JOSEPH S. NYE, JR.: The two ambassadors. In Montreal, when we had our North American meeting several years back, we had the Mamedov and Talbott duet, and we're fortunate to have a reprise tonight, but with the excellent conducting of Jeff Simpson, one of Canada's prime journalists and our member who is often educated in many things, but tonight is going to help us with the issues, that are going to be Russia's relations with the United States and with the world. We look forward to it. So, welcome to everybody, and over to Jeff.

JEFFREY SIMPSON: Thank you. Thank you very much. Ambassador Mamedov is now the dean of the diplomatic corps in Canada. How many years has it been?

GIORGY MAMEDOV: Nine and counting.

MR. SIMPSON: And Strobe Talbott, of course, is the president of the Brookings Institution. Before we get to serious matters, I saw the tie you were wearing, the election having been won by the Democratic Party, it's full of elephants. Do you have a statement to make about why that is so?

MR. MAMEDOV: It's a present from a very dear friend of mine, whom I know almost as long as I deal with the United States, Strobe Talbott. He was also, for a certain period of time, my counterpart in dealing with such issues, ABM, Middle East, G-8, and so on. And once my favorite American party for future elections, some time ago. And we met. And Strobe wanted to say good bye to me in London. He presented me with this tie. You can see the shape of the animal that's in it. He wished me well and told me I wish you will survive it all. I survived. I became a dean, but not in the United States, in Canada.

MR. SIMPSON: At any rate, I think it's probably true that in many Western countries China has
supplanted Russia as the main country of preoccupation. But Russia obviously remains a country that commands attention and seeks to play an important role, and does play an important role in many, many international venues, so the position that the Russians have taken vis-à-vis Syria is different than that of NATO. We want to talk about that.

This week, very much in the news, Russia voted with the majority in the United Nations on the Palestinian observer state question, a resolution that was opposed by only nine countries, including the United States, Israel, not surprisingly, Canada, and such powers as Palau, Nauru and the Marshall Islands.

We — Canada, the United States and Russia — are all involved in the Arctic. We'll talk about that. Russia's a major nuclear player.

Now just a small bilateral Canadian/Russian affair, for our American friends who may not know this. And that is that we in Canada usually think of Russia, first and foremost because of the extraordinary prowess of its hockey players. But there have been many headlines in the last six months in Canada, because, tipped off by the Americans, Canada discovered that for five years, from 2007 to 2012, Sub-Lt. Jeffrey Delisle had spied for the Russian spy agency, and that had very serious consequences.

He has admitted what he has done. He'll be convicted very shortly. He said, “I walked into the Russian Embassy and said, here I am.” The naval officer's efforts were very damaging to Canada and other countries with whom we work, so that has been very much in the news. I won't say more about it, because the Ambassador's been interviewed on various occasions.

MR. MAMEDOV: And enjoyed it greatly.

MR. SIMPSON: I'm not asking a question about it. I'm just saying that it's a very serious matter. That in all the intelligence agencies of the five countries with which we share the deepest intelligence, we were, shall we say, quite shocked.

Let me ask you this. You both, in the 1990s were doing a sort of pas de deux with each other, so I'd like to know what's changed? I'd like to know from both of your perspectives, what has changed in Russian foreign policy since you were diplomatic partners?

MR. MAMEDOV: What changed, I'm now in Canada. And enjoy the quiet life, Canadian life. Everything is predictable, just as it used to be in the Soviet Union.

MR. MAMEDOV: I am saying that they can quite safely predict what will happen in Canada until 2050, which is about the same period of time that they can predict what will happen in Russia, so it's much quieter.

And it gave me certain time, personal time, to think about bilateral relations with the United States. What has changed, what has not. I'm very glad to tell you, now that I'm no longer responsible for whatever my American friends do — and I spent 30 years of my life dealing with them before I was posted to Canada — I must tell you that our relations are on an even keel.

We have two smart guys, Obama and Putin, who are very pragmatic and who understand what my
favorable American president said once — it's about the economy, stupid. It's not about anything else. So let's concentrate. We are living in a democracy. I mean, our democracy's a work in progress. Canadian democracy is a bit more advanced than ours. And, of course, the brilliant, shining example of American democracy is always in front of us. So let's listen to what people talk about when they meet with their politicians, their leaders, its economy.

I believe now we have an opportunity to focus on economy, and not on all this stupid nuclear stuff that we wasted our life with, Strobe. This is the main difference.

STROBE TALBOTT: We're talking 20 years, going back to the time that Giorgy and I started working together. Actually, there are a number of the weekend's proceedings I want to bring into the conversation here, not least because it shows the degree of continuity there was between the policy accords post-Soviet Russia, under President George Herbert Walker Bush, and Bill Clinton, who had just been elected.

We're talking now about late November, early December of 1992. Dennis Ross was working very closely with Secretary Baker. And when the election occurred, Dennis reached out to me before I had any inkling that I was going to be in the Clinton Administration. But he knew that I knew some people who were going to be in the Clinton Administration. Dennis is speaking to us tomorrow evening, as I think you all know. And he said that it is absolutely essential that somebody from the Clinton camp be in touch, not just with the Russian Government in general, but with Giorgy Mamedov in particular. This is a story late enough in your career so I'm not going to do any harm to your career.

MR. MAMEDOV: I am beyond.

MR. TALBOTT: About a couple of weeks later, when I learned that I was going to have an opportunity to work for President Clinton and Secretary Christopher, I arranged to meet with Giorgy Mamedov.

I'm going to preemptively compliment him on something in a very heartfelt way. Of all the diplomats I had a chance to work with, and there were many superb ones, including a number in this room, I don't think any of them exceeded Giorgy's approach to diplomacy as the art of the possible and had then, and has shown since, an ability to find a way forward on even the toughest issues, while at the same time assiduously representing his Government's position and its instructions.

What has changed is, in one sense, very, very big. In 1992 we were still in the immediate aftermath of one of the most extraordinary, and I would say one of the most positive, semi-miraculous events of the lifetimes of any of us in this room. That was the decision of the Soviet leadership, in the person of Mikhail Gorbachev, but in a bizarre sort of tandem with Boris Yeltsin, to cast the Soviet system onto the ash heap of history and to adopt a fundamentally different approach towards the governance of that country and the behavior of that country in the world.

There was a very high degree of optimism on the Russian side that that transition could be managed fairly quickly and successfully. And there was some optimism on not just the American side, but on the
part of those of us in the Western community as a whole, that a Rubicon had been crossed in the most positive way.

In one sense, it was “the economy, stupid,” back then. The principle preoccupation of the Clinton Administration, as in the Bush 41 Administration before it, was no longer how to prevent global nuclear war between the United States and the Soviet Union. The big challenge became how could we the U.S., we the West, and our allies help Russia make that transition. To make a long story short, as we've seen in the intervening 20 years, it was a lot tougher than we thought. It was a lot tougher than they thought. I'm sure we'll talk about that.

MR. SIMPSON: Twenty years later, what is the state of U.S./Soviet relations? And since the two presidents have been elected, what are they likely to be?

MR. TALBOTT: Paraphrasing something that Barak Obama said in one of the debates with Hillary Clinton, they're good enough. It could be a lot better. I hope they can be somewhat better. I think the fundamentals are still fairly sound.

Secretary Clinton yesterday gave a talk at Brookings on Europe, and she reserved one paragraph for the state of U.S./Russian relations. I would say the balance was slightly on the favorable side, although you, Jeff, in your opening remarks noted a couple of things where we are not on the same page. Syria, we will perhaps come back to, but the issue of Iran, I know there's going to be discussion on that extremely dangerous subject throughout the weekend.

I think the U.S. and Russia, as a result of the reset, which was, by the way, a mutual reset back at the beginning of the Obama Administration, are working more together than we are at cross purposes. We have a process underway to continue what has historically been, going back well into the Soviet period, the enterprise of regulating and reducing our nuclear forces.

The two presidents have, I wouldn't call it repair work so much, but maybe a bit of a restart between the two of them. President Obama thought that he had, and did have, a good thing going with then President Medvedev. But he was, as others were as well, taking it for granted that Medvedev was the president of Russia when in fact, of course, while he had that title, the leader of Russia during that period was Mr. Putin, who has now resumed the presidency, and there is coolness between the two of them.

But my sense is that both President Obama and President Putin are essentially very pragmatic. They met, I believe, only twice during the first term of the Obama presidency. They'll have a chance to meet in a couple of months. My guess is that the fundamentals are there, particularly if they can continue to cooperate in a way that is useful on the issue of Iran.

More immediately, speaking of the economy, it's very important that Russia is now in the World Trade Organization. It's important that we, the U.S., finally, almost 40 years after the Jackson-Vanik amendment, put that behind us and put our trade relations and economic relations on sound footing.
MR. SIMPSON: How would you assess the state of relations at the moment?

MR. MAMEDOV: Very optimistically, because I am no longer in charge.

MR. SIMPSON: You mean, if you were in charge it would be worse?

MR. MAMEDOV: I would be much more, you know, circumspect if I were to talk about our relations with Canada. But unfortunately I will have to return tonight to Canada, and I like my job as dean of the diplomatic corps there, so I would limit myself to discussing our relations with the United States. I agree with what Strobe said. But one general observation: We should stop treating our relations with each other like children. You know how children are different from adults. They believe that the room in which they play is the whole world and that everything revolves around these toys and the room.

We live in a rapidly changing world. I'm speaking not only about Arab Spring and the rise of China. They're different things, different fundamentals. This also makes our relationship different, because before we could concentrate all these years on dangers of nuclear war, spies, other rubbish, now we live in a very real world and the economy is a priority for all of us.

I'm speaking not only about fiscal cliff or this pipeline from Canada to United States that everybody is worrying about, no, I'm speaking about different construction of world affairs when we see the world as it is, and understand that no longer any single power can actually impose its solution and models. We see it everywhere, any region you can name, and you certainly will allude to it later.

You will see that unilateral solutions with one single power miserably fail. When we understand that, we find much more commonality in our approaches than before, when we just concentrated on this terror of nuclear deterrents, and so on.

We spent much of our discussions with Strobe over the years discussing reduction of nuclear weapons. I received some government decorations for numerous treaties we signed with the United States, and I will be the last, as a bureaucrat, to criticize them. But now I understand, they're largely irrelevant to our national survival and to our happiness, freedom, and so on, the economic and socioeconomic problems of the world with which we must cope together.

So for us the most important event in the coming 2013 is not sandwiched between Putin and Obama, or Harper, who is planning to visit Moscow, by the way, but the G-20 Summit that we'll preside over for the first time in Moscow. This is the most important event that can really affect the stability, not only in the world, but also in Russia, in the United States, and in other countries.

In the results of the elections, too much to a great extent depends on whether people are satisfied with jobs, with the other stuff. We listened to presidential elections here. And a lot of bellicosity, all this talk about China being more to lend, I mean, or Soviet Union. Number two is not because of the foreign policy, but because of the certain unpredictability of economic background.

So that's why, again, I believe our relations are normal. But we must refocus them on the economy
and what's happening in the real world, and not on the Soviet/American, Russian/American little playground matter.

MR. SIMPSON: Should anybody in the non-Russian world therefore take seriously the many comments that Mr. Putin made about the United States and its ambitions to frustrate, to encircle, and to diminish Russia's role in the world? Is that just political rhetoric, or not?

MR. MAMEDOV: Well, if we're discussing what people said, you know —

MR. SIMPSON: Well, he's the president.

MR. MAMEDOV: I can quote, yes, what the president said, or prime minister said.

MR. SIMPSON: Right.

MR. MAMEDOV: I can go back and quote a lot. I'm an old man, but I still remember certain things.

MR. SIMPSON: Old men remember.

MR. MAMEDOV: Yes. I worked with Putin before he became president.

MR. SIMPSON: Has he changed?

MR. MAMEDOV: And I know that his instincts, vis-à-vis United States, are right.

MR. SIMPSON: And those are?

MR. MAMEDOV: And those are that we need to have a working, constructive relationship with the United States. If you want to quote Putin, quote his letter to Barack Obama when he was re-elected, and you will have everything.

And I can vouch for the authenticity, what is there. I was present in closed meetings when very important decisions were taken, vis-à-vis United States. For example, should we vote in United Nations after American invasion in Iraq? Because it was so brazen, so foolish. Should we give them the legitimacy? Should we give them the cover in the form of United Nations resolution, when they went there against our best advice, against our intelligence information, that there were no weapons of mass destruction there? And the decision was passed, yes, we must. Even if they made the mistake, it's a small world. We should stick with them because stability of regional citation is very important.

On other occasions, 9/11, who was the first to call Clinton? It was Putin. And believe me, it didn't come easily because, like your prime minister, like Strobe's president, they all have teams. And in teams there are different appearances. Certainly there are people who believe, truly believe about encirclement and other stuff. But I know that Putin is pragmatic and that he is prepared to go with Obama as far as Obama is prepared to go with him.

MR. SIMPSON: So you say he is prepared to go as far. In Syria, which was an old Russian ally, there's clearly a difference between the way the Russian Government sees that situation, and most Western countries, including this one. Tell us what the core Russian perspective is on the Syrian situation.

MR. MAMEDOV: Very simple. We don't want to be on the same side of history with Al Qaeda. If you
want, please do.

MR. SIMPSON: What does that mean?

MR. MAMEDOV: Al Qaeda, it's not provocative for — You like quotes. The head of international Al Qaeda said that we must help everybody who is there to demote Assad and that we're in the fight of our lives there in Syria. So there must be something wrong in siding with Al Qaeda.

MR. SIMPSON: Do you think that the other groups that are fighting Assad are all either tied to Al Qaeda, or will be controlled by Al Qaeda, or if the regime changes in Syria, will fall under the influence of Al Qaeda?

MR. MAMEDOV: I am afraid that if we will have such roil and change as some people support, we'll have the same thing as in Libya.

MR. SIMPSON: What is that?

MR. MAMEDOV: And we just yesterday we had consultations in Ontario between our African specialists and Canadian/African specialists, and they discussed the situation around Libya and Africa and so on.

One thing that they agreed on, that rise of terrorism now in Africa is directly linked to what happened in Libya. And Gaddafi wasn't our friend, he was your friend.

MR. SIMPSON: I want to understand this. So the alternative to Assad is an Al Qaeda-dominated Syria?

MR. MAMEDOV: No. The alternative to Assad is somebody else. We said on numerous occasions that we don't care whether Assad remains in power or not. It's for Syrians to decide.

What we care about is the way he has changed. Is his change by the reckless mob led by Al Qaeda? It will radicalize the whole surrounding. And we're not immune to it. There are 20 million Moslems in Russia.

MR. SIMPSON: Right.

MR. MAMEDOV: And 20 million Moslems, trust me, is a big number. And it's not the Soviet Union, when it was just Communist Party or Gulag, my way or the highway. So the notion is, we are concerned about radicalization of the Moslem world. And we're afraid that if you blindly support these militant groups who are led by Al Qaeda, you will promote Al Qaeda. It's the same way that CIA supported the (inaudible), and did a lot in Afghanistan against Soviet Union.

MR. SIMPSON: So is the best result is to have Assad stay in power there as a focus for stability?

MR. MAMEDOV: The best way is to have negotiations, and to change a set piece for later. We can turn to this negotiation. But we expect those who are so enamored with military opposition and insurgency to do the same with them.

MR. TALBOTT: Let me just offer two thoughts on what I understand to be behind the Russian position, and Giorgy alluded to this.

The Russian Government felt snookered on Libya. Just as the Russian Government remembers
acutely and painfully what ensued when the United States decided to use force with the effect of changing the regime over Kosovo, an issue on which Giorgy and I worked very closely to get.

There is a very deep neuralgia in Russia, and I think particularly on the part of President Putin about countenancing, or endorsing the use of American military force, particularly if NATO is involved, so that's part of it.

But the other factor in the Russian calculation here is not unreasonable. And that is — and Sergei Lavrov, the foreign minister, said this over and over again — what happens the day after if there is use of force there?

I don't think we have a very good answer to that. If we really were to use United Nations sanctions to use force inside of Syria, there is good reason all around for being concerned about whether that would truly make the situation better.

MR. SIMPSON: We are all involved in the Arctic. We're all Arctic players. And the Arctic may seem a long way from DC, but Russia is Canada's neighbor, literally contiguous. And as Sarah Palin once said, you can see Russia from Alaska, right?

MR. MAMEDOV: My favorite politician.

MR. SIMPSON: Well, she can see your country from Alaska. So I want to ask both of you, from the perspective of what is happening in the Arctic geographically, that is to say that the sea lanes are opening as a consequence of global warming, how are all of us are going to try to manage the Arctic? Is it likely to be in the area of competition? The Russians put their flag down on the floor of the Arctic sea bed. Is it likely to be an area of competition? Or is it likely to be an area of collaboration? And if it is one or the other, how will each evolve? Ambassador?

MR. MAMEDOV: First of all, you shouldn't pay too much attention to flags, because Americans put their flag on the moon. We're not concerned, frankly. Of course, if we are common sense people. We're the sum, you know, great substance here. It will be an era of cooperation. Like I said before, when I say economy, it's not just economy, it's also in world.

I am Al Gore's fan. I think global warming is a real challenge. And when I arrived as ambassador to Canada, my first question to me was, will Russia ratify Kyoto? Because without Kyoto it couldn't enter into force. Without Russians it couldn't enter into force. I said, I bet it will, though I knew that there were a lot of people around Putin at the time, who suggested that it will hurt our economy, and so on and so forth.

So I trust that everybody who understands the importance of the Arctic, with all these hurricanes and everything, know that existentially we need to cooperate there. And we're cooperating.

Two major deals that we signed recently were with Exxon and with British Petroleum there. I hope, and I'm working for that, soon they will be joined by French firms like Total, Statoil from Norway, Canada's companies. And if we invite these firms to our part of the Arctic, Northeast Passage, you understand, of
course, we think of cooperation, investing billions of dollars in joint projects.

But there is one thing, you and I sometimes drive cars, right? And you can't drive without rules of the road. And the only rule in the Arctic is Law of the Sea Convention. You, Canada and us, we signed it, and we expect our American friends to join us, because then if we have any problems in delineation of waters or all this oil and gas, we go to United Nations. We already made an application. They turned it down. They said it was ill-founded. It doesn't mean that we need to send aircraft carriers or aim our missiles. We will prepare another application and go again to the same commission, United Nations. And you will do the same, all the same.

I hope now our American friends will join us, though I know the Senate is of two minds about this convention, and then we will have rules of the game.

But the answer to your question, for any sane person, yes, of course it will be area of cooperation. It already is. Billions of monies are being put into, notwithstanding global economic crisis.

MR. SIMPSON: Do you think it would be acceptable to Russia if we had a demilitarized Arctic?
MR. MAMEDOV: Well, Arctic used to be important only from the standpoint of Soviet/American confrontation. If there were nuclear war, like Strobe knows, and some people in this audience know as well, the main tragedy would have happened on the Arctic routes.

Now that neither we nor Americans seriously contemplate nuclear war with each other, what we need to do is, not only to demilitarize Arctic, but to take care of all this pollution that could work up to Arctic. We are promoting these joint ventures with European Union, with United States. Hopefully, Canada will join them.

So, yes, of course, in future I see a demilitarized Arctic, but with certain enforced rules. And you should ask your own prime minister, who likes to talk so often about Arctic sovereignty and importance of having rangers there and your bases, how we would complement protecting our sovereignty, which every sovereign country needs to do, with basically demilitarized Arctic?

We already started it. Thanks to Russia and Canada, a very important project was launched in Arctic Council, which comprises all Arctic Council, search and rescue, because this is what matters. Aboriginal people there, other travelers, they need certain safety net. We launched it, Americans supported it. Now we have a treaty.

MR. SIMPSON: We don't even have an icebreaker. So we're hardly a military threat. Can we borrow some from you?
MR. MAMEDOV: Yes. We will certainly —

MR. SIMPSON: And how about those nuclear submarines? Could we have a few of those from you?
MR. MAMEDOV: Nuclear submarines, you should inquire our American friends, because before they sign this law convention, they don't need even to notify you when they send a nuclear submarines there.
MR. SIMPSON: We know, we know. What is your vision of how this is going to go forward?

MR. TALBOTT: I'll give you a one-word answer. Amen on the Law of the Sea. We all grew up studying in geography that there was something called the polar ice cap. It's on its way to being the polar sea.

And I think strengthening the Arctic Council, Arctic Bering Sea Council, would be the right step in that direction. Demilitarization is down the road. But we've got to get that out of the way.

By the way, Governor Palin was right. You can see Russia from Alaska. But you've got to go to St. Lawrence Island in order to see the Kamchatka Peninsula. I actually pointed this out to her. I said, “I came to your defense, Governor Palin.” She said, “Oh, I'm so glad to hear that. I've actually never been to St. Lawrence Island.”