

Testimony of William J. Burns
Under Secretary of State for Political Affairs
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Georgia and Russia

Mr. Chairman, Senator Lugar, Members of the Committee, thank you for the opportunity to discuss the Georgia crisis and its implications, particularly for our relationship with Russia.

The causes of this conflict – particularly the dispute between Georgia and its breakaway regions of South Ossetia and Abkhazia – are complex, with mistakes and miscalculations on all sides. But key facts are clear: Russia’s intensified pressure and provocations against Georgia – combined with a serious Georgian miscalculation – have resulted not only in armed conflict, but in an ongoing Russian attempt to dismember that country. Russia sent its army across an internationally recognized boundary, to attempt to change by force the borders of a country with a democratically-elected government.

With a ceasefire in place, the uncertainty of Russian withdrawal from Georgia underway and Georgia’s own economic recovery moving ahead, this is a moment to take stock and look ahead. Today I will seek to explain how we got here, how we’re responding and the implications for our relationship with Russia.

Background to the Conflict

The collapse of the USSR was marked by ethnically-based violence, especially in the South Caucasus. This involved clashes between Azeris and Armenians, Ossetians and Ingush, Russians and Chechens, Abkhaz and Georgians, and others. These clashes deepened into a series of wars in the early 1990s that ended without lasting solutions. Uneasy truces followed, and the conflicts in areas outside Russia became known as “frozen conflicts.”

Two of the disputed regions lie within the internationally-recognized territorial borders of Georgia: Abkhazia and South Ossetia. In 1992, following two years of armed conflict between Georgians and South Ossetians, an armistice was signed by Russian, Georgian, and South Ossetian leaders. The leaders also agreed on the creation of a tripartite peacekeeping force of 500 soldiers each from Russia, Georgia, and North Ossetia, a territory which lies within the borders of Russia. In practice, however, the North Ossetian peacekeeping contingent ended up being staffed by South Ossetians. Fighting in Abkhazia was brutal in those years and, as a result, large numbers of ethnic Georgians were expelled from their homes in Abkhazia; before the fighting, the ethnic Abkhaz had been a minority – under 20 percent – in Abkhazia.

The next year, 1993, South Ossetia drafted its own constitution, and three years after that, in 1996, South Ossetia elected its own “president” in an election in which mainly ethnic Ossetians – not ethnic Georgians – voted. In 2001, South Ossetia elected Eduard Kokoity as president, again with most ethnic Georgians boycotting the election. The following year, in 2002, he asked Moscow to recognize South Ossetia’s independence and absorb it into Russia. Throughout this period, Russia acted to support the South Ossetian and Abkhaz leaderships. That support was not only political, but concrete, and never more so than through the continued presence of Russian military forces, including those labeled as peacekeepers.

Georgia emerged from these post-Soviet wars in weak condition. While then-President Shevardnadze deserves credit for helping end the fighting, Georgia could not find its feet; its economy remained weak and its government relatively ineffective. In the autumn of 2003, President Shevardnadze acquiesced in an attempt by a local Georgian strongman – Ajaran leader Aslan Abashidze – to steal Georgia’s parliamentary election. This triggered a popular uprising of hundreds of thousands of Georgians, leading to the so-called Rose Revolution and Mikheil Saakashvili’s election as president.

Following his 2004 election, Saakashvili and his government moved swiftly and effectively to improve governance in Georgia, reducing corruption, pushing through economic reforms, and welcoming foreign investment. The Georgian economy started to grow rapidly. At the same time, Saakashvili made clear his intention that Georgia follow the path of other successful post-communist democracies and draw closer to, and eventually join NATO and the European Union. Although they have developed significantly in the past few years, Georgian democratic institutions remain weak and much work needs to be done to deepen democratic practices and continue economic reforms; authoritarian practices still exist alongside more democratic ones. We have made known, and made clear in public, our concerns with some of these democratic deficits.

This progress, however, was paralleled by increasing tensions between Georgia and the Russian-supported breakaway territories. After the Rose Revolution, more clashes occurred between Georgians and South Ossetians, and between Georgians and Abkhaz. Then in 2006, South Ossetians voted for a split from Georgia in a referendum that was, again, largely boycotted by ethnic Georgians in South Ossetia. Although there were efforts to resolve the differences through negotiations, by late 2007 talks had essentially broken down.

As Georgia’s ambitions to draw close to Europe and the transatlantic community became clearer, its relations with Russia deteriorated. In the summer of 2006, Georgia arrested several Russian military intelligence officers it accused of conducting bombings in Gori. Moscow responded by closing Russia’s only road crossing with Georgia, suspending air and mail links, imposing embargoes against Georgian exports and even rounding up people living in Russia (including school children) with ethnic Georgian names and deporting them. At least two Georgians died during the deportation process. In March 2007, what we believe were Russian attack helicopters launched an aerial assault,

combined with artillery fire, on the Georgian Government's administrative offices in Abkhazia's Upper Kodori Valley. In August, Russian fighter jets violated Georgian airspace, and then unsuccessfully launched a missile toward a Georgian radar station.

This past year, although Moscow lifted some of the economic and transport embargoes, it further intensified the political pressure by establishing an administrative relationship with both South Ossetia and Abkhazia. In March 2008, Russia announced its unilateral withdrawal from Commonwealth of Independent States (CIS) sanctions on Abkhazia, thus removing the CIS prohibition on providing direct economic and military assistance. Then in April, following the NATO Summit in Bucharest where NATO leaders declared that Georgia would one day be a member of the alliance, then-President Putin issued instructions calling for closer official ties between Russian ministries and their counterparts in both of the disputed regions.

Russia also increased military pressure as Russian officials and military personnel were seconded to serve in both the governments and the armed forces of the separatist regions. South Ossetia's "prime minister," "defense minister," and "security minister," for example, are all seconded Russian officials. And while Russian peacekeepers in Abkhazia were specifically mandated to facilitate the return of internally displaced persons and refugees, we saw no net return of Georgians to Abkhazia in over a decade. On April 20 a Russian fighter jet shot down an unarmed Georgian unmanned aerial vehicle over Georgian airspace in Abkhazia. Russia also increased its military presence in Abkhazia without the required consultation with the Government of Georgia. In late April, Russia sent highly-trained airborne combat troops with howitzers to Abkhazia, ostensibly as part of its peacekeeping force. Then in May, Russia dispatched construction troops to Abkhazia to repair a railroad link to Russia.

During this buildup of tension, the United States frequently called on Moscow to reverse Russian actions and to participate with us and key European allies in a diplomatic process to resolve these conflicts. In June and July, for example, the UN Friends of Georgia group, which included the United States, Germany, the UK, and France, urged fellow Friend Russia to engage in invigorated negotiations to advance Georgia's peace plan for Abkhazia. Yet Russia resisted, in one case even failing to show up for a meeting in mid-June that President Medvedev promised Russia would attend. In July, Georgia accepted the Western Friends' request that Russia and Georgia join the UN Friends and the Abkhaz for discussions to reduce tension and advance the peace process. But once again Russia's Foreign Ministry refused to send a representative.

During this time, we urged Georgian officials both publicly and privately, on many occasions, to resist the temptation of any military reaction, even in the face of repeated provocations, which they were clearly facing. President Saakashvili did, to his credit, offer extensive autonomy to Abkhazia, including a guarantee that a Vice President of Georgia would be from Abkhazia. In July, Secretary Rice traveled to Tbilisi to seek to intensify diplomatic efforts to reduce the growing tensions. Working closely with counterparts from Germany, France, and the UK, she called for intensified diplomatic efforts on an urgent basis. While expressing support for Georgia, she also cautioned

President Saakashvili against any temptation to use force to resolve these conflicts, even in the face of continued provocations.

Unfortunately, Russia resisted these European-American efforts to intensify diplomatic efforts to stave off a wider conflict. After Russian military aircraft overflew Georgian airspace in July, in violation of Georgia's sovereignty, while Secretary Rice was visiting Tbilisi, President Saakashvili recalled Georgia's ambassador to Moscow.

August began with two bomb explosions in Georgian-controlled territory in South Ossetia, injuring five Georgian policemen. On August 2, a firefight broke out in South Ossetia that killed six South Ossetians and one Georgian policeman. On August 3, Russia declared that South Ossetia was close to a "large-scale" military conflict, and the next day, South Ossetia evacuated hundreds of women and children to Russia. On August 5, Moscow issued a statement saying that it would defend Russian citizens in South Ossetia. It is important to note that these were mainly South Ossetians – that is to say, Georgian citizens – to whom Russia had simply handed out Russian passports. On August 6, both Georgia and South Ossetia accused each other of opening fire on villages in the region.

The Crisis

Throughout this period, the United States worked with both Georgia and South Ossetia, and with Russia, seeking to tamp down the growing conflict. On August 7 Georgia's minister for conflict resolution traveled to South Ossetia for negotiations, but his South Ossetian counterpart refused to meet with him and his Russian colleague failed to show up. On the night of August 7, shooting broke out between Georgia and South Ossetian armed forces in South Ossetia. Georgia declared a ceasefire, but it did not hold. The Georgians told us that South Ossetians had fired on Georgian villages from behind the position of Russian peacekeepers. The Georgians also told us that Russian troops and heavy military equipment were entering the Roki Tunnel border crossing with Russia.

We had warned the Georgians many times in the previous days and weeks against using force, and on August 7, we warned them repeatedly not to take such a step. We pointed out that use of military force, even in the face of provocations, would lead to a disaster. We were blunt in conveying these points, not subtle. Our message was clear.

Georgia's move into the South Ossetian capital provided Russia a pretext for a response that quickly grew far out of proportion to the actions taken by Georgia. There will be a time for assessing blame for what happened in the early hours of the conflict, but one fact is clear – there was no justification for Russia's invasion of Georgia. There was no justification for Russia to seize Georgian territory, including territory well beyond South Ossetia and Abkhazia, in violation of Georgia's sovereignty, but that is what occurred. On August 8, the Russians poured across the international border, crossed the boundaries of South Ossetia past where the conflict was occurring, and pushed their way into much of the rest of Georgia. Several thousand Russian forces moved into the city of Gori and other areas far from the conflict zone, such as Georgia's main port of Poti, over 200

kilometers from South Ossetia. Russia also seized the last Georgian-held portion of Abkhazia, where there had been no fighting.

The full story of that invasion and what occurred is still not fully known. We have received evidence of the burning of Georgian villages in South Ossetia. Russia's invasion resulted in a large number of internally displaced ethnic Georgians who fled South Ossetia to Tbilisi and other Georgian towns. Although Russian forces attempted to prevent access to the area by humanitarian aid workers, some Human Rights Watch researchers were able to reach the area and reported that the Russian military had used "indiscriminate force" and "seemingly targeted attacks on civilians," including civilian convoys. They said Russian aircraft dropped cluster bombs in populated areas and allowed looting, arson attacks, and abductions in Georgian villages by militia groups. The researchers also reported that Georgian forces used "indiscriminate" and "disproportionate" force during their assault on South Ossetian forces in Tskhinvali and neighboring villages in South Ossetia. Senior Russian leaders have sought to support their claims of Georgian "genocide" against the South Ossetian people by claiming that 2,000 civilians were killed by Georgian forces in the initial assault. Human Rights Watch has called this figure of 2,000 dead "exaggerated" and "suspicious." Other subsequent Russian government and South Ossetian investigations have suggested much lower numbers. We are continuing to look at these and other reports while we attempt to assemble reliable information about who did what in those days.

The Ceasefire, Russia's Failure to Honor it, and Recognition of South Ossetia and Abkhazia

In the days that followed the Russian invasion, our attention was focused on halting the violence and bringing about a ceasefire. President Bush spoke with a number of European leaders as well as with President Saakashvili, President Medvedev and Prime Minister Putin in an effort to halt the fighting. Secretary Rice dispatched Deputy Assistant Secretary Matthew Bryza to Tbilisi to maintain contact with the Georgian leaders, working with Ambassador John Tefft. She herself worked with the Georgians and Russian Foreign Minister Lavrov, and with key Europeans including the French as the European Union (EU) President, and Finnish Foreign Minister Stubb, in Finland's role as Chairman-in-Office of the Organization for Security and Cooperation in Europe (OSCE), to seek to halt the fighting.

On August 14, Secretary Rice flew to France to consult with President Sarkozy, and then flew to Georgia to seek – and successfully obtain – President Saakashvili's signature on a ceasefire agreement. President Sarkozy had negotiated a six-point agreement which included the following:

1. No resort to force.
2. A definitive halt to hostilities.
3. Provision of free access for humanitarian assistance.

4. Georgian military forces must withdraw to the places they are usually stationed.
5. Russian forces must withdraw to their positions prior to the outbreak of hostilities. While awaiting an international mechanism, Russian peacekeeping forces will implement additional security measures.
6. Opening of international discussions on security and stability modalities in Abkhazia and South Ossetia.

The U.S. role in this process was central and timely. The Georgians had questions about the ceasefire agreement, so we worked with the French who issued a clarifying letter addressing some of Georgia's concerns. Secretary Rice conveyed the draft Ceasefire Agreement and the letter to President Saakashvili the next day. Based on these assurances, some additional assurances from the French, and the assurances of our support, President Saakashvili signed the ceasefire agreement on August 15.

The Ceasefire Accord provides for the withdrawal of Russian forces from Georgia to their positions before the hostilities began, and allows for peacekeepers in South Ossetia, limited to the numbers allowed under previous agreements, to conduct patrols a few kilometers from the conflict zone in South Ossetia, not including any cities and not in ways that impede freedom of movement. The Ceasefire Accord does not establish a buffer zone; it does not explicitly grant the Russians the right to set up checkpoints around Georgia's ports or along Georgia's main highways and other transportation links; and it does not explicitly grant the Russians the right to have any forces whatsoever in places such as Poti, 200 kilometers from South Ossetia.

This agreement was signed – and should have been honored immediately – by Russian President Medvedev, who had promised to French President Sarkozy Russia's immediate withdrawal upon President Saakashvili's signature of the Ceasefire. Yet Russia has still not lived up to the requirements of the Ceasefire Agreement. In these circumstances, with Russia's having failed to honor the terms of the Ceasefire Agreement and its promise to withdraw its forces, Secretary Rice flew to Brussels for an emergency NATO meeting on August 19 and, with our Allies, produced a statement in support of Georgia's territorial integrity and sovereignty – a statement that was stronger than anyone thought possible.

Russia recognized the independence of Abkhazia and South Ossetia on August 26. It did so despite numerous United Nations Security Council resolutions that Russia approved and that explicitly affirmed Georgia's territorial integrity, and that the underlying separatist conflicts must be resolved peacefully, through international negotiations. This irresponsible action was condemned by the EU, NATO's Secretary General, and key Allies.

Following the EU Summit on September 1, President Sarkozy traveled to Moscow on September 8 to again seek Russia's compliance with the Ceasefire.

This has been a fast-moving situation, but that is where we find ourselves today.

Our Strategic Response

In the face of this Russian assault on Georgia, the United States is pursuing three key objectives.

First, we must support Georgia. We seek to stabilize the situation on the ground; help the country recover and thrive economically; preserve Georgia's sovereignty; maintain our support for its territorial integrity, and democracy. We are active, working with our European allies, in putting pressure on Russia to adhere to the Ceasefire. Russia must withdraw its military forces from Georgia, back to the lines of August 7; Russia is allowed limited patrolling rights by its recognized peacekeepers in the immediate vicinity of South Ossetia only until such time as an international mechanism is developed to take their place. So we are working fast with the EU and the OSCE to put in place just such a mechanism. We are also preparing to launch international discussions on South Ossetia and Abkhazia, again working closely with our European partners.

We have already taken immediate steps to address Georgia's humanitarian needs. The United States has provided more than \$38 million worth of humanitarian aid and emergency relief, including food, shelter, and medical supplies, to assist the people of Georgia. U.S. aircraft made a total of 62 relief flights to Georgia from August 13 through September 4, and on August 24 and 27, 115 tons of emergency relief commodities arrived in Batumi on the USS *McFaul* and the USCGC *Dallas*. In addition, a third ship, the USS *Mount Whitney* anchored in Poti on September 5, unloaded an additional 17 tons of emergency relief commodities that was delivered by USAID non-governmental organization partners. On September 3, the Office of the UN High Commissioner for Refugees (UNHCR) reported that 90,500 individuals have returned to places of origin, following the August conflict. However, UNHCR staff note that the number of returnees may be significantly higher due to the passage of time, as well as the difficulty of accurate, in-field returnee counts. According to UNHCR, approximately 30,000 individuals may be displaced in the long term. We have been working with the Government of Georgia and seven relief organizations to ensure that our assistance gets to internally displaced people and other conflict-affected populations.

On September 3, Secretary Rice announced a major effort to help meet Georgia's pressing humanitarian needs, repair infrastructure damaged by Russia's invasion, sustain commercial confidence, and restore economic growth. \$570 million, the first phase of a \$1 billion United States economic support package, will be made available by the end of 2008 and will include emergency budget support to the Georgian Government. We will be working extensively with Congress in the days to come to fine tune how the assistance will be delivered. We are hopeful that there will be strong bipartisan backing for a second phase of support, an additional \$430 million of support and other urgently needed reconstruction and humanitarian assistance to be provided in future budgets.

Georgia, like any sovereign country, should have the ability to defend itself and to deter renewed aggression. The Department of Defense has sent an assessment team to Tbilisi to help us begin to consider carefully Georgia's legitimate needs and, working with our Allies, develop our response. For several years, the United States has played a significant role in preparing Georgian forces to conduct counterterrorism missions, first as part of an effort to help Georgia rid its Pankisi Gorge of Chechen and other extremists and then as part of multinational coalition efforts. NATO's North Atlantic Council decided on August 19 to develop a NATO-Georgia Commission aimed at supporting Georgia's relations with NATO. NATO has also decided to help Georgia assess the damage, including to the Georgian Armed Forces, and to help restore critical services necessary for normal public life and economic activity. NATO has already sent an advisory support team to Georgia and its Special Representative for the Caucasus and Central Asia. The North Atlantic Council Permanent Representatives plan to visit Georgia in the near future. Finland's Foreign Minister Alexander Stubb, the OSCE Chairman-in-Office, showed strong and effective leadership in working with French Foreign Minister Kouchner to lay the diplomatic foundation for the ceasefire agreement and activate the OSCE's crisis response mechanisms.

Our second key objective is to work together with our friends in the region to support their independence, sovereignty and territorial integrity, as well as their European and transatlantic aspirations, and overall stability in the region. Since 1989, the United States – under the leadership of Presidents George H. W. Bush, President Clinton, and President George W. Bush – has supported the right of every country emerging from communism to choose the path of its own development, and to choose the institutions – such as NATO and the European Union – that it wants to associate with and join. Each country must show itself ready to meet the standards of the institutions it seeks to join. That is its responsibility, and Georgia and Ukraine should be treated no differently than other European countries seeking to join European and transatlantic institutions.

Concurrently the United States is committed to redoubling efforts to ease tensions and resolve conflicts throughout the region. Recently, the leaders of Turkey and Armenia took an important step toward reducing their long-standing tensions. We applaud the initiative of Armenian President Sargsyan to invite his Turkish counterpart to Yerevan, and President Gul's willingness to accept the invitation. Their meeting creates a new atmosphere in the relationship, and gives hope that a long-overdue thaw has begun. The normalization of relations between Turkey and Armenia could also help open up trade and transportation routes for the entire South Caucasus.

Closely connected is resolution of the Nagorno-Karabakh conflict. Its costs can still be counted in terms of refugees and displaced persons – nearly a million altogether – provinces denuded of populations, lost economic opportunities, and disrupted trade. The U.S. Government will do all it can to encourage the parties to show greater flexibility and creativity in their negotiations. We will do everything possible to promote a just and lasting settlement of the Nagorno-Karabakh conflict that proceeds from the principle of our support for Azerbaijan's territorial integrity, and ultimately incorporates other elements of international law and diplomatic practice.

The United States, working closely with our allies, will also look at ways to emphasize the importance of expanding the Southern Corridor for energy supply, bringing oil and gas from the Caspian region to Europe. The development of energy resources and competitively transporting them to market supports the sovereignty, independence and economic development of the countries of the region. Diversification of sources of energy and their routes to market, alternative energy sources, and energy efficiency efforts, is critical to Europe as well.

Implications for Relations with Russia

Finally, our strategic response must include the longer-term consequences of the invasion of Georgia for our relationship with Russia. Since 1991, three U.S. administrations have based policy toward Russia on the assumption that Russia sought to become a nation integrated with the international system and its institutions. Since 1991 Russia has asserted its own interest in becoming a part of the world and a part of international institutions. And Russia has made progress in this regard, with American and European support. But with its invasion of Georgia, its continuing refusal to implement the Ceasefire it has signed, and its claim to a “region of privileged interests,” Russia has put these assumptions and aspirations at risk.

Russia and the Russian people are paying a considerable price for their country’s disproportionate military action. Today’s Russia is an emergent economic power and a net exporter; its interdependency, which connects it with the rest of the world in very different ways than in the past has fueled the country’s newfound prosperity over the past eight years. This same interdependency has raised the costs of military intervention in Georgia. While much is made of Europe’s energy dependence on Russia, the wider truth is that Russia needs Europe too, as the market for 75 percent of its gas exports and a critical bridge to a better economic future. Since August 7, investor confidence has plummeted. At least in part because of the Georgia crisis, Russian financial markets have lost nearly a third of their value, with losses in market capitalization of hundreds of billions of dollars. Serious capital outflows have taken place; the Russian Finance Minister admitted that \$7 billion left the country on August 8; private estimates range as high as \$20 billion for capital flight over the past six weeks. The ruble has depreciated nearly 10 percent since August 7 and the Russian Central Bank has spent billions of its reserves to try to halt the slide.

The opportunity costs for Russia are even greater, the most important of which may be the country’s ambitious plans to diversify the economy and rebuild infrastructure. At a moment of crucial economic choices, at a moment when Russia can innovate, diversify and develop to the full its greatest resource – its enormously talented people – it is in danger of missing an historic chance and stagnating amidst mounting corruption, cronyism and demographic ills.

A great deal is at stake. Russia’s actions in Georgia, particularly its reckless decisions to invade Georgia and recognize South Ossetia and Abkhazia, are deplorable. Russia’s

behavior raises serious questions about the future of our relations with a resurgent, nuclear-armed energy-rich Great Power, which has much potential but more than its share of troubles and complexes – and whom we do not have the luxury of ignoring.

It is important to reinforce for Russia the consequences of its actions in Georgia as a means of ensuring compliance with its commitments to President Sarkozy. We have made clear that there will be no “business as usual” with Russia while those commitments remain unfulfilled. For our part, the Administration has withdrawn the 123 agreement on civil nuclear cooperation with Russia, and suspended U.S.-Russian bilateral military programs. We continue to review other options.

It is essential to continue to make common cause with our European allies. Our cohesiveness and collective determination is the key to affecting Russia’s calculus. American actions have far more impact as part of a chorus than as a solo performance, and unity among European countries is also crucial. We have worked closely with President Sarkozy and the EU leadership in recent weeks. We will continue to do so, as standing together, we press Russia to fulfill all its commitments under the August 12 and September 8 agreements.

Russia’s diplomatic isolation was vividly exposed at the recent Shanghai Cooperation Organization summit, when not one of its partners joined it in recognizing Abkhazia and South Ossetia. Nicaragua’s solitary support for recognition of those two breakaway regions is hardly a diplomatic triumph. In a rare step, the G-7 foreign ministers also issued a statement sharply criticizing the behavior of remaining member of the G-8.

Our long-term strategy toward Russia needs to be based on a sober assessment of our own interests and priorities, and of what’s driving Russia today. Flush with petro-dollars and reborn pride, the Russia we see before us is a muddle of conflicting impulses – of angry chauvinism and accumulated grievances, alongside some very 21st century connections to the global market and new attachments to a world in which foreign travel and private property are what animate much of the next generation and the emerging middle class.

On one hand, some Russian strategists clearly see opportunities in American difficulties, and see taking us down a notch as the best way to assert their own prerogatives and expand their role. Another aspect of that inclination was on full and ugly display in the Georgia crisis, the very 19th century notion that intimidating small neighbors is what makes Great Powers great. Those impulses are fed by the increasingly authoritarian bent in Russian politics over recent years. They are beguiling and cathartic for a country that a decade ago was about as far down on its luck as a Great Power can go – but they are not the same thing as a positive agenda for realizing Russia’s potential in the decades ahead.

On the other hand, there is the Russia about which President Medvedev spoke eloquently during his election campaign, a Russia that aspires to become a modern, rules-based, 21st century Great Power with a diversified, integrated economy and a political system that gradually opens itself to the rule of law. That vision of Russia has hardly been on display

in recent weeks – indeed it has very nearly receded from view – but the realities of Russia’s circumstances may yet force it back to the surface.

It’s hard to predict which set of impulses will prove strongest in the years ahead, or whether the costs and consequences already evident in the Georgia crisis will sink in. The truth is we are likely to have a relationship with Russia for some time to come which mixes competition and political conflict with cooperation.

On some critically important issues, like combating nuclear terrorism and non-proliferation, we have a hard-headed interest in working with Russia, as we will be doing when my Russian counterpart joins the rest of our P5+1 colleagues in another round of discussions on Iran the day after tomorrow in Washington. Nowhere is our cooperation and our leadership more important than in the whole complex of nuclear challenges – from setting a good example for the rest of the world in managing and reducing our own nuclear arsenals, to ensuring the safety and security of nuclear materials, on the basis of the visionary programs which Members of this Committee have done so much to promote. On other issues, like Georgia, we and our partners will need to push back hard and systematically against Russian behavior.

Dealing with Russia in the years ahead will require equal part firmness, steadiness and patience. It will require us to put sustained effort into a common strategy with our European partners. It will require us to keep a clear sense of priorities. It will require us to keep the door open to long-term, mutually respectful partnership with Russia – if Russia chooses to make that possible, and if it chooses to become a responsible stakeholder in the international system -- but to defend our interests resolutely. It will require us to keep a sense of strategic confidence and initiative, as well as a sense of the internal weaknesses and growing interdependence with which Russian leaders must ultimately contend. And it will require us to continue to focus energy and attention on a relationship with Russia that may often prove frustrating, and sometimes even dangerous, but that matters enormously not only to our interests, but to the future of global order.

Thank you, and I look forward to taking your questions.