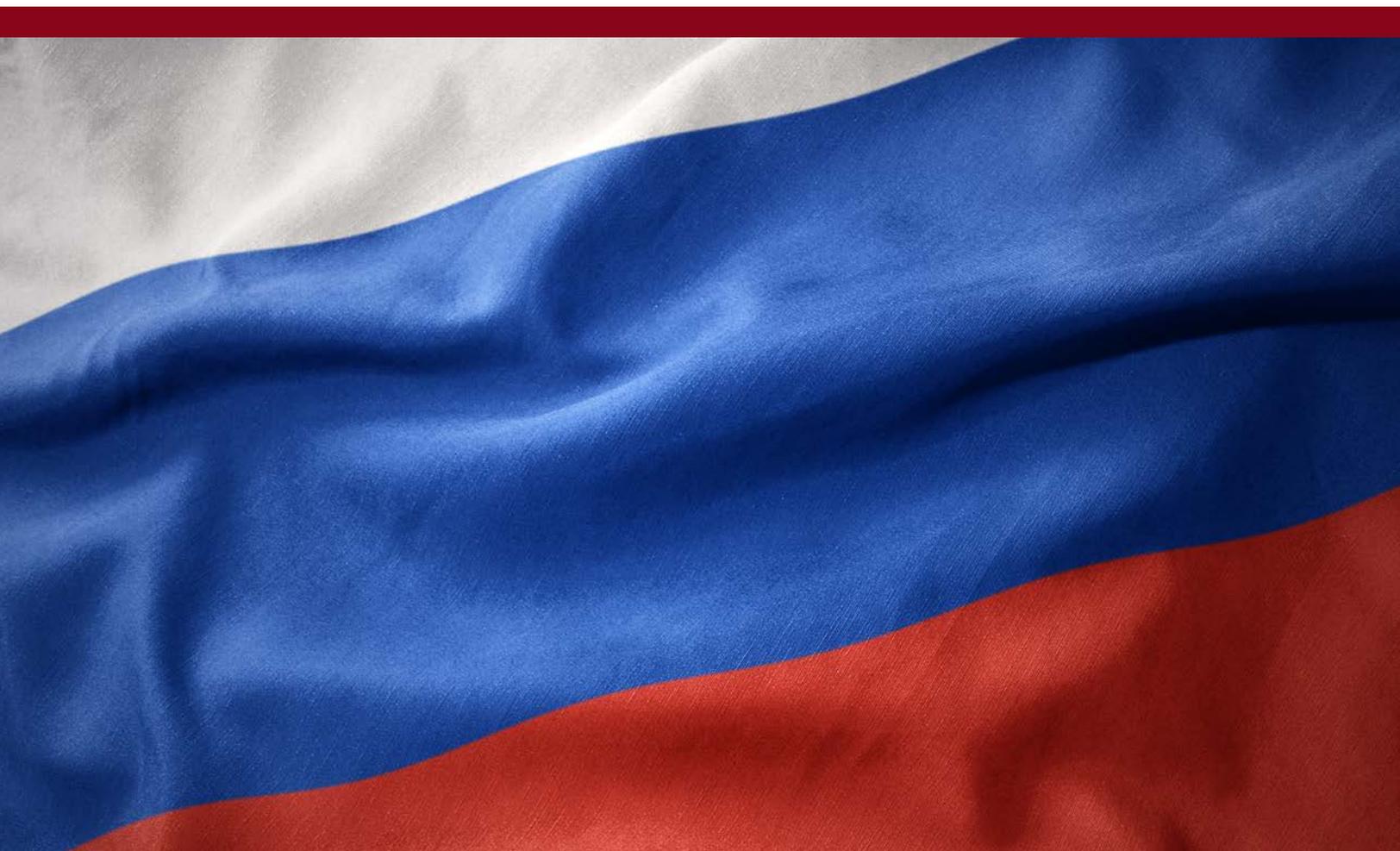


# Transcript of Webinar on Putin's Russia, with Andrei Illarionov and J. Michael Waller

FEATURING J. MICHAEL WALLER AND  
ANDREI ILLARIONOV



**Michael Waller:**

Thanks for joining us everybody, it's great to be here with my new colleague, Andrei Illarionov, who has a real distinguished track record of analysis of geopolitical affairs from Russia, in addition to his economic background.

He's a new senior fellow at the Center for Security Policy after having been – and still remains – one of the world's top Russian opposition commentators in Russian to President Vladimir Putin, whom he had served previously in the Kremlin as an economic advisor long ago, before breaking with him and coming to America. So he's one of the top opposition people who knows how much of the Russian leadership thinking thinks from the inside, but most of all, he brings us a view about Russia that we have not heard in Western countries.

And that is his different set of eyes, which is how the theoretical thinking and the big picture thinking behind Vladimir Putin and his regime and how it sees Russia and its place in the world. So this is a really important subject for everybody to know about and to understand, what motivates The Kremlin. Not just the single man running the Kremlin, but the ideology and the worldview that he's reviving and creating, and what does this mean for the rest of the world.

**Andrei Illarionov:**

Thank you, Mike, for this very kind introduction. This is a very special pleasure and high honor for me to be on the board of the Center for Security Policy, and to participate on this very timely and, seems to me, very useful discussion.

Since our topic is the views that is shared by Mr. Putin, who is some kind of leader of the current regime in Russia, it is important to understand what he has in his mind. Certainly we cannot cover all issues that are really important, and especially in the area of domestic policies, but I see my duty just to talk a little bit about his views in foreign policy. And especially I would like to attract attention of our viewers and listeners to a very particular concept that Mr. Putin was able to develop over the last couple of decades in the area of geopolitics.

And this concept is called, and can be called, and Mr. Putin called it as “Historic Russia.” This term probably has not been used widely in the West, and it has not been used widely even in Russia itself. But based on analysis, what Mr. Putin is saying and what he is doing looks like that it is very dear for him, this particular concept. Let's talk about this. What is this concept, Historic Russia? When was the first time when Putin started to talk about this?

If I am not mistaken, the very first time when Putin has used this particular term in public speech was May 9th, 2019, two years ago, during the military parade in Moscow at Red Square when he spoke to the troops that were parading in front of him. And he has used this term, Historic Russia, which he has used as a synonym for the Soviet Union. Which is very interesting because Soviet Union clearly is not Russia, and Putin understands himself that it is not Russia. Nevertheless, he used it after communism, so it looks like almost a synonym for him.

But in trying to understand what he exactly understand under this term, I would like to attract your attention to the article that Mr. Putin himself has written, or at least he signed it, on January 23, 2012. It was one of the six so-called electoral or election articles that he has published before the so-called election of Mr. Putin to his third presidential term. The article published in Nezavisimaya Gazeta on this day was called “Russia: Nation State” [or “Russia: The Ethnicity Issue”]. In that article, Mr. Putin discussed a number of issues concerning the internal development of Russia and foreign policy positioning, in which he said, very interesting and very important, that there is a so-called Historic Russia, which is different from the Soviet Union.

And he tried to put several criteria to define what does it mean, Historic Russia, from his point of view, why it is necessary. Because the concept of Historic Russia was developed heavily in the ‘90s and in the first decade of the 21st Century by a number of Russian neo-imperialists, who were dreaming about restoring either the former Russian empire or the former Soviet Union. And depending on the author, different authors were using different concepts of Historic Russia, and different authors put different borders to their understanding of where the borders of Historic Russia lie.

So that is why it’s important in which understanding by Putin of Historic Russia differs from other authors, and because he is a person who is implementing policies. So, Mr. Putin put three criteria for defining Historic Russia, for territories of Historic Russia.

**Michael Waller:**

We’re seeing that he started this, this is nine years ago, so this has been a long time in the making.

**Andrei Illarionov:**

Exactly. And why I am saying so, because since 2012, Mr. Putin not once has referenced Historic Russia, to Big Russia or to a historic state in Russia. So it looks like that for him, most of those terms are interchangeable, and depending on situation, he is using different terms. But it seems to me that the most important, the most so-called academic or scientific term for him is Historic Russia.

And this article is important because in that article, he described what he understands under this term Historic Russia. There are at least three important criteria. First of all, it is a territories where people speak Russian. So, please, don’t think about immediately New York, where some people do speak Russian, okay, so just it seems to me majority of people speak Russian, easily understand it....

Second is the territories where Orthodox religion is widespread, a majority of people are Orthodox Christians. And the third criteria is the territory of the former Russian Empire at the end of 18th century. I’ll try to find this citation where Putin said, [paraphrasing] that, “Self determination of the Russian people, its multiethnic civilization held together by the Russian cultural core. The Russian people are state-forming by the fact of the existence of Russia. The great mission of the Russian is to unite and cement this civilization, with a language, culture, universal responsiveness. Such a civilization identity is based on preservation of the Russian cultural

dominance which is carried not only by ethnic Russians but also by all carriers of such an identity, regardless of nationality.”

That’s very important that Historic Russia is the country not only of ethnic Russians, but anybody of different ethnicities who do speak Russian, where majority do belong to the Russian Orthodoxy and the territory that belonged to the Russian Empire at the end of 18th century.

**Michael Waller:**

So, this type of an argument in Russian political culture, for the President to sign an article like this, and then later follow it up with a major speech, May 9th is a big military holiday in Russia. Right. So this is a profound policy statement, it’s not simply an opinion piece that a politician might write. This is a doctrinal statement.

**Andrei Illarionov:**

You’re absolutely right, because first of all it’s a political statement, but this is not only political statement, it’s a promise. Because it’s an election article, so it’s a kind of promise of “what exactly I’m going to do if you elect me as a President.” So that is why it is a political statement of extremely high importance. Because it’s making this claim that “exactly what I see my function, my duty, and what I am going to do.”

And he can use it also because he has been so-called elected as the President, so that is why he could say that, “Okay, this statement has been endorsed by Russian citizens, by citizens of Russia, because they have elected me as the President, that is why they impose this duty on me to fulfill this obligation, this promise.” So, that is why it’s very important.

**Michael Waller:**

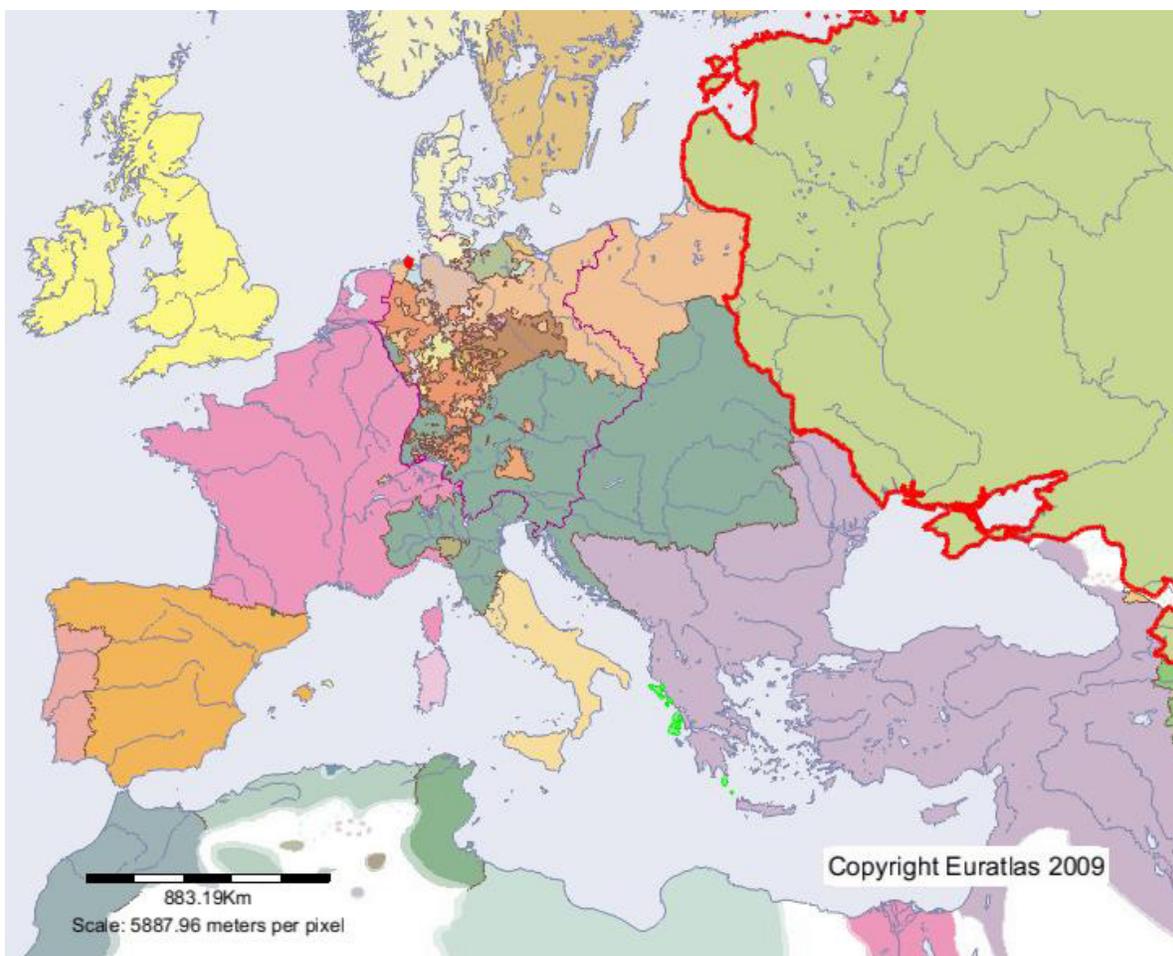
He’s using it also to seek a “public mandate” for his vision? To legitimize when he implements it?

**Andrei Illarionov:**

Yes, it is not only some kind of personal view of his, but this is a personal view that has been endorsed by millions of those people who, according to the Central Electoral Commission, voted for him in 2012 or later 2018 and so on. So that is why it is a statement of very great importance.

And on the other issue, in 2017, he has produced the so-called formula, and he said exactly these words. This is a formula for a multiethnic Russian nation. And he said, he mentioned, four ingredients of this formula. This is one language, one religion, one market – it’s additional element compared to his article in year 2012 – and one prince. He was talking about the historic development, and this is very important, that just for one language, for one language, it’s necessarily to have one prince.

And this has been done very intensively in discussion, so now we can look: Who are those people who speak Russian, who belong to Russian Orthodox religion, and who were in these territories of the former Russian Empire at the end of 18th century? I have a special map, and I can show our viewers this map that shows the Western borders of the Russian Empire at the end of 18th century. [Shows map] You can see this is the green color of the Russian Empire at the end of 18th century, and this is red line, this is a Western, Southwestern, a little bit Southern borders of the Russian Empire at the end of the 18th century.



You can easily see that these territories include what is now Estonia, not only Russia obviously, but also Estonia, Latvia, almost all Lithuania, all Belarus, a substantial portion of Ukraine – with one exception, we will talk about this later – and part of Moldova, which is called Transnistria, on the left bank of Dniester River. So, at that time, at around 1800, the Western border of the Russian Empire went from the Baltic Sea, along the Neman River, Western Bug River, Zbruch River, and the Dniester River to the Black Sea.

So, and the very fact that Putin has chosen exactly that moment of the Russian history, 1800, is not accidental. Because for Putin, the most important part of his foreign policy, especially of his territorial expansion, are two

countries, Belarus and Ukraine, plus Transnistria in Moldova, plus Eastern territories of Estonia, the province Ida-Virumaa, it's a region around Narva [Estonia], where the Russian population comprises 73% of the population, and the Slavic population about 77% of the population. And Eastern Latvia, Latgale, where also three quarters of population are Russian and even more Slavic origin.

That is why it's not a coincidence that he [Putin] took this particular historic fact to give his listeners or readers some understanding what he is looking for, what are his territorial claims.

**Michael Waller:**

So, Andrei, if I could just jump in for a second here, looking at the map, a lot of Americans are going to think, "Well, okay, that's sort of Putin's neighborhood, why does it matter to us Americans?" And of course if you look at that map, we have legal treaty commitments with three of the countries that are East of that red line, and then other interests in that region. So when Americans are thinking, "Why is Putin going all the way back to the year 1800 to redraw boundaries?" how would that matter to American national interests?

**Andrei Illarionov:**

Okay, this is a new question, but I understand that it's a very important question. So, my answer to that would be, first of all, you firstly mentioned that United States has some obligations within NATO for Estonia, Latvia and Lithuania, that are members of NATO, and according to Article Five [the mutual defense clause], there is a kind of mutual obligations of the members of this organization.

As for other countries, including Belarus, Ukraine, and Moldova, there is a so-called Helsinki Agreement of 1975 that stipulated that all signatories to this agreement must respect internationally recognized borders. And international recognized borders of Ukraine, Moldova, and Belarus are sacrosanct as Russian borders. And that is why it's not only a legal obligation, but it seems to me that it's in the interest of all Europeans and Americans to keep peace in Europe, because violation of these borders can be done with using force. Brutal force, as we can see now for eight consecutive years here the war in Ukraine, in Eastern Ukraine.

And we saw in 2008, war, aggression of Kremlin against Georgia. And we also have a conflict, it's not soft, finally, conflict in Moldova, when Transdnistria is under semi-occupation with the so-called Russian peacekeepers. So it's in the interest of the United States, of Western countries, of European countries, to keep peace, international peace and stability, in the whole European continent. And we have seen it twice in the previous century that some territorial claims to the neighbors led to two World Wars with uncountable losses in the victims and unbelievable destruction of the European continent and other continents as well.

One of the lessons that have been learned from these two world wars, unbelievably bloody world wars, is that the sooner an aggressor is being stopped, the lesser the price will be for the whole world and also for the United States. So it's one of the very important lessons. And that is why it seems to me that the United States is interested in keeping the peace, certainly in Europe, in the Middle East, in the Far East, everywhere, as well as any other

nation, that some kind of civilized nation in the world, is interested in keeping peace. And if there is a conflict, if problems exist, they can be solved by peaceful methods. But not with violence, not using force.

**Michael Waller:**

Just to remind viewers, also maybe to throw it out as a point of discussion, the Clinton administration had promised, and Joe Biden when he was a lead member of the Senate Foreign Relations Committee, had promised that the United States would ensure the territorial integrity of Belarus and Ukraine if they surrendered their Soviet inherited nuclear weapons to Russia. And this was a key to persuading Ukraine especially to give up its nuclear weapons. This means that if it does nothing, the United States' word to maintain its international commitments will be worthless because of this commitment that Clinton and Biden and many Republicans put the US into, to ensure the boundaries of those two countries.

**Andrei Illarionov:**

You're absolutely right, yes. It was the so-called Budapest Memorandum of 1994, that have been signed by Ukraine, Russia, United Kingdom, United States. And United States, as well as United Kingdom and Russia and later France also joined this agreement. This memorandum gave assurance to Ukraine to preserve its territorial integrity in exchange for Ukraine giving up its nuclear arsenal.

There is some calculation how much – first of all, this is some kind of legal or international treaty or international statement – obligations are on the part of United States and United Kingdom and France. But also there is an economic benefit for the United States, as well for other countries, because some kind of destruction of this nuclear arsenal, the country that ceases to be nuclear power, led to substantial decline of military expenditures for the United States. So that is why it's also very substantial benefit.

**Michael Waller:**

Because of that situation, we have a US commitment to ensure the territorial integrity of those two countries, while Putin is saying, "No, we're not going to pay any attention to it, this is part of Historic Russia"?

**Andrei Illarionov:**

Yes, that's a very important point because Putin is trying to play a game with two hands. So, officially he says, "Okay, there is no war in Ukraine, at least there is no war in which Russia participates," so it's some kind of internal, domestic, civil conflict and Russia is not part of that. At the same time, he repeats and repeats again and again, so now it's probably about 10 times he said publicly something about Historic Russia, about the historic state, about Big Russia, and one of his statements was not 2012, not 2017, not 2019 but this year. May 9th.

... I would probably just give this citation because it is a very important one as it reflects the type of thinking of Putin. He said that Bolsheviks, which he personally doesn't like much, "The Bolsheviks forming the Soviet Union for some reason transferred significant territories, geopolitical spaces, to the quasi-state formations," which mean

that all post-Soviet republics that appeared after the collapse of the Soviet Union in view of Putin are quasi-state formations. And then, Putin continues.

**Michael Waller:**

So they're not real countries at all, he's denying their existence as a country?

**Andrei Illarionov:**

Exactly. And this is once again, this is an official statement that Putin has made on the anniversary of the annexation of Crimea. That is very important when and where he made this statement. "And then," continues Putin, "Having collapsed on their own, having collapsed their party from the inside, Bolsheviks, having collapsed the Soviet Union, they, Bolsheviks, led to the fact that Russia lost colossal territories in the geopolitical space." So now he says that Russia lost its own territories, so that is why Russian territories lie beyond internationally recognized borders of current Russia.

"I want to say that we are ready to live in new geopolitical conditions. We consider our neighbors not just as neighbors close in geography, regard the peoples of these countries as fraternal peoples, we are ready to lend them a shoulder and an elbow in order to ensure development, move on together, move forward using our competitive opportunities, and there are enough of them. But" – and here is the most important point – "We will never agree with only one thing. That someone should allow himself to use Russia's generous gifts" – generous gifts – "to harm the Russian figuration itself. Hope this will be heard."

Which means that those colossal losses of Russia due to Bolshevik mistakes are now considered by Putin as "generous gifts" given to those "quasi-states." And as long as those quasi formations, quasi-state formations are having special relations with Russia, with Putin, it is okay. But if Putin decides that those quasi-state formations are making mistakes in choosing their, whatever, for example geopolitical direction to develop, or to join the European Union or to join NATO or to join anyone, it would be a decision just by Putin himself. That is a mistake. So, those "generous gifts" should be returned back.

And this is official territorial claims made by Putin in an official public speech, based on his concept of the so-called Historic Russia which lost its colossal territories due to the Bolsheviks' mistakes.

**Michael Waller:**

So, we would understand these statements then, that he's making statements of intent for imperial expansion that would break apart the whole mutual defense treaty structure in Europe and the transatlantic. And so many other parts of the nation states around the world – to deprive these nations of their sovereignty in the name of this one prince and his vision. And no Western leader has commented on this.

**Andrei Illarionov:**

Yes. Shock. Surprise.

**Michael Waller:**

Yeah, well, look at our shocked faces on this. But, I mean, Merkel hasn't, the Chancellor of Germany; the UK hasn't, the French haven't, certainly the United States hasn't. What do you make of this and why?

**Andrei Illarionov:**

We can say that's their choice because it's absolutely impossible to imagine that embassies of those countries never read Putin's speeches, never translate them in appropriate languages, never report to their capitals what exactly Mr. Putin is saying. Once again, not once, many times. And all of this information is available there on the Presidential site in Kremlin. This article, the election article, is very well known. So all these concepts are very well known, but there is no reaction to it, and you're absolutely right.

**Michael Waller:**

He's proceeding then with the Nord Stream 2 pipeline, which goes from essentially your hometown at Saint Petersburg to avoiding the Baltic Republics and avoiding Ukraine, which would collect toll money from Gazprom gas. The pipeline is running under the Baltic Sea straight to Germany. So it's to make Germany and all of Central and Western Europe more dependent than ever on the Kremlin for energy, while filling the Kremlin with the hard currency that it apparently doesn't have and severely needs in order to implement this agenda of a neo-imperialist Russian Empire.

**Andrei Illarionov:**

Yes, and here is one more important point. It's not only increasing the dependence of Germany or the whole of Europe on Russian gas. But this is very important, because this gas will, within probably a few months, two, three, four months, when the Nord Stream will be completed, this gas will go to Europe not via Ukraine. It will go via the Baltic Sea. It means that, and actually the volume, the capacity of Nord Stream is 55 billion cubic meters of gas. Last year, via Ukraine, was transported 55.8 billion cubic meters, almost exactly the same amount.

It means that as soon as Nord Stream will be completed, there is nothing that will prevent Putin from cutting supply of gas via Ukraine and rerouting it via Nord Stream. It means that Ukraine will lose immediately substantial transit fees, up to maybe 3 billion US dollars or something close to that in euros. First of all, it will be substantial decline in revenues for Ukraine. Second, it will be a substantial decline in interest on the part of Europe, on the part of Germany, on the part of France, in supporting Ukrainian defense or its fight against Russia and the kind of fight for territorial integrity of that particular country.

So this is a very smart move on the part of Putin. And even more there is a big surprise why not only Germany is interested in getting this gas, but the whole Western community, including the current US administration, is not interested in stopping this construction of this pipeline. That will clearly lead to the worsening of the geopolitical situation on European territory, and would put Ukraine in a very different position. But I would add probably to your previous comment, concerning this concept of Historic Russia as not only an abstract, theoretical model,

that is just really interesting to be discussed, this is a very practical instrument.

And we have seen that in year 2014, according to this particular concept, Putin has occupied and annexed the Crimean Peninsula with Sevastopol, Ukrainian territory.

After that he started the military conflict in the East of Ukraine, and the war continues over there in East Donbass. And still there is this threat that Putin is going to annex this territory and expand the occupied territories on other regions of Ukraine, the so called Novorossiya, that he claims that belongs to Russia. By the way, on April 4th, 2008, during the NATO summit in Bucharest, Putin met with George Bush, US President then. And he said that according to him [Putin], Ukraine is not a real state, this is a failed state according to Putin, and half of Ukrainian territory belongs to Russia.

So that is why once again this is an official statement at the NATO summit to the leader of the Western world, and he never hid it – his intentions to have this so-called territory back, according to him. So he put territorial claims in official speeches, in communications with Western leaders, and even at a NATO summit. That is why it's not a secret for the Western leaders. It is not only statements, not only academic interest, but very practical actions. By the way in the same year, 2008, four months after meeting with George Bush, Putin started his aggression against Georgia and occupied the territory of South Ossetia and Abkhazia and put there Russian troops, and there are Russian military bases over there that occupy 20% of the Georgian sovereign territory, violating the territorial integrity of Georgia.

That is why, once again, it is not only an academic exercise of, okay, who has some kind of strange ideas about what particular territories belong to whom? No, this is a practical instrument, and this as a practical instrument has been used not once. As we have seen last April, just months ago, Putin put huge troops, Russian troops, along the Russian-Ukrainian border on the occupied territories in Crimea, threatening Ukraine to lose Ukrainian statehood. It was statements made by a number of Kremlin people, “Okay, Ukraine is risking to lose its statehood.” It's exactly the repetition of the same statements that Putin has made early on about “these generous gifts given by Russia to the neighboring quasi-state formations.”

### **Michael Waller:**

All of this, Putin has said this – just to recap here – he said this to the faces of American Presidents, Democrat and Republican. He said it in public forums that people know about, that are not hidden. There's nothing classified about any of this. Yet now you're going back to 2008; Putin's been saying this publicly to the face of the United States President. Not even the US defense strategy has entered this into its calculus. The NATO alliance has not even entered this into its calculus. And if you look at US defense posture, the way that NATO has been running its practice operations does not envision anything like this about its own fellow member states being swallowed up the way this Historic Russia vision of Putin has been publicly spelled out.

Now, we're going to have to take questions from the audience in a few minutes. What I did want to ask you: Putin's a person and he's not going to be around forever. What do you make of a post-Putin government in Russia? What type of successor could we expect from him and what kind of reforms or changes could they be? This is something

that we've been discussing at the Center for Security Policy for many, many years. Back when we were discussing dismantling the Soviet Union and how the establishments and that was crazy, extremist talk, that we couldn't talk that way.

But now even a group like The Atlantic Council, which has been very soft on these types of issues, has come out with a report that's looking at a post-Putin type of Russia. What do you make of it?

**Andrei Illarionov:**

I would say that so far this approach is not quite realistic. I mean, I'm talking about these reports that have been produced by Atlantic Council and by some people in Russia, they are pretty naïve. Why? We have our own history, Russian history, and those who study Russian history understand it very well. For example, let's say 1921. We would ask ourselves or any colleagues, "Okay, what will happen when Vladimir" – another Vladimir – "Vladimir Lenin dies?" Okay, well, it will be what? Liberalization or whatever.

We know what happened after that. Stalin came. Right? And after that, for 30 years or more, this was one of the tyrannical dictatorships, Mr. Lenin was not very much better, but, okay, under Stalin, millions of people, tens of millions of people both in the former Soviet Union and outside the Soviet Union perished due to these aggressive policies. If we move from Russia, let's say, to Iran, and let's go back for a couple of decades, and many people would ask, "Okay, what will happen when Ayatollah Khomeini dies?" Okay, we know what happens.

Ayatollah Khomeini came in, and it's kind of the type of regime that did not change much. So when we are dealing with harsh, authoritarian regimes, with totalitarian regimes, we cannot expect as a guarantee that what will happen after that would be definitely better than today. We just don't know. It might be, and in some cases, it was slightly better, but it may be worse or may be the same. Because the main problem is not only Mr. Putin himself, but the system. A political system of hard authoritarian regimes, or semi-authoritarian regime, that probably did not change, or we don't know yet. Because it depends on many, many factors.

For example, a few years ago when Turkmenistan, the leader of totalitarian regime in Turkmenistan, suddenly died, and people kept asking, what will happen after that? And who will come instead of him? Nobody knew, but all of a sudden, his dentist came instead of him. So, people expected, probably some naïve people, expected the Prime Minister or Head of Parliament. Some more people were expecting a KGB leader or some kind of Minister of Interior or the head of the Army. Everybody failed, nobody could predict. His dentist came instead. And the regime that appears after that was not much better, was exactly the same, and in some ways even worse than before that.

So, that is why with totalitarian regimes, with hard authoritarian regimes, it is impossible to predict what would happen if the whole system, the political system, is not dismantled. That is why the issue is not only the removal of a particular person, whether it's Mr. Putin or Mr. Lukashenko of Belarus. That's very important, no doubt. But it's only a first step. The second very important step – and the crucial step – is dismantling the system: the harsh, authoritarian political system or semi-totalitarian system, because without dismantling this system, it is impossible to do anything.

And this means that the whole task of transition from this authoritarian-slash-totalitarian regime is much harder than anyone is foreseeing today and is trying to discuss in any documents.

**Michael Waller:**

Great optimistic ending. So realistic, because I remember during the Soviet period, one had to dismantle the old Chekist KGB apparatus that was keeping not just the secret police structure but the archives, the very mentality and actually the public support that the security organs had. That was never done. And in fact, the United States never provided any support or encouragement to have that done, let alone the rest of the world. We're all paying the price for it now and you're saying that any future Russia depends on doing now what should have been done 30 years ago.

**Andrei Illarionov:**

You're absolutely right, and you're absolutely correctly attracting attention to the unfinished business of the previous transition. Because 30 years ago, many people thought, "Okay, the so called August '91 Revolution that bought so-called democrats" – who knows whether they were democrats or not – "Mr. Yeltsin to the power or whatever, and that business is finished." And it turns out that almost, not much, let's put it this way, not much has been done. Yes, the Communist party has been some kind of removed from power, but the KGB and the FSB that inherited this organization remains essentially untouched.

**Michael Waller:**

Putin still celebrates the founding of the KGB on December 20th. So there's a big problem there.

**Andrei Illarionov:**

Yes, correct. So that is why the whole institutions of totalitarian society should be dismantled and be replaced with other institutions. And those institutions should be strengthened. And it cannot happen overnight, it cannot happen over even just a number of years, because those people are still in the country, and they are not single ones, they are thousands, they are millions of those people in the country. It cannot happen just for very particular periods of time.

We can see even in the best cases, like in the better cases, for example, Ukraine. Ukraine is a neighboring country, and this is a democratic country. It's not yet Switzerland or Norway, but it's a democratic country, but we can see how difficult it has been to uproot the former, old intuitions in Ukraine. We can see how it is difficult to do it in Moldova. We can see how it's difficult to do in such countries as Armenia or Georgia. It's a really very difficult process, and a long process.

We are not talking about Belarus because it's a totalitarian state. We certainly can learn lessons how it has been done in the Baltic countries. But we understand that in Baltic countries, totalitarian regimes were only for 40 years or slightly more than 40 years. Okay, let's say put 50 years altogether from 1939, 1940s, until '91. Okay, 50 years.

So that is why there were some people who remember what kind of those countries were before 1940s. There is no such people in Russia.

**Michael Waller:**

While we're talking about anniversaries of things, this month marks the 80th anniversary of the last month of the Soviet alliance with Hitler, leading up to Operation Barbarossa. These are the kinds of holidays that Putin wants us all to forget and that the Western countries have been terrible about remembering to prevent this kind of thing from happening again. Do you see any parallels between the Nazi-Soviet Pact of 1939 up through June 21st, 1941, with Putin and his Historic Russia to achieve the goals that he's trying to achieve?

**Andrei Illarionov:**

Yes and no. Because definitely, for example, some parts of Belarus and Ukraine, that is called Western Belarus and Western Ukraine, some of those parts, were parts of Eastern Poland. And they had been occupied by Red Army in the autumn of 1939 as a result of the Ribbentrop-Molotov Pact, signed in the presence of Stalin in August 1939. So that is why its continue the same historic tradition that, okay, this is our territory. But more important probably at this particular moment is that we need to remember that for almost two years, from August 1939 until June 1941, the Soviet Union was an ally of Nazi Germany.

And it was not only some kind of status of ally. The Soviet Union was the aggressor. It attacked Poland and divided Poland with Nazi Germany. It attacked three Baltic states and annexed them. It attacked Finland, and there was a bloody Soviet-Finnish war. It attacked Romania and annexed territory that is now Moldova. So that is why the Soviet Union for two years was the aggressor and was an ally of Nazi Germany.

We need to remember that in November 1940, the Prime Minister of Soviet Union then, Vyacheslav Molotov, traveled to Berlin with orders from Stalin to conclude the Pact, to become a member of a Berlin Pact and if that would happen, so it would lead that the Soviet Union would be an enemy to England, France and later the United States. It would be very different world compared to what we know today.

**Michael Waller:**

The Soviets only became an ally after Hitler attacked.

Adam's got some questions from our viewers that people would like to ask you.

**Adam Savit:**

Yes, "What's the real state of the Russian economy and how much longer can it support Putin's adventures?"

**Andrei Illarionov:**

For the last 13 years, since 2008, Russian economy has been in stagnation, which means that the Russian economy

has seen little growth, and after that reduction in output. Overall, for the last 13 years, average annual growth is less than 0.9% per year. So compared to another stagnation under Brezhnev in the second part of his reign, it is much worse stagnation, because under Brezhnev, for eight years the average annual economic growth of the Soviet Union was 2.3%. Now it is for 13 years less than 0.9%.

So that is why there is some kind of a little better situation, for example, right now there is some acceleration of economic growth after which there is a reduction in economic output. In terms of consumption, the real living standards of the Russian population today are less than they were in the year 2014 by 10% or 13%, depending on indicators that were used. The real consumption of people is less than it was seven or eight years ago. There is no serious investment, there is no increase in investments, there is no prospect. And there is no single economist who would make a forecast that the Russian economy would grow at any significant rate any time soon.

**Adam Savit:**

“Would the Russian people support the dismantling of this authoritarian regime?”

**Andrei Illarionov:**

We cannot discuss it right now because it's unknown. Russia's a semi-totalitarian state and people would not express their views, what they would do, what are their real views. And that is why actually the sociological surveys and the polls are not completely relevant. Sometimes they do produce mistakes even in democratic societies, in transparent societies, in open societies. But it is much harder to understand what's going on in harsh authoritarian regimes or in totalitarian regimes. So that is why we just cannot say anything for sure.

**Adam Savit:**

“So, we have discussed Georgia, Eastern Ukraine, what do you think about force being used to create a land bridge to Kaliningrad which is the enclave on the Baltic Sea?”

**Andrei Illarionov:**

Right, certainly it's an aim, this goal for Putin exists, but it is not something that he can achieve just tomorrow or the day after tomorrow. First of all, he wants to annex Belarus. And many things that we can watch right now, including this downing of the RyanAir plane in Minsk. Many people interpret this as another step for Putin to isolate another totalitarian regime of Lukashenko, and make that regime more dependent on Putin in order to help him to annex Belarus. And after that to think about the bridge to the Kaliningrad enclave. But that will be a second turn, not right now.

**Adam Savit:**

Speaking of which, “How likely do you think the recent kidnapping of the Belarusian blogger was a coordinated action designed by Putin as a test case to gauge NATO and Biden's response?”

**Andrei Illarionov:**

We still don't know much of the information on what happened and who exactly participated. So on the surface, it was the actions of the Belarusian dictator, but nevertheless, there are reports that some Russians were on board and they disembarked in Minsk. They did not fly to Vilnius. There was also some kind of plane that was waiting at the airport, and after those people disembarked, that plane flew to Moscow. Who were there, what did they over there, it is unknown yet.

And we definitely know that the Belarusian KGB is working very closely with the Russian FSB. So that is why we should expect that there was definitely some cooperation between the two political police, but we will probably know more relatively soon.

**Adam Savit:**

“Do you believe Russia is indeed poised to invade the rest of Ukraine and would the goal be to overthrow the Ukraine government or more limited goals?”

**Andrei Illarionov:**

We don't know for sure because definitely Putin himself preferred to use so-called hybrid instruments, not open force. And we have seen that in 2014, 2015, when it was possible he was trying to use hybrid resources, some kind of little green men or some kind of so-called separatists, so-called tractorists, or some other, or peasants who all of a sudden had some kind of tanks, artillery, and some heavy military equipment.

But in critical moments, Putin did not think a moment and openly used regular Russian troops, as it was in February and March, 2014, during the occupation and annexation of Crimea. During the Battle of Ilovaisk in August, 2014, during the Battle of Debaltsevo in January, February, 2015, and definitely during the war against Georgia in 2008. So that is why we, and it would be very big mistake ... just to be blind and deaf and to think, “Okay, it's impossible to do, Putin will never do it.”

It reminds me of a visit of Condoleezza Rice, US Secretary of State, to Georgia on July 6th, 2008, when she met President of Georgia, Mikhail Saakashvili. And Mikhail Saakashvili was asking Condoleezza Rice, “Please tell me if Putin attacks me?” and Miss Rice said, “Okay, don't worry, I know Russians. They will never attack you.” And Saakashvili ask again, “Okay, I do respect your view, I do understand your point, but if Russian tanks will come here?” And Miss Rice once again said, “Don't worry, I studied Russian, I studied Russians, I know their mentality. They will never attack you.” And Saakashvili once again continued, “Okay, I do respect you, I do respect your study, I do respect your view, but if Russian tanks will be rolling to Tbilisi, what should I do?” She said, “No, no, it will not happen.”

Exactly one month later, Russian tanks were rolling to Tbilisi. So that is why we need to be extremely alerted to everything that is coming from the Kremlin and from Mr. Putin. Yes, he prefers to use hybrid methods, but if it is necessarily and if he decides so, he would not wait a second. He would use regular forces to move them either to

Georgia, or to Ukraine, or to Belarus, or to any other place.

**Adam Savit:**

Unfortunately we'll have to end it there and if you just have some brief closing remarks, then I will do some announcements.

**Michael Waller:**

Thank you so much, Andrei, for spending this time with us today. I had a lot of questions of my own, but you were laying out such a profound, logical explanation of Putin's vision that we've never heard before, I wanted you to explain that as carefully as possible, so it was a really fantastic presentation. We'll later on have a transcript and segmented portions of this webcast posted for everybody to see in smaller bites and in text.

But I wanted to thank you, and wanted to say once again how thrilled we are here at the Center for Security Policy to have you on our team, and of course I want to thank all of our loyal viewers and supporters for being with us.



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