it?

Edward Lucas: Russia has repeatedly used energy as a weapon. I could send you details of a Swedish think-tank that counted 40 instances of either oil or gas cut-offs for political reasons. That started a long time ago; it predates Putin.

The best thing we can do is to have real competition in the energy market, in a framework where cartels are impossible, and where you can’t do country-by-country pricing. In the European Union, we have taken on Microsoft, a company that thought the European Union was completely contemptible and didn’t understand why it should take this seriously. The European Union said, “What you are doing with Windows is unfair. You are forcing consumers into using Windows as their default system.” Microsoft ignored that at its peril; in the end it was fined, and now we have a much more liberalised market on that.

The European Union has assembled an enormous amount of evidence against Gazprom for systematic market abuse going back 10 years. There is absolutely flagrant country-by-country pricing that breaches the rules of the singlet market and vertical integration, so it owns both the pipeline and the distribution system, and the company that sells gas to consumers. Tragically this complaint—the charge sheet, as it were—has been assembled, but it has not been published for political reasons. Some countries in Europe think that this is not the time to be confronting Russia; I think we should publish it in spades and go after Gazprom in the way we went after Microsoft, which would drive a stake through the heart of the business model underneath this corrupt and aggressive regime. We should also continue, as I mentioned earlier, with the gas grid so that we can ship gas around Europe between countries that have been hit and countries that have surpluses, make it easier to switch between fuels, and build up our LNG import capacity. Ultimately, Russia needs us more than we need Russia, but because of our missteps, we are in a position where Russia has a chokehold on us.

Q17 Mark Hendrick: On that question of us not being afraid to tackle Russia, how great is the risk that the UK—or for that matter the EU—being strong or robust with it could affect our relations with Russia in other areas? For example, we are working with it on Iran, and we are trying to get withdrawal from Afghanistan and so on. We are working with Russia in lots of other areas. Do you think there are dangers that if we push too hard on what is happening in Ukraine, it will take offence and do other things?

Edward Lucas: Yes. Having a row with Russia is very different from having a row with Iran or North Korea. We have spent 25 years trying to integrate Russia into the world

system. It is integrated economically, diplomatically and politically—it is a member of all sorts of international organisations. Yes, we depend on Russia for the final stages of the withdrawal from Afghanistan, and that is pretty much coming to a close now. It is also in Russia's interest that Afghanistan does not fall back into the hands of the Taliban because that would be a pain for it as well. But we still have shared interests with Russia. We have interests on space, nuclear safety and anti-terrorism, and we should try to preserve those as far as we can.

We must not allow Russia to hold us hostage. In the past, Russia has been very good at saying to the West, “You want our help on x, so back off on y.” I blame the Georgian war partly for this. There were times when Russia was intimidating Georgia and we were keen to put pressure on Russia to stop and to support Georgia—this was before 2008. There was one case when Russia said, “If you do that, we won't vote with you in the UN on the Iran resolution,” and the American Government backed down. They very much wanted Russian support on this Iran resolution, so they didn't do this very important thing for Georgia that would have stopped the Russian aggression there. A year later, I said to the American official responsible, “Do you remember what the vote was in the UN on Iran?” He couldn't remember. Again and again we sacrifice important things on the ground for these small diplomatic gains that seemed very important at the time.

We have to be tough. We have to say to the Russians, “Yes, we have a lot of shared interests and we are always willing to pursue them.” That goes back to Sir Richard's point at the beginning about dialogue versus confrontation. We are not interested in 100% confrontation. It is saying, “As soon as you want to co-operate, we want to co-operate, but we are not going to hold our vital interests hostage to your negotiating ploys on co-operation.”

Q18 Mark Hendrick: Somebody said yesterday at the NATO parliamentary conference that Georgia should have been the wake-up call for the West. Unfortunately, the West pressed the snooze button. Do you feel this is about Putin, or do you think it is the Russian leadership and Russians generally wanting to go back to a Greater Russia, rather than the diminished Russia that we saw in the aftermath of the Soviet Union?

Edward Lucas: There have been so many wake-up calls that I almost feel that the West is behaving like a bunch of teenagers. You wake them up and hear some promising movement upstairs but then, sooner or later, peace reigns again. As I mentioned earlier, there were many wake-up calls before Georgia. I think Putin's Munich speech was a wake-up call. I wrote a book in 2007 called *The New Cold War* warning about this. People said that I was a scaremonger, but they don't say that now.

Yes, it is not just about Putin. Russia has developed a kind of strategic culture where it sees itself as the victim of history who is entitled to get stuff back. I would argue that 1991 was a liberation for Russia, just as 1945 was a liberation for Germany; Russia does not see it that way. They now feel that 1991 was a kind of Versailles treaty in which they accepted a shrunken territory and global humiliation. I think that is completely wrong. One only has to look at the countries that were freed when the Soviet Union collapsed and ask them, “Do you wish the Soviet Union had not collapsed?” They all say, “No. We are delighted it collapsed because that was how we gained”—or regained—“our independence.” Russia just does not see it that way. It has an inability, at the moment, to see its neighbour's point of view and a desire to—I call it a revisionist power—revise the 1991 settlement. That is impossible to

accommodate. We cannot make Russia happy by giving it a chunk of Ukraine—or all of Ukraine—or the Baltic states. All of those would be catastrophic decisions, wrong morally and in practice, and that wouldn't solve the fundamental problem, which is that Russia is not at ease with itself and with the world.

Q19 Ann Clwyd: Has the FCO been too sympathetic to Russia's view of its interests in Ukraine because it sees Ukraine through Russian eyes?

Edward Lucas: Yes. There is a problem in how we deal with the former Soviet Union. Obviously we want Russian speakers. We do not have nearly enough Russian speakers, by the way, so I urge the Committee to urge the FCO to invest a lot more in the study of Russian and of other languages of the region. The people we have often studied Russian at university. They have lived and served in Russia and, inevitably, they see things from a Russian point of view. That is fine; we want diplomats to be able to understand other people's point of view. We do not have enough diplomats who see it from other points of view. We have very few diplomats with a deep immersion in Ukraine or the Baltic states, or countries of Central and Eastern Europe, and I think that our policy is a bit skewed by that.

I might say, facetiously, that the Foreign Office always thinks its job is to be friends with foreigners. That is a well-known criticism, but I would love to see a more muscular and more expert appreciation in the Foreign Office of the very deep and complicated issues of history, geography and economics. I absolutely agree; I am afraid that the answer is that we need to do a great deal more. We kind of gave up in 1991. We thought it was over and wound down the terrific analytical capacity we had.

Q20 Ann Clwyd: How legitimate is Russia's professed right to represent Russian speakers in its former Soviet states, and do those Russian speakers value Russia's professed interest in their well-being?

Edward Lucas: I'm so glad you've asked me that. "Russian speaker" is not a political category. I'm a Russian speaker, and there are millions of people who speak Russian, and the idea that having Russian as your mother tongue gives you some kind of political relationship with the Kremlin is as absurd as saying that Britain has a duty to defend English speakers. There are lots of English speakers; they may have it as a first language or a second language, or may be bilingual. We think that is great. They are part of a shared cultural space. We are delighted when they come here and that is all fine, but we would never dream of using some distant imperial connection for modern-day political purposes. It should be the same with Russia.

For historical reasons, many people in the former Soviet Union speak Russian, but that does not give Russia a right to represent them and it does not mean that they want to be represented by Russia. What we sometimes miss in this country—you come from Wales, which is bilingual, so perhaps you understand this more than many other Brits do—is that Ukraine is a profoundly bilingual country. People switch from Ukrainian to Russian in mid-sentence. They may speak Russian at home and Ukrainian at work. They may speak Ukrainian with their children and Russian with their wives or husbands, or the other way around. They hop between these two fairly similar languages with complete ease. The idea that this is some kind of political decision is an absolute invention of the Kremlin. It is far

worse than Hitler's idea with the ethnic Germans, because it is based on this completely phony linguistic precision that just does not exist.

Chair: Mr Lucas, thank you very much indeed. I could cheerfully have gone on for another 45 minutes, but I am afraid that we are under time pressure. Thank you very much for coming along today; it is very much appreciated.

Examination of Witness

Witness: **Dr Alex Pravda**, Emeritus Fellow, St Antony's College, Oxford University, gave evidence.

Q21 Chair: It is a great pleasure to welcome Dr Alex Pravda to speak to us today. In fact, I am welcoming back one of our own, as he is a former special adviser to the Committee back in the '80s, when I am afraid to say most of us were not here—it must have been in your youth, Dr Pravda. He is now senior research fellow at the school of interdisciplinary area studies at the university of Oxford. More to the point, he is a renowned expert on Soviet and post-Soviet foreign policy.

Dr Pravda, welcome, thank you very much for coming along today. Is there anything you would like to say by way of an opening statement, or shall we go to questions?

Dr Pravda: I will say something by way of a start, because I did not submit any written evidence.

There are three narratives about Russia that are around at the moment and have been for some years. They are important, because as Edward Lucas said when making some fundamental points, you have certain assumptions from which follow certain patterns of actions to deal with Russia. First, the one that until recently was favoured by most Governments, certainly in the European Union and to some extent also in the US, sees Russia as an awkward partner, difficult to deal with, but nevertheless a partner and a convert in the post-cold war order, manageable with pragmatic policies and the exercise, mainly, of economic leverage and incentives. Since 2008 and the Georgian war, this view of the awkward partner has undergone change and now, with the Ukraine crisis, has been reassessed, to say the least.

Counterposed to that for a number of years—as Edward Lucas reminded us, since at least 2003, '04, '05—there has been the new cold war narrative, which you heard about. I will not elaborate on that, except to say that it argues that Russia is, as Edward Lucas has argued, a deeply revisionist power. My only comment on that is that we probably do not have the time to take apart what we mean by revisionism, but the major difference between myself and what Edward Lucas was saying is perhaps that Russia is actually quite a conservative, 19th-century power, wanting rules that serve the interests of great powers exercising dominant influence within their own spheres. Those sorts of rules are not to the liking, quite rightly, of states at the moment. We have gone beyond that with international law and international organisations.

Those rules, however, are still championed not only by Russia, but probably to some extent by China as well. Therefore, revision in terms of structural revision—creating

something new—is incorrect. The other major flaw with or danger of the parallel—the situation that we now find ourselves in—or new cold war is that Russia does not present any competing system that it wishes to export globally. In fact, the efforts of Putin and his group to put together conservative nationalism and orthodoxy, a Russian civilisation basis for its great power status, has by definition only a very limited export value. Of course, if you are in Ukraine, Belarus, or other Slav state neighbours, it is a worry and an understandable concern. But it is not a new cold war in the sense that it is not a global export.

There is a third narrative that I think is most accurate, given the pattern of behaviour of Russia not just in the last few years but in previous decades. It is belligerent-minded and resurgent at the moment, or attempting to be a resurgent great power. It is following the 19th century views of the world as a struggle, a Hobbesian conflict, a zero-sum game in which might is on the whole more effective than good will or any pretence to obey certain international rules. In Russia's view, international rules are made to be used to further great power purposes, and it regularly lectures us, of course, on the way in which other powers—notably the United States—have done the same. In that way it is a conservative, counter-reactionary great power, and we need to bear that in mind when dealing with it.

Its major concerns as far as Ukraine is involved are negative rather than a positive. No Ukrainian membership of NATO, no Ukrainian foreign policy that is hostile to Russia, and third and most difficult, and most problematic from Ukraine's and our point of view, no domestic regional threat, or regime threat, to Russia. In other words, no colour revolution and no hostile counter-example that would destabilise Putin's and other regimes of an authoritative kind in Russia.

How do we deal with a resurgent great-power Russia using 19th-century hard power means and responding, I would argue, opportunistically and often impetuously to other policies and other sets of events? I do not see Putin as a masterly strategist who has had the partition of Ukraine in his mind perhaps since 2000 or 1992, or since 2007. He wants to exclude the possibilities that concern him—the security alignment and the political alignment. He does not really know how to do that and has I think improvised a great deal in the course of the crisis. I will be happy to answer questions on that.

So in terms of dealing with Russia as a resurgent traditional Hobbesian-minded great power, there are certain dos and don'ts. I will start with the don'ts. I certainly take the view, from the history of the last two or three years and from previous decades, that taking a hard line with Russia—punitive sanctions, threats, hitting hard—usually elicits precisely similar behaviour, and in spades. We would be well advised to remember that where Ukraine is concerned, Russia's stakes—security, cultural, historical and political stakes—in the business are far deeper than ours.

Russia's willingness to use hard force, as has been evidenced in the past year, is far greater than ours, and its determination to do so, despite the economic costs, is greater than ours. So the argument that Russia is ultimately a weak power in GDP terms does not address the question of its will and resolve to use resources in a concentrated fashion to defend what it sees—often not justifiably—as its national interest, and it has a long history, of which it is notably proud, of doing precisely that, with world war two being the best example from a Russian point of view. It concentrates resources in a weak unit to beat a much stronger unit.

The way to manage this awkward, resurgent great power is to play a game that we are better at: political engagement; highly conditioned inclusion, rather than exclusion from institutions and organisations; and an insistence on being part of the regime, whether security or economic—certainly in the greater European region, but also globally. That is a game, or a dimension, in which the West has enormous advantages, a moral upper hand, a normative upper hand, and enormously greater experience and adeptness at manoeuvre.

The West can also play to actors in Russia. We too often tend to see Russia as one unified actor; we may explore that. There are elements within the Russian leadership, even, and certainly within the Russian policy elite whose interests lie in playing more by the rules of the international game rather than those of Putin. I will stop there.

Chair: You have answered my question, so I will go to Mike Gapes. I would simply say that a number of us feel that we have been playing the political, diplomatic, highly conditioned approach, and it hasn't worked, so we have to move on.

Q22 Mike Gapes: I want to explore your idea of a 19th-century power in the context of attitude to the European Union. What is your assessment of Putin's overall strategy towards the European Union? Clearly, what he did in Ukraine and the reaction to that was preceded by his meeting last September with the Armenian President, Sargsyan, who, over a weekend, changed Armenia's position on seeking an association agreement with the EU; he dropped it without any consultation internally because Russia effectively made him a better offer. Does Putin see the association with the European Union as a threat? Is it seen as a strategic threat to the power of the elite in Russia, is it an ideological threat or is it simply seen in terms of national interest?

Dr Pravda: I think it's accurate to say that Moscow has difficulties in getting its head around what the EU is. Now, there's a problem that many of us—including many recent members of the EU—share, but Moscow's difficulties are particular. Because Moscow sees the international system in terms of differently sized states in a hierarchy according to economic and military clout and resolve, from the beginning of its association with the EC and the EU it has seen this purportedly supranational organisation as no more than the sum total of its nation state members. It sees the major decisions made by the EU largely as the result of the priorities of the major states—Germany, being the leading state, France, ourselves and possibly in some contexts Italy. It doesn't really see Brussels as more than the spokesman for those larger state interests. Therefore, it has been increasingly surprised, and is still surprised, to see that those states sometimes allow small member states—particularly the more recent east European members of the EU—to shape policy, particularly in the east. Whether it merely attributes that to the oversight of large states that take their eye off the ball, or—more likely in the Kremlin's conspiratorial view of the world—sees making Lithuania take something forward as a convenient way of fronting what actually is a policy favoured by Britain, I don't know.

Nevertheless, Russia has been surprised, because of its statist view of the EU, by the more aggressive Eastern Partnership policies, which were driven to a large extent by the east European states that were more knowledgeable of what Russia and the neighbourhood is about. Quite rightly, they added to and informed those policies. But those policies, by definition, did not take Russia into the kind of consideration that, say, Germany or even the UK, would give it, in terms of seeing it as a major state actor, perhaps with concerns about

strategic interests, and so forth. Quite the opposite was true. The interests of the Baltic states, quite understandably, are to maintain as hard a border as possible and to extend that as far as possible into the former Soviet space not in the EU at the moment, in order to secure their own stability and security. So the notion of the EU has surprised Russia year by year.

Secondly, it started out, because of its understanding that this was really Germany and the UK in another form, dealing bilaterally with Berlin, London and Paris and managing in that way. Therefore, it was less apprehensive about the influence of the EU compared to that of NATO. The EU was seen to be an acceptable kind of western alignment and club for eastern European states to belong to: first, because it was essentially economic; secondly, because it was poorly organised and co-ordinated; and thirdly because you could always go to Berlin and get things fixed. Again, with the more assertive and collective actions of the EU pushing forward enlargement to the east, it has been perceived, particularly since 2009, as a kind of quasi-security threat, which is more subtle, penetrative and lasting than perhaps the open threat presented by NATO.

I think that the offer made to Ukraine—Ukraine being, from a Russian point of view, the most sensitive member of the non-EU neighbourhood—was seen as a way of weaning Ukraine away from Russia, whose hold over it before the crisis was mainly through the penetration of its economic oligarch business networks by various means, including highly corrupt practices. Regularising the economic activity of Ukraine and its relationship towards the west with the EU would take away and undermine those possibilities of influence, leverage and control.

Q23 Mike Gapes: On the question of Crimea, the response that we and other EU countries have taken—Edward Lucas referred to it earlier—was that it was not a legitimate referendum and was therefore not recognised. What is your assessment of the real position of the population of Crimea and its attitude to incorporation into Russia?

Dr Pravda: Let me state that this was clearly an illegitimate referendum, which broke the Ukraine constitution. There has to be a national referendum, you cannot have pop-up referendums. It was particularly illegitimate since it was clearly supported and facilitated, as Putin later admitted, by stationed military personnel.

In terms of the population, the various polls show that there was only a minority of inhabitants of Crimea who contemplated or wanted any kind of unity or proximity to Russia more than they wanted a return to 1992. The 1992 option, in fact, would have been, from a strategic point of view, as useful for Putin—in fact, more so—and easier to manipulate than what he did, which was to annex and not have recognition of the annexation.

One factor that has not been mentioned so far and is underestimated in the whole Ukraine story—particularly in Crimea, but it also applies to south-east Donbass—is economic interests. The pensions of Crimean pensioners will be doubled within a month or two from their previous pension levels because they are part of Russia. Certainly the economic factor of wishing to be closer to Russia has been very important, at least in the early stages of public opinion in Donbass. There is criticism of Kiev, and in many cases it is not so much a draw towards Russia—even in the case of Crimea, let alone in Donbass—as an antipathy to the way they were treated by the capital, Kiev, and is economically based. It is not just a matter of “Are you with Russia or with Kiev?” The whole economic dimension of

public opinion and public allegiances and alignments has been underplayed and under-reported. Why should Ukraine be so different from anywhere else in Europe, where the economic matters we rehearse are the only things that really matter in elections—or the things that matter most of all?

Of course, such matters have been overtaken by the tragic conflict, which has changed alignments and opinions. Nevertheless, in Crimea the economics had a lot to do with it. Of course, the Russians are going to have to show that they can convert Crimea—they are going to have to spend something like \$20 billion in the next five or six years or so. It is a prestige project, and I think that there was also an awareness of that in people's thinking.

Q24 Nadhim Zahawi: What would be the best outcome from the NATO summit if the UK and its allies are to have a productive relationship with Russia?

Dr Pravda: I think we have to pursue a two-handed policy: neither all punitive sanctions nor, of course, an accommodation overlooking the egregious violations of international law and norms of behaviour that Russia has committed.

In terms of NATO's role, to show the credibility of all the threats we have heard against Russia, or the actual counters to Russia's show of force and demonstration of military capability on Ukrainian soil, I think—and one hopes—that NATO will follow up resolve and general rhetoric by providing Ukraine with, first, more non-lethal aid and support. Secondly, it should also follow up with promises that, unless the situation improves—we have heard the very good news that there is a ceasefire or truce—and unless the fighting ceases and Russia ceases to orchestrate conflict in Ukraine, it is not inconceivable that we would supply Ukraine with the hardware necessary to balance some of the gap dividing the capability of Ukraine from that of Russia and its client militias. So I think there should be a show of resolve, but not going beyond the rotation of forces within existing NATO states, and avoiding more statements about the permanent nature of bases, regardless of circumstances.

Above all, alongside a short-term and immediate boosting of military capability in Ukraine and reassuring neighbours, NATO would do well—although I very much doubt that we will see anything like this—to say that there will be a process of reflection on and assessment of the long-term relationship between NATO and Russia. I hope we do not get any more statements like the one we heard from the Foreign Secretary about Russia being a pariah state, because that merely reinforces very strong opinions in Moscow—“That is exactly how the West regards us: as an outcast. The China pivot, the Eurasian union, is therefore the only answer because we are rejected.”

I am not pleading this to be soft on Russians; I am saying that that is the reaction you get. So I hope that we do not get repetitions of “pariah”, but nor should there be any positive accommodation promises or pledges—just a marker that we will look urgently, both within NATO and then together with Russia, at how that relationship can go forward. What went wrong with the whole Russia-NATO council arrangements and with the work of 1997? Why did Russia feel—this is a fact—that it was always an associate member and never an equal member? Why did Russia always feel that NATO presented an adversarial military bloc? We want to get over that and start to see the crisis not only as a massive problem, which it is, but as an opportunity to reassess how NATO deals politically with Russia and its alliance

systems, such as the CSTO and the Shanghai Cooperation Organisation arrangements with the Chinese.

We must look at the whole security picture and stop pretending that, basically, we can incrementally expand the cold war structure. If you do that, you might well get—I do not think we have got it yet—another cold war. If you incrementally expand the structures that were the result and the product of the cold war, it is likely as not that you increase your chances of creating another situation of that kind.

Q25 Mr Baron: Dr Pravda, may I press you a little on how—you have given us a useful insight—better to engage with Russia? This is a country and, indeed, a region of the world where history runs deep. We have seen in Ukraine that the EU perhaps misjudged the situation, but the West can also point to developments where it did try to engage with President Putin and hit a brick wall. How would you, not just in Ukraine but more generally, try to develop a more positive relationship without showing weakness?

Dr Pravda: Thanks for that question, which goes back to the Chairman's opening response, which I was going to come back to. It is all very well me sitting here, viewing things from Oxford and London—we are all full of policy advice on how better to do this and that—but we missed opportunities after the collapse of the Soviet Union, which was seen from Moscow and is increasingly seen now as a major or tragic mismanagement of their own situation by the political elites at the time. From outside, with the exception of the Baltic states and Georgia, it is fairly seen as a movement produced by elite competition, rather than a massive and irresistible national uprising demanding a new structure and a new set of independent states.

How do we engage with Russia? One thing is to stop thinking of Russia, as I mentioned before, as being totally embodied by whoever holds the top position, be it the President or, before that, the General Secretary of the Communist party. We know in great detail now, from archival evidence, the degree of differences that obtained within Politburos over time and among bureaucracies mainly within Moscow and Russia. We have some information on the differences within the Kremlin over the last years, even under Putin and even with the increasingly authoritative, confident statements that we get from Putin. In fact, I would say that there is a relationship between the two. The more assertive, brazen statements we get saying, "Don't mess with us", reflect not just some emotional impetuosity, which Putin has in spades, but the need to try to maintain unity in the face of a lot of differing opinions within his own circles about the wisdom and prudence of doing what has happened over Ukraine, particularly the recklessness of it.

It is not that Russia is wrong in its wish to have *droit de regard* over Ukraine, because most people in the policy elite share that view. How do we go about that? Many disagree with what has happened, and they feel that the risks have been excessive, that the tactics have been improvised and not thought through and that the costs are far too high and the achievements far too low. Therefore, there is a constant blowing hot and cold and a constant changing of tactics. Shooting down the Malaysian Airlines plane was just something that pointed up problems of command and control and failures in the co-ordination and management of a fundamental order, which Putin would have derided, had it been committed by another actor.

We should talk to the people who are more pragmatically minded; those who are no less concerned with Russia's security, but who see security as sustainable stability. Also—this is about Russia—Ukraine is not a zero-sum game of either an insecure Ukraine and a happy Russia or a secure Ukraine and an unhappy, insecure Russia. Many people, including part of Putin—he is not uniform in his thinking—think that a stable, fairly prosperous Ukraine, trading with both sides, being the bridge that we have heard it has tried to be for 20 years and being not aligned initially, but being sufficiently self-confident to remain non-aligned, through its own wishes, is probably the best neighbour to have. They do not want a state that has been made more insecure by Russian military adventurism of the kind we have seen, which will lead, because there will be elections, whether in October or later, to a more anti-Russian Parliament—Rada—and which will make it more difficult for someone like Poroshenko, who is a dealer in the middle of the political spectrum, to compromise and accommodate because of the political pressures on him in Kiev.

These people in Moscow are not ignorant of Ukrainian conditions. They know a lot about what happens in Ukrainian politics and their intelligence services give them very accurate information exactly on what is said by whom and to whom, and they know the line-up between the oligarchs and the political elites. We have not discussed that. Something that is under-discussed and under-reported is how Ukraine has to have more political stability and the dislocation between fiefdoms run by important businessmen or oligarchs, which have ceased to exist in Russia after Khodorkovsky but still exist in Ukraine, and how they are to be integrated into a stable system that has elections and is accountable.

Q26 Mr Baron: Very briefly, I obviously hear what you say and so does the Committee, but you indicated that there was an element of emotion here and a strong element of history. You have indicated that weaker forces accept the might of NATO, etc. but that the concentration of forces can have an effect. We have a NATO summit coming up and certain strong positions—not threats—have been maintained by the West. Do you feel that an increase in defence spending and more commitment for stronger defence partners will have any material effect in Ukraine or generally when it comes to Russian ambitions under President Putin?

Dr Pravda: Clearly, we will get the perennial call for burden sharing—2%—which will make some difference. I do not think that it makes a major impact on the situation around Ukraine or in Ukraine. Holding out the commitment of providing necessary materials to Ukraine should conflict break out again as a warning to Russia and as something to put into its calculations is important. Reassurance to the Baltic states and Poland is important. As I say, holding out the prospect of some reassessment of the overall relationship is important. What I am trying to point out is that this is not something that can be resolved militarily. In the immediate short term, we can hold the situation through certain military responses. I do not believe—this is just my particular view—that what is effectively containment of the old type or even a new anti, counter, hybrid, war kind is going to work with Russia, purely because it elicits the kind of responses that we have seen. A combination of having a credible stick to wield and an active political strategy with which to operate and leverage making sense in terms of stages of the process that we wish Russia to pursue would make sense.

My point about Ukraine's stabilisation is that there is an overlap of interests between Russia and ourselves and Ukraine's population in having a self-confident, sustained, stable Ukraine, politically and economically. Incidentally, it will take large amounts of money. The latest IMF estimate is another \$19 billion on top of the \$17 billion, so it is a large-scale

project. It is well worth doing, not just for the sake of our relations with Russia but for Ukraine.

To end on a note that isn't about great power politics, in the longer term, a stable, prosperous Ukraine has always been the most effective way of influencing—I do not believe in exporting democracy—the political trajectory of Russia. There's no denying that if Ukraine manages to go some way towards a democratic, pluralist, accountable political system and a competitive economy, with SMEs operating and diversification, there is no excuse then for Russia to say, "We would like to go down that route but culturally and historically we are not able to do so." If Ukraine has done it, Russia can do it, so ultimately Ukraine is very well worth paying a lot for.

Chair: Dr Pravda, may I interrupt? Today is a sitting day: the House is sitting in 10 minutes' time, and we still have two or three groups of questions here, so could I ask you to keep your remarks brief as we conclude?

Q27 Mark Hendrick: Dr Pravda, I asked the Estonian Defence Minister yesterday whether there is anything that NATO could or should have done that might have meant that the current crisis in Ukraine would not have happened. Unsurprisingly, other commentators have also said that the problem is a political one, in that the EU made a mess of its discussions and negotiations with Ukraine, in terms of the EU association agreement. Do you think that the EU underestimated the strength of Russian objections to that, and also underestimated the lengths to which Russia would go to deter Yanukovych from signing the agreement? What do you think the EU should have done, and how do you think that the EU should have approached that, if you believe that thesis?

Dr Pravda: The EU was certainly deficient in not consulting Russia—not in the sense of making Russia a party to the agreement or giving it any kind of veto or leverage over what should be a totally bilateral relationship between the EU and Kiev in terms of the association agreement; but there was a lack of consultation about what sort of conditions and process Russia would find more or less acceptable, and particularly about what concerns Russia had about the timing and terms of the agreement. Consultation might have—one doesn't know; it is a counterfactual—moderated Russian reaction.

The other factor, which Brussels could not have anticipated—well, it might have done had it paid more attention to Ukrainian conditions—was the sheer underperformance of Yanukovych from a Moscow point of view, and the fact that Yanukovych managed his particular role extremely badly: he overplayed his hand, the family profits were excessive and the corruption was too great for the other oligarchs and for many in the Ukrainian population.

The coincidence of the appalling performance of Yanukovych as President, both from the Ukrainian point of view and also in some senses from a Moscow point of view, and the lack of consultation of Russia by Brussels in the way in which it approached Ukraine and negotiated the association agreement combined to occasion that reaction.

Q28 Mark Hendrick: On the consultation side, do you think the Russians are interested in any consultation—do you think they would take any notice of anything that Brussels might say?

Dr Pravda: It is difficult to know. As I say, there is always a fine line and balance between appearing to make Russia an actor and have a say, which it should not have in any legitimate way, and making sure that you keep people informed. One of Russia's grievances—at least as publicly and privately aired, and however unjustified—is that on a regular basis it is being kept outside major decision making. That has been a regular complaint about the whole NATO arrangement—you know, “In an outer room we were told, after decisions had been made, that this is what is being done.” That sensitivity has been there all along, and I think the EU should have paid attention to that—perhaps excessive—sensitivity.

Q29 Andrew Rosindell: Dr Pravda, is the importance of gas supplies to countries that depend on fuel from Russia something that you feel could be used as a weapon to blackmail countries and influence them? If so, how do we guard against that—what can we do to prevent it from happening?

Dr Pravda: There is no question. No one would gainsay the fact that Russia has seen gas pipelines—and oil, but particularly gas pipelines—as its major foreign policy and strategic asset. Up to recently, that has been the major resource that it has deployed to exercise leverage over its neighbourhood, to blackmail Ukraine in particular, by switching taps on and off as a coercive bargaining procedure, and to exercise a lot of influence in south-eastern Europe and over eastern European members of the EU and NATO, which are highly dependent on Russian energy, using it as a point of entry into the whole business community. There is no question at all that that is being used strategically by Russia as a national asset.

The response to that, clearly, is to diversify, which we have all been trying to do. Efforts to do that continue to be under way. Edward Lucas talked in some detail about the kind of precautionary measures that one can take to reduce dependence on Russia—on any one supplier, in fact, but Russia in particular, which deploys this for political-strategic reasons. That will encourage—it is a good thing, probably—that movement to the east, much more to China, of deliveries of gas and oil, as we have seen in infrastructure projects and a very large deal signed. Given that gas is getting cheaper, rather than more expensive, and given the whole unconventional energy revolution, diversification and deliveries through alternative pipelines, those are precautionary measures. Clearly, it is something that takes time. Of course, the Poles and others are very keen, such as Radek Sikorski, on a pan-European diversification energy project, plus at the same time continuing to take action against Gazprom violations of the rules of the energy game. But diversification and recognition, it is no surprise—there is no come-back on that, except in terms of, “What are your interests in pricing terms?”—that Russia has made this an issue of national security for other countries, and therefore it has been counterproductive in that respect.

Chair: Dr Pravda, thank you very much indeed. You have been the perfect complement to Mr Lucas, so thank you, it has been very helpful. We very much appreciate you taking the time to come and see us.