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# Meeting of the Valdai Discussion Club • President of Russia

106-135 minutes

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This year's theme is The Lessons of the Pandemic and the New Agenda: How to Turn the World Crisis Into an Opportunity for the World. The meeting was traditionally attended by politicians, experts, journalists and public figures from Russia and other countries. The plenary session's moderator was Fyodor Lukyanov, Research Director of the Valdai International Discussion Club.

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**Fyodor Lukyanov:** Friends,

Guests of the Valdai Club,

I am delighted to welcome you to the final session of the 17<sup>th</sup> annual meeting of the Valdai International Discussion Club. It is my special honour and pleasure to welcome our traditional guest for our final meetings, President of the Russian Federation Vladimir Putin.

**President of Russia Vladimir Putin:** Good afternoon, colleagues, friends,

Participants of the 17<sup>th</sup> plenary meeting of the Valdai Club,

Ladies and gentlemen,

I would like to welcome you all to our traditional annual meeting. We are meeting in an unusual format this time; we are videoconferencing. But I can see there are also people in the room. Not as many as usual of course, but nevertheless there are people present, and, apparently, you have had an in-person discussion, and I am delighted that you have.

We are certainly aware, we can see that the coronavirus epidemic has seriously affected public, business, and international affairs. More than that – it has affected everyone's routine rhythm of life.

Almost all countries had to impose various restrictions, and large public gatherings have been largely cancelled. This year has been challenging for your Club as well. Most importantly, though, you continue to work. With the help of remote technology, you conduct heated and meaningful debates, discuss things, and bring in new experts who share their opinions and present interesting outside-the-box, sometimes even opposing, views on current developments. Such an exchange is, of course, very important and useful now that the world is facing so many challenges that need to be resolved.

Thus, we still have to understand how the epidemic affected and will continue to affect the present and future of humanity. As it confronts this dangerous threat, the international community is trying to take certain actions and to mobilize itself. Some things are already being done as collaborative efforts, but I want to note straight away that this is only a fraction of what needs to be done in the face of this formidable common challenge. These missed opportunities are also a subject for a candid international discussion.

From the onset of the pandemic in Russia, we have focused on preserving lives and ensuring safety of our people as our key values. This was an informed choice dictated by our culture and spiritual traditions, and our complex, sometimes dramatic, history. If we think back to the great demographic losses we suffered in the 20<sup>th</sup> century, we had no other choice but to fight for every person and the future of every Russian family.

So, we did our best to preserve the health and the lives of our people, to help parents and children, as well as senior citizens and those who lost their jobs, to maintain employment as much as possible, to minimise damage to the economy, to support millions of entrepreneurs who run small or family businesses.

Perhaps, like everyone else, you are closely following daily updates on the pandemic around the world. Unfortunately, the coronavirus has not retreated and still poses a major threat. Probably, this unsettling background intensifies the sense, like many people feel, that a whole new era is about to begin and that we are not just on the verge of dramatic changes, but an era of tectonic shifts in all areas of life.

We see the rapidly, exponential development of the processes that we have repeatedly discussed at the Valdai Club before. Thus, six years ago, in 2014, we spoke about this issue when we discussed the theme *The World Order: New Rules or a Game Without Rules*. So, what is happening now? Regrettably, the game without rules is becoming increasingly horrifying and sometimes seems to be a *fait accompli*.

The pandemic has reminded us of how fragile human life is. It was hard to imagine that in our technologically advanced 21<sup>st</sup> century, even in the most prosperous and wealthy countries people could find themselves defenceless in front of what would

seem to be not such a fatal infection, and not such a horrible threat. But life has shown that not everything boils down to the level of medical science with some of its fantastic achievements. It transpired that the organisation and accessibility of the public healthcare system are no less, and probably much more important in this situation.

The values of mutual assistance, service and self-sacrifice proved to be most important. This also applies to the responsibility, composure and honesty of the authorities, their readiness to meet the demand of society and at the same time provide a clear-cut and well-substantiated explanation of the logic and consistency of the adopted measures so as not to allow fear to subdue and divide society but, on the contrary, to imbue it with confidence that together we will overcome all trials no matter how difficult they may be.

The struggle against the coronavirus threat has shown that only a viable state can act effectively in a crisis – contrary to the reasoning of those who claim that the role of the state in the global world is decreasing and that in the future it will be altogether replaced with some other forms of social organisation. Yes, this is possible. Everything may change in the distant future. Change is all around us, but today the role and importance of the state do matter.

We have always considered a strong state a basic condition for Russia's development. And we have seen again that we were right by meticulously restoring and strengthening state institutions after their decline, and sometimes complete destruction in the 1990s.

Then, the question is: what *is* a strong state? What are its strengths? Definitely, not total control or harsh law enforcement.

Not thwarted private initiative or civic engagement. Not even the might of its armed forces or its high defence potential. Although, I think you realise how important this particular component is for Russia, given its geography and the range of geopolitical challenges. And there is also our historical responsibility as a permanent member of the United Nations Security Council to ensure global stability.

Nevertheless, I am confident that what makes a state strong, primarily, is the confidence its citizens have in it. That is the strength of a state. People are the source of power, we all know that. And this recipe doesn't just involve going to the polling station and voting, it implies people's willingness to delegate broad authority to their elected government, to see the state, its bodies, civil servants, as their representatives – those who are entrusted to make decisions, but who also bear full responsibility for the performance of their duties.

This kind of state can be set up any way you like. When I say “any way,” I mean that what you call your political system is immaterial. Each country has its own political culture, traditions, and its own vision of their development. Trying to blindly imitate someone else's agenda is pointless and harmful. The main thing is for the state and society to be in harmony.

And of course, confidence is the most solid foundation for the creative work of the state and society. Only together will they be able to find an optimal balance of freedom and security guarantees.

Once again, in the most difficult moments of the pandemic, I felt pride and, to be honest, I am proud of Russia, of our citizens, of their willingness to have each other's backs. And of course, first of all, I am proud of our doctors, nurses, and ambulance

workers – everyone, without exception, on whom the national healthcare system relies.

I believe that civil society will play a key role in Russia's future. So, we want the voice of our citizens to be decisive and to see constructive proposals and requests from different social forces get implemented.

This begs the question: how is this request for action being formed? Whose voice should the state be heeding? How does it know if it is really the voice of the people and not some behind-the-scenes messages or even someone's vocal yelling that has nothing to do whatsoever with our people and that at times becomes hysterical?

Occasionally, someone is trying to substitute self-serving interests of a small social group or even external forces for a genuine public request.

Genuine democracy and civil society cannot be “imported.” I have said so many times. They cannot be a product of the activities of foreign “well-wishers,” even if they “want the best for us.” In theory, this is probably possible. But, frankly, I have not yet seen such a thing and do not believe much in it. We see how such imported democracy models function. They are nothing more than a shell or a front with nothing behind them, even a semblance of sovereignty. People in the countries where such schemes have been implemented were never asked for their opinion, and their respective leaders are mere vassals. As is known, the overlord decides everything for the vassal. To reiterate, only the citizens of a particular country can determine their public interest.

We, in Russia, went through a fairly long period where foreign funds were very much the main source for creating

and financing non-governmental organisations. Of course, not all of them pursued self-serving or bad goals, or wanted to destabilise the situation in our country, interfere in our domestic affairs, or influence Russia's domestic and, sometimes, foreign policy in their own interests. Of course not.

There were sincere enthusiasts among independent civic organisations (they do exist), to whom we are undoubtedly grateful. But even so, they mostly remained strangers and ultimately reflected the views and interests of their foreign trustees rather than the Russian citizens. In a word, they were a tool with all the ensuing consequences.

A strong, free and independent civil society is nationally oriented and sovereign by definition. It grows from the depth of people's lives and can take different forms and directions. But it is a cultural phenomenon, a tradition of a particular country, not the product of some abstract "transnational mind" with other people's interests behind it.

The duty of the state is to support public initiatives and open up new opportunities for them. This is exactly what we do.

I consider this matter to be the most important for the government's agenda in the coming decades – regardless of who exactly will hold positions in that government. This is the guarantee of Russia's sovereign, progressive development, of genuine continuity in its forward movement, and of our ability to respond to global challenges.

Colleagues, you are well aware of the many acute problems and controversies that have accumulated in modern international affairs, even too many. Ever since the Cold War model of international relations, which was stable and predictable in its own way, began to change (I am not

saying I miss it, I most certainly do not), the world has changed several times. Things in fact happened so quickly that those usually referred to as political elites simply did not have the time, or maybe a strong interest or ability to analyse what was really going on.

Some countries hastily ran to divide the cake, mostly to grab a bigger piece, to take advantage of the benefits the end of the cold confrontation brought. Others were frantically looking for ways to adapt to the changes at any cost. And some countries – recall our own sad experience, frankly – just fought for survival, to survive as a single country, and as a subject of global politics, too.

Meanwhile, time increasingly and insistently makes us question what lies ahead for humanity, what the new world order should be like, or at least a semblance of one, and whether we will take informed steps forward, coordinating our moves, or we will stumble blindly, each of us just relying on ourselves.

The recent report of the Valdai Club, your club, reads:

“...in a fundamentally changed international setting, the institutions themselves have become an obstacle to building a system of relations corresponding to the new era rather than a guarantee of global stability and manageability.” The authors believe that we are in for a world where individual states or groups of states will act much more independently while traditional international organisations will lose their importance.

This is what I would like to say in this respect. Of course, it is clear what underlies this position. In effect, the post-war world order was established by three victorious countries: the Soviet Union, the United States and Great Britain. The role of Britain has changed since then; the Soviet Union no longer exists,



while some try to dismiss Russia altogether.

Let me assure you, dear friends, that we are objectively assessing our potentialities: our intellectual, territorial, economic and military potential. I am referring to our current options, our overall potential. Consolidating this country and looking at what is happening in the world, in other countries I would like to tell those who are still waiting for Russia's strength to gradually wane, the only thing we are worried about is catching a cold at your funeral.

As a head of state who works directly in an environment that you and your colleagues describe from a position of expertise, I cannot agree with the assumption that existing international structures must be completely rebuilt, if not dismissed as obsolete and altogether dismantled. On the contrary, it is important to preserve the basic mechanisms of maintaining international security, which have proved to be effective. This is the UN, the Security Council and the permanent members' right to veto. I recently spoke about this at the anniversary UN General Assembly. As far as I know, this position – the preservation of the fundamentals of the international order established after World War II – enjoys broad support in the world.

However, I believe that the idea of adjusting the institutional arrangement of world politics is at least worthy of discussion, if only because the correlation of forces, potentialities and positions of states has seriously changed, as I said, especially in the past 30 to 40 years.

Indeed, like I said, the Soviet Union is no longer there. But there is Russia. In terms of its economic weight and political influence, China is moving quickly towards superpower status. Germany is

moving in the same direction, and the Federal Republic of Germany has become an important player in international cooperation. At the same time, the roles of Great Britain and France in international affairs has undergone significant changes. The United States, which at some point absolutely dominated the international stage, can hardly claim exceptionality any longer. Generally speaking, does the United States need this exceptionalism? Of course, powerhouses such as Brazil, South Africa and some other countries have become much more influential.

Indeed, by far not all international organisations are effectively carrying out their missions and tasks. Called to be impartial arbiters, they often act based on ideological prejudices, fall under the strong influence of other states, and become tools in their hands. Juggling procedures, manipulating prerogatives and authority, biased approaches, especially when it comes to conflicts involving rival powers or groups of states, have unfortunately become common practice.

The fact that authoritative international organisations following in the wake of someone's selfish interests are drawn into politicised campaigns against specific leaders and countries is saddening. This approach does nothing but discredit these institutions, and leads them towards decline and exacerbates the world order crisis.

On the other hand, there are positive developments when a group of interested states joins forces to resolve specific issues, such as the Shanghai Cooperation Organisation, which for almost 20 years now has been contributing to the settlement of territorial disputes and strengthening stability in Central Eurasia, and is shaping a unique spirit of partnership in this part of the world.

Or, for example, the Astana format, which was instrumental in taking the political and diplomatic process regarding Syria out of a deep impasse. The same goes for OPEC Plus which is an effective, albeit very complex, tool for stabilising global oil markets.

In a fragmented world, this approach is often more productive. But what matters here is that, along with resolving specific problems, this approach can also breathe new life into multilateral diplomacy. This is important. But it is also obvious that we cannot do without a common, universal framework for international affairs. Whatever interest groups, associations, or ad-hoc alliances we form now or in the future – we cannot do without a common framework.

Multilateralism should be understood not as total inclusivity, but as the need to involve the parties that are truly interested in solving a problem. And of course, when outside forces crudely and shamelessly intervene in a process that affects a group of actors perfectly capable of agreeing among themselves – nothing good can come of that. And they do this solely for the purpose of flaunting their ambition, power and influence. They do it to put a stake in the ground, to outplay everyone, but not to make a positive contribution or help resolve the situation.

Again, even amid the current fragmentation of international affairs, there are challenges that require more than just the combined capacity of a few states, even very influential ones. Problems of this magnitude, which do exist, require global attention.

International stability, security, fighting terrorism and solving urgent regional conflicts are certainly among them; as are

promoting global economic development, combatting poverty, and expanding cooperation in healthcare. That last one is especially relevant today.

I spoke in detail about these challenges at the UN General Assembly last month. Meeting them will require working together in a long-term, systematic way.

However, there are considerations of a more general nature that affect literally everyone, and I would like to discuss them in more detail.

Many of us read *The Little Prince* by Antoine de Saint-Exupéry when we were children and remember what the main character said: “It’s a question of discipline. When you’ve finished washing and dressing each morning, you must tend your planet. ... It’s very tedious work, but very easy.”

I am sure that we must keep doing this “tedious work” if we want to preserve our common home for future generations. We must tend our planet.

The subject of environmental protection has long become a fixture on the global agenda. But I would address it more broadly to discuss also an important task of abandoning the practice of unrestrained and unlimited consumption – overconsumption – in favour of judicious and reasonable sufficiency, when you do not live just for today but also think about tomorrow.

We often say that nature is extremely vulnerable to human activity. Especially when the use of natural resources is growing to a global dimension. However, humanity is not safe from natural disasters, many of which are the result of anthropogenic interference. By the way, some scientists believe that the recent outbreaks of dangerous diseases are a response to this

interference. This is why it is so important to develop harmonious relations between Man and Nature.

Tensions have reached a critical point. We can see this in climate change. This problem calls for practical action and much more attention on our part. It has long stopped being the domain of abstract scientific interests but now concerns nearly every inhabitant of the planet Earth. The polar ice caps and permafrost are melting because of global warming. According to expert estimates, the speed and scale of this process will be increasing in the next few decades.

It is a huge challenge to the world, to the whole of humanity, including to us, to Russia, where permafrost occupies 65 percent of our national territory. Such changes can do irreparable damage to biological diversity, have an extremely adverse effect on the economy and infrastructure and pose a direct threat to people.

You may be aware that this is very important to us. It affects pipeline systems, residential districts built on permafrost, and so on. If as much as 25 percent of the near-surface layers of permafrost, which is about three or four metres, melt by 2100, we will feel the effect very strongly. Moreover, the problem could snowball into a crisis very quickly. A kind of chain reaction is possible, because permafrost melting will stimulate methane emissions, which can produce a greenhouse effect that will be 28 times (sic!) larger than in the case of carbon dioxide. In other words, the temperature will continue rising on the planet, permafrost will continue melting, and methane emissions will further increase. The situation will spiral. Do we want the Earth to become like Venus, a hot, dry and lifeless planet? I would like to remind you that the Earth has an average surface temperature of 14°C while on Venus it's 462°C.

Another subject, completely different. I would like to say a few words on a different subject. Let us not forget that there are no longer just geographical continents on Earth. An almost endless digital space is taking shape on the planet, and people are mastering it with increasing speed every year.

The restrictions forced by the coronavirus have only encouraged the development of remote e-technology. Today, communications based on the internet have become a universal asset. It is necessary to see that this infrastructure and all cyberspace operates without fail and securely.

Thus, remote, distance work is not just a forced precaution during a pandemic. This will become a new form of organising labour, employment, social cooperation and simply human communication. These changes are inevitable with the development of technological progress. This recent turn of events has merely precipitated these processes. Everyone appreciates the opportunities and conveniences provided by new technology.

But, of course, there is a reverse side as well – a growing threat to all digital systems. Yes, cyberspace is a fundamentally new environment where, basically, universally recognised rules have never existed. Technology has simply moved ahead of legislation and thus, judicial oversight. At the same time, this is a very specific area where the issue of trust is particularly urgent.

I think that at this point we must return to our historical experience. What do I mean? Let me recall that the established notion of “confidence-building measures” existed during the Cold War. It applied to relations between the USSR and the US, and between the Warsaw Pact and NATO, that is,

military-political relations.

That said, let me emphasise that now, competition is usually “hybrid” in character. It concerns all areas, including those that are just taking shape. This is why it is necessary to build confidence in many areas.

In this sense, cyberspace can serve as a venue for testing these measures, like at one time, arms control paved the way for higher trust in the world as a whole.

Obviously, it is very difficult to draft a required “package of measures” in this area, cyberspace. However, it is necessary to start on it. This must be done now.

As you may be aware, Russia is actively promoting bilateral and multilateral cyber security agreements. We submitted two draft conventions on this subject at the UN and established a corresponding open-ended working group.

Recently, I proposed starting a comprehensive discussion of international cybersecurity issues with the United States. We are aware that politicians in the United States have other things to focus on now because of the election campaign. However, we hope that the next administration, whatever it may be, will respond to our invitation to start a discussion of this subject just like other items on the Russia-US agenda such as global security, the future of the strategic arms reduction treaty and a number of other issues.

As you are aware, many important matters have reached the point that they require candid talks, and we are ready for a constructive discussion on an equal footing.

Of course, the times when all important international matters were discussed and resolved by essentially just Moscow

and Washington are long gone, lost to the ages. However, we see the establishment of a bilateral dialogue, in this case on cyber security, as an important step towards a much broader discussion involving many other countries and organisations. Should the United States choose not to take part in this work, which would be regrettable, we will still be willing to work with all interested partners, which I hope will not be lacking.

I would like to point out another important aspect. We live in an era of palpable international shocks and crises. Of course, we are used to them, especially the generations which lived during the Cold War, let alone World War II, for whom it is not just a memory, but a part of their lives.

It is interesting that humanity has reached a very high level of technological and socioeconomic development, while at the same time facing the loss or erosion of moral values and reference points, a sense that existence no longer has meaning and, if you will, that the mission of humankind on planet Earth has been lost.

This crisis cannot be settled through diplomatic negotiations or even a large international conference. It calls for revising our priorities and rethinking our goals. And everyone must begin at home, every individual, community and state, and only then work toward a global configuration.

The COVID-19 pandemic, which we have all been dealing with this year, can serve as a point of departure for such a transformation. We will have to reassess our priorities anyway. Trust me, we really will have to do it, sooner or later. All of us are aware of this. Therefore, I fully agree with those who say that it would be better to start this process now.

I mentioned history and the older generations who went through



all the trials of last century for a reason. Everything we are discussing today will soon become the responsibility of young people. Young people will have to deal with all of the problems which I mentioned and you discussed today. Speaking about Russia, its young citizens, who are still growing up and gaining experience, will have to do this as soon as in the 21<sup>st</sup> century. They are the ones who will have to confront new and probably even more difficult challenges.

They have their own views on the past, present and future. But I believe that our people will always retain their best qualities: patriotism, fortitude, creativity, hard work, team spirit and the capacity to surprise the world by finding solutions to the most difficult and even seemingly insoluble problems.

Friends, colleagues,

I touched on a wide range of different issues today. Of course, I would like to believe that despite all the current difficulties the international community will be able to join forces to combat not imaginary but very real problems, and that we will eventually succeed. After all, it is within our power to stop being egoistical, greedy, mindless and wasteful consumers. Some may wonder if this is utopia, a pipe dream.

To be sure, it is easy to wonder if this is even possible considering what some individuals are doing and saying. However, I believe in reason and mutual understanding, or at least I strongly hope that they will prevail. We just need to open our eyes, look around us and see that the land, air and water are our common inheritance from above, and we must learn to cherish them, just as we must cherish every human life, which is precious. This is the only way forward in this complicated and beautiful world. I do not want to see

the mistakes of the past repeated.

Thank you very much.

**Fyodor Lukyanov:** Mr President, thank you for this detailed statement. You have said that COVID-19 can serve as a point of departure for a reassessment. I can see that you are indeed reassessing things, because it is not everyone who speaks now about trust, harmony, the meaning of life and our mission on the planet Earth, and it was rarely so in the past as well.

I would like to say a few things in follow-up to what you have said. Of course, such a rethinking is ongoing, and we are trying to contribute to this process at the Valdai Club. However, the shocking spring developments, when we thought that the world would never be the same again, were followed by a degree of stabilisation. When global politics awoke from the mental torpor, it turned out that the agenda has hardly changed at all: we are facing the same problems, the conflicts are back and their number has even increased. But you continue with your active work despite the strained situation in global politics. Do you think that this shock had any effect on us? Do you feel any change in the sentiments of your counterparts at the top level?

**Vladimir Putin:** You said that the conflicts resumed when the situation improved a bit. In fact, they never abated. There is much talk about a second wave, and that the situation is back to where we were in the spring. But just look at what is happening in Nagorno-Karabakh: the conflict is still with us. And it is not just the conflicts that matter. I believe that no matter how the necessity to combat the pandemic can rally the international community, we still need to take systemic measures to settle recurring problems. This concerns the Middle

East, the Syrian crisis, Libya and a great number of other problems, including terrorism and the environment. In other words, the pandemic will not help us to deal with them.

However, the pandemic is playing into our hands when it comes to raising our awareness of the importance of joining forces against severe global crises. Unfortunately, it has not yet taught humanity to come together completely, as we must do in such situations. Just look at the crises I have mentioned. We have already proposed, at the UN, among other places, that all economic and cultural restrictions be lifted for humanitarian reasons, at least temporarily.

I am not referring now to all these sanctions against Russia; forget about that, we will get over it. But many other countries that have suffered and are still suffering from the coronavirus do not even need any help that may come from outside, they just need the restrictions lifted, at least in the humanitarian sphere, I repeat, concerning the supply of medicines, equipment, credit resources, and the exchange of technologies. These are humanitarian things in their purest form. But no, they have not abolished any restrictions, citing some considerations that have nothing to do with the humanitarian component – but at the same time, everyone is talking about humanism.

I would say we need to be more honest with each other and abandon double standards. I am sure that if people hear me now on the media, they are probably finding it difficult to disagree with what I have just said, difficult to deny it. Deep down in their hearts, in their minds, everyone is probably thinking, “Yes, right, of course.” However, for political reasons, publicly, they will still say, “No, we must keep restrictions on Iran, Venezuela, against Assad.” What does Assad even have to do with this when it is ordinary people who suffer?

At least, give them medicines, give them technology, at least a small, targeted loan for medicine. No.

Therefore, on the one hand, it seems like there is a tendency to unite, but, frankly speaking, by and large, I do not see any practical steps to bring it to reality. Although this trend does exist.

As for technology, it is another side of the matter.

As for technology, of course, online education, telemedicine and other advanced solutions – all the modern digital technologies that had been increasingly penetrating all spheres, of course, with the pandemic have made a breach in the existing regulatory systems. They are forcing politicians, legal professionals, and administrative regulators, to move towards decision-making at a faster pace than they used to. And this is certainly, definitely changing the world.

**Fyodor Lukyanov:** Thank you.

Here is one more question related to what you have said.

Speaking about the strategy of combating the epidemic, you clearly and unequivocally stated that people's life and safety are the main values. This strategy is understandable, but tactics differ. Last spring, the countries that chose a different path were sharply criticised.

For example, Sweden and Belarus did not introduce an economic lockdown or a tight quarantine. There were many pro and contra arguments. Six months later, we can see that the world is largely following in the footsteps of these countries instead of doing what we did in spring. I believe that you also said yesterday that there would not be any economic lockdown.

Does this mean that the balance is changing and that

the balance should sometimes change in favour of the economy?

**Vladimir Putin:** I would say that nothing is changing in our country. I do not know about Sweden. On the other hand, I do know some things, and I will say a few words about them. The same is true about Belarus and other countries, where the decisions are made by their leadership. As for us, nothing has changed: people's lives and health remain our priorities, without a doubt.

On the other hand, life and health are directly connected to healthcare, which must receive serious support from the federal and other budgets. For these budgets to be replenished, we need a working economy. Everything is closely interconnected. One needs to find a balance. I believe that we found this balance at the very beginning. We took a number of serious steps to support the economy. This support amounted to 4.5 percent of the GDP. Some other countries allocated even more funds for this purpose.

The point is actually not so much the amount of allocated funds but their effective use. I believe (we discussed several related issues with the Government today) that we disposed of these funds quite effectively, in a selective way and using the considerable resources we accumulated in the past years, as well as relying on the macroeconomic health of our economy, macroeconomic indicators and all the other positive achievements of the past years, to support our people, families with children, small and medium-sized businesses, and even large companies and whole industries.

Overall, there is no need in the current situation, at least in Russia, to reintroduce such restrictions as we had in spring,

when we sent our people on paid leave and closed down whole enterprises. There is no need for this also because our healthcare system performed quite efficiently. We have also built up reserves, including a reserve of hospital beds, created new medicines and developed treatment guidelines. Our medics have learned how to deal with this disease, they know what and when needs to be done. In other words, we have become confident that we can deal with these problems. This is the first thing I wanted to say.

The second thing. We said from the beginning – I would just like to remind you, keeping in mind the vastness of our territory – that we were handing down a considerable part of authority for decision-making to the level of the constituent entities of the Russian Federation. Incidentally, all major countries, have, in fact, followed this path somewhat later. This has proven to be the right approach.

There is no such need today. The economy is recovering. The processing industry is recovering, the agro-industrial sector is performing quite well and is even growing, exports are recovering... Yes, we have issues that we should target. But look, we have basically acceptable macroeconomic indicators. Russia's second-quarter economic contraction was 8 percent, and, say, the US economy, declined by 9 [percent], and the Euro zone, if I am not mistaken, by 14.5 – 14.7 [percent].

You have mentioned Sweden that imposed no restrictions, but they also happened to face an economic downturn. At first, they went public with the figure of 8.3 [percent], which was later adjusted to less than 8 [percent] – 7.7 [percent], if my memory serves me correctly. Here we go: they have introduced no restrictions, nor have they done what we have in supporting people and the economy, but their result is the same as ours.

The modern world is extremely interconnected. But an economic decline is inevitable, the first thing to do is to take care of the people. This logic is immaculate. I am certain that you will agree on this point.

Now, regarding Belarus. President Lukashenko – I had many conversations with him – is fully aware of the COVID-19 threat. But Belarus has no comparable gold and currency reserves, nor such a diverse economic landscape, and he, as he says, simply had to keep the economy viable. But on the whole, the situation there is not worse, in fact, than in many other countries.

Therefore we face – and faced – no choice of this sort; our priorities are people, health, and life. We are not going to impose tough restrictions, there is no such need. There is no need to close businesses. What is needed is to adjust support for certain sectors, for example, for small and medium-sized businesses. Certain parts of this work require additional support, maybe the extension of tax benefits and some other measures that are due to expire shortly. It is necessary to take a closer look at transportation, the transport sector, and the services. We are aware of all this, we see this, and we will continue to work in these areas, no matter how difficult this might be. As I have repeatedly said, we will get through this difficult period together, with the people's support and trust.

**Fyodor Lukyanov:** Colleagues, we are moving on to our traditional conversation. This time the setup of this discussion will be quite complex, since we have people sitting in the audience here, and I am also receiving questions from those who are watching online, and some of our colleagues will be able to ask their questions in person. Therefore, I will try to act as an impartial moderator and manage this conversation, and I apologise for any possible hiccups.

Let us begin. Timofei Bordachev, our colleague from the Valdai Club.

**Timofei Bordachev:** Good evening, and thank you for this unique opportunity.

Mr President, there has been much talk and debate, in the context of the global economic upheavals, about the fact that the liberal market economy has ceased to be a reliable tool for the survival of states, their preservation, and for their people.

Pope Francis said recently that capitalism has run its course. Russia has been living under capitalism for 30 years. Is it time to search for an alternative? Is there an alternative? Could it be the revival of the left-wing idea or something radically new? Thank you.

**Vladimir Putin:** Lenin spoke about the birthmarks of capitalism, and so on. It cannot be said that we have lived these past 30 years in a full-fledged market economy. In fact, we are only gradually building it, and its institutions. Russia had to do it from the ground up, starting from a clean slate. Of course, we are doing this taking into consideration developments around the world. After all, after almost one hundred years of a state-planned economy, transitioning to a market economy is not easy.

You know, capitalism, the way you have described it, existed in a more or less pure form at the beginning of the previous century. But everything changed after what happened in the global economy and in the United States in the 1920s and 1930s, after World War I. We have already discussed this on a number of occasions. I do not remember if I have mentioned this at Valdai Club meetings, but experts who know this subject better than I do and with whom I regularly



communicate, they are saying obvious and well-known things.

When everything is fine, and the macro economic indicators are stable, various funds are building up their assets, consumption is on the rise and so on. In such times, you hear more and more that the state only stands in the way, and that a pure market economy would be more effective. But as soon as crises and challenges arise, everyone turns to the state, calling for the reinforcement of its supervisory functions. This goes on and on, like a sinusoidal curve. This is what happened during the preceding crises, including the recent ones, like in 2008.

I remember very well how the key shareholders of Russia's largest corporations that are also major European and global players came to me proposing that the state buy their assets for one dollar or one ruble. They were afraid of assuming responsibility for their employees, pressured by margin calls, and the like. This time, our businesses have acted differently. No one is seeking to evade responsibility. On the contrary, they are even using their own funds, and are quite generous in doing so. The responses may differ, but overall, businesses have been really committed to social responsibility, for which I am grateful to these people, and I want them to know this.

Therefore, at present, we cannot really find a fully planned economy, can we? Take China. Is it a purely planned economy? No. And there is not a single purely market economy either. Nevertheless, the government's regulatory functions are certainly important. For example, consider major industries such as aircraft construction. Without some regulatory function from the top – or from the left, right, bottom, for that matter, whether this regulatory function is visible or not – without it, it is impossible to operate in this market. And we can see that all the countries that claim respect as aircraft-building powers

(contextually, I would say), their governments provide assistance to their aircraft manufacturers, all of them. And there are plenty of support methods.

By the way, the situation is much the same in the automotive industry, and in other industries. We just need to determine for ourselves the reasonable level of the state's involvement in the economy; how quickly that involvement needs to be reduced, if at all, and where exactly. I often hear that Russia's economy is overregulated. But during crises like this current pandemic, when we are forced to restrict business activity, and cargo traffic shrinks, and not only cargo traffic, but passenger traffic as well, we have to ask ourselves – what do we do with aviation now that passengers avoid flying or fly rarely, what do we do? Well, the state is a necessary fixture, there is no way they could do without state support.

So, again, no model is pure or rigid, neither the market economy nor the command economy today, but we simply have to determine the level of the state's involvement in the economy. What do we use as a baseline for this decision? Expediency. We need to avoid using any templates, and so far, we have successfully avoided that. As I have said, the so-called developed economies, in Europe, have seen their GDP plummet by more than 14 percent. How high has unemployment grown in the eurozone? As far as I know, by over 10 percent. Ours has grown, too, but only by 6.3 percent. This is the result of government regulation. Or take inflation. We have been fighting it desperately. Is this not a regulatory function of the state?

Of course, the Central Bank and the Government are among the most important state institutions. Therefore, it was in fact through the joint efforts of the Central Bank and the Government

that inflation was reduced to 4 percent, because the Government invests substantial resources through its social programmes and national projects and has an impact on our monetary policy. It went down to 3.9 percent, and the Governor of the Central Bank has told me that we will most likely keep it around the estimated target of around 4 percent. This is the regulating function of the state; there is no way around it. However, stifling development through an excessive presence of the state in the economy or through excessive regulation would be fatal as well. You know, this is a form of art, which the Government has been applying skilfully, at least for now.

**Fyodor Lukyanov:** Mr President, since you mentioned greed, I have to ask you the following. A lively discussion began the other day on the Finance Ministry's proposal to reduce the staff at security-related agencies and to adjust their salaries and pensions. Is this a good time for this proposal? Or is it that the crisis is forcing us to cut expenses?

**Vladimir Putin:** The Finance Ministry regularly makes such proposals, crisis or no crisis. It is always in favour of reducing expenditure. In general, nearly all finance ministries in other countries do this as well. There is nothing unique in the proposal of the Russian Finance Ministry.

We do not envisage making any decisions yet. We have no term reduction or extension plans. It was just one of the Finance Ministry's proposals. It has not even been reported to me yet. It is still at the level of discussion among Government agencies. When we need to make a final decision, I will take into account the economic realities and the real situation regarding people's incomes, including in the security and military spheres, and a comparison of the levels of income in the country's military and civilian sectors. There are many factors we need

to take into account to prevent an imbalance on the labour market, and so on. I would like to repeat that these issues have not been discussed on the practical level. These discussions are ongoing within the framework of the Government.

**Fyodor Lukyanov:** Great. Our meeting has produced at least one result: the military can breathe out.

I would like to give the floor to our long-time friend who has been helping the Valdai Club a lot. Please meet Sam Charap from Washington, D.C. Usually, we had him here, but now he is at his workplace. We can get him on air now.

Sam, please.

**Sam Charap:** Hello, Mr. President,

I would like to return to your initiative to restore trust in cyberspace, which you mentioned in your remarks. Many argue whether there is trust in the outcome of the talks or the premises for holding them. It is not only about the election campaign, but the firm belief of many in Washington (and outside of it) that Russia is actively interfering in this area, and so on.

Can we ponder some kind of truce in this sphere in order to create proper grounds for talks and a minimum level of trust as a prerequisite for achieving more during ensuing talks? How do you think such a digital truce, so to say, may look like?

**Vladimir Putin:** Listen, as far as cybercrime is concerned, it always went hand in hand with digital technology and will probably always be there just like other offences. However, when we talk about relations between states, it is no coincidence that in my opening remarks I mentioned the dialogue on limiting offensive arms between the Soviet

## Union and the United States.

We agreed among ourselves to keep these weapons at a certain level. We propose reaching agreements in the sphere that is taking shape now right before our eyes and which is extremely important for the entire world and our countries. We need to discuss these matters in a broad context and come up with solutions.

I am not quite sure what kind of truce you are talking about. I believe it is already in place. You said that Russia is actively interfering. But I say: “We are not interfering in anything.” Moreover, the official probes conducted in the United States, including with the involvement of a special counsel, did not bring any results. They led to admitting the fact that there was no evidence of Russia’s interference. Therefore, I believe there is no need to set any preliminary conditions for us to start this dialogue. We must immediately sit down and talk. What is wrong with that approach? We are not proposing anything that does not meet our partners’ interests. If someone thinks that someone else is interfering in their affairs, well, let us come up with some general rules and develop verification tools to monitor compliance. Frankly, I do not understand where this persistence is coming from.

During the last months of President Obama's presidency, his administration sent us a message to the effect that, indeed, it had taken them a while to review this matter, but they are now ready for a dialogue. Unfortunately, this ended quickly, and another president came to office. We started from centre-field with the new administration. Again, almost four years later now, we have not accomplished much.

I strongly hope that when the elections are over, our partners

will return to this issue and respond positively to our proposals.

**Fyodor Lukyanov:** Thank you.

Fyodor Voitolovsky, Director of IMEMO, our flagship institute of international relations. Please.

**Fyodor Voitolovsky:** Mr President, in your statement today you mentioned one of the most burning issues of global politics, arms control. During the Cold War and especially at its final stage, the Soviet Union and the United States both applied a huge amount of efforts to create a network of treaties and a system of confidence-building measures, which limited the quantitative growth of their arsenals and reduced the risk of a conflict. Over the past 20 years, our American partners have consistently and very easily dismantled this system: first the ABM Treaty, and then the INF and Open Skies treaties. As of now, there are problems with extending the New START Treaty. Hence my question. Do you think the arms control system has a future? What new moves can be taken in this sphere?

Thank you.

**Fyodor Lukyanov:** I would like to add that we have a great number of questions about strategic offensive arms and especially the latest initiative advanced two days ago, and also a great deal of bewilderment over what this may mean and whether Russia has made excessive concessions.

**Vladimir Putin:** You asked if such arms control treaties have a future. I think that the world will have no future unless limits are put on the arms race. This is what all of us should think about, and this is what we are urging all of our partners to think about.

All of us are well aware of the problem, and you have mentioned this just now: withdrawal from the ABM Treaty, the INF Treaty and the Open Skies Treaty (the United States has not officially pulled out of it yet, but it has stated that it had launched the withdrawal process). Why? What is the reason for this decision? They do not even try to explain. They simply do not explain. Our European colleagues tell us, “Let them withdraw, but you should not do the same.” I reply, “All of you are NATO members, and so you will make flights and forward the data you collect to the Americans, while we will be unable to do this because we will remain committed to the Treaty. Let us not play dumb. Let us be honest with each other.” In fact, as far as I am aware, the United States’ European partners would like it to remain a member of the Open Skies Treaty, to keep it intact.

With regard to the INF Treaty, we have spoken about it many times, and I do not want to go over it again. When withdrawing from the ABM Treaty, the United States acted openly, directly and bluntly, but honestly. Here, though, they came up with an excuse and accused Russia of some violations, and then withdrew from the Treaty. If this were the case, if everything were just like our American partners are saying, they could also go ahead and violate it without much ado. Who was stopping them? Instead, they took this step publicly for everyone to see.

Just do not tell me that they are white and fluffy goody two-shoes who are not into underhand dealings. We are aware of what is happening with verification, in the sphere of nuclear weapons among other things, where they weld the lids or tamper with the aircraft. They get away with it and do not let us in there. Okay, we keep quiet, but the experts know what I am talking about. They just made it a point to take these steps, and to do so publicly, with broad coverage. Clearly, they are pursuing

a political goal. I just do not see any military purpose here. But the best solution is for the verification and monitoring to be implemented by all contracting parties, so that our agreements are reliably protected by these monitoring systems.

Now, START-3. We took account of all the problems when we were negotiating these issues. Only one thing was left out. It is what Russia acquired in response to the United States withdrawing from the ABM Treaty. Precisely in response to the withdrawal. I am referring to our innovative high-precision hypersonic weapons. Indeed, neither the United States nor other countries have access to such weapons, although they are working on it, and someday they will have them as well. They are telling us, "You have it, we do not, so we must take this into account." Well, we do not mind, let us take it into account. Both regarding the number of carriers and the number of warheads. We do not mind.

There are other issues that we can discuss. But what choice do we have? The treaty expires in February. After all, my proposal is very straightforward. It lies on the surface. Nothing will happen if we extend this agreement, without any preconditions, for one year and persistently work on all the issues of concern both to us and the Americans. We will work on it together and look for solutions.

After all, the trick is that we have had hardly any constructive discussions about this so far. Our partners, to put it bluntly, shied away from a direct and substantive professional discussion. The treaty will expire in February 2020, and that is all we have left now.

Question: What is better: to preserve the current treaty as it is, to start discussing it in detail and try to find some compromise



during the year or to lose it altogether and leave us, the US and Russia, and the entire world practically without any legal foundation that limits the arms race? I believe the second option is much worse than the first.

I think it is simply unacceptable but I have said, and I want to emphasise it once again, that we are not holding on to this treaty. If our partners decide it is not necessary – all right, let it be, there is nothing we can do to prevent them. Our security, Russia's security will not be damaged by this, especially because we have the latest weapons systems. This is the first part.

The second part boils down to making these agreements multilateral by including our Chinese friends in them. But are we against this? Russia is not against this but just do not shift on us the responsibility of making this treaty multilateral. If someone wants to do this, it is fine to try to achieve this. We do not object to this. Are we an obstacle on this road? No.

But the arguments quoted by our Chinese friends are very simple. China is an enormous country, a great power with an enormous economy and 1.5 billion people. But the level of its nuclear potential is almost twice, if not more lower than that of Russia and the US. They are asking a lawful question, "What will we limit? Or will we freeze our inequality in this area?" What can you reply to this? It is the sovereign right of a 1.5 billion strong nation to decide on the best way of building its policy on ensuring its own security.

Of course, it is possible to turn this into a subject of an argument or discussion and simply block any agreement. But may I ask why would only China be pressed to be involved in this process and in signing this treaty? Where are the other nuclear powers?

Where is France that, as the press reports, has just tested another submarine-launched cruise missile? Great Britain is also a nuclear power. There are other nuclear states that are not officially recognised as such, as it were, but the whole world knows that they have nuclear arms. So, are we going to behave like ostriches? Hide our heads in the sand and pretend that we do not understand what is going on? What we need is not a checkerboard pattern on our car. We need to drive it, therefore we need to ensure security. So, let us get them involved as well. Let us do it. We are not against this. The only question is whether there is any reason for this, a goal to strive for, whether there is any positive example to follow such as the agreements between the US and Russia? Or is there nothing at all?

We are ready to work from scratch, from centre-field, fine. If you ask about our position, I believe it is better not to lose what was achieved before, to move forward from the positions that have already been reached by previous generations, by the leaders of our countries. However, if our partners decide on something different, we are willing to work in any format and on any of these tracks.

**Fyodor Lukyanov:** Thank you.

Anatol Lieven, another one of our veterans, who could not come to this meeting but is taking part in it via videoconference. Please.

**Anatol Lieven:** Thank you very much, Mr President, for speaking to us. And I would also like to thank you personally for your very strong statement on climate change and the environment.

My question, however, relates to the new outbreak of conflict in Nagorno-Karabakh. Russia, like other members

of the international community, has been trying very hard to bring about a peaceful solution to this conflict, but so far these efforts have failed. If they continue to fail, given Russia's old historic links and given Russia's military alliance with Armenia, will it be necessary in the end for Russia to take sides against Azerbaijan and Turkey?

On the other hand, could this perhaps provide a positive opportunity for Russia, given the increasing confrontation which we see between France and Turkey over Turkey's claims in the Eastern Mediterranean? Could this perhaps be an opportunity for a rapprochement between Russia and France and other West European countries? Thank you.

**Vladimir Putin:** I did not quite understand the last part of the question. What does the [Nagorno-Karabakh] conflict have to do with this?

**Fyodor Lukyanov:** Maybe he meant the possibility of rapprochement with France and Europe, since Turkey is now opposed to both them and, to a degree, to us?

**Vladimir Putin:** I see.

Let us begin at the beginning, with Nagorno-Karabakh and who to support in this conflict. You said that Russia has always had special relations with Armenia. But we have also always had special ties with Azerbaijan as well. There are over 2 million Armenians and some 2 million Azerbaijanis living in Russia, both those who have come to Russia in search of jobs and those who live here permanently. They send billions of dollars to their families back home. All these people have stable and close ties with Russia at the humanitarian level, person-to-person, business, humanitarian and family ties. Therefore, Armenia and Azerbaijan are both equal partners

for us. And it is a great tragedy for us when people die there. We would like to develop full-scale relations with both Armenia and Azerbaijan.

Yes, there are some individual elements in each case, and some things in our relations with one partner differ from our relations with the other partner. In the case of Armenia, it is Christianity. But we also have very close ties with Azerbaijan in other spheres.

Speaking about religion, I would like to point out that nearly 15 percent of Russian citizens are Muslims. Therefore, Azerbaijan is not an alien country to us in this sense either.

But what we certainly cannot forget is what happened in the destiny of the Armenian people, the Armenian nation during World War I. This is an enormous tragedy for the Armenian people, This is the second part.

The third part is based on the fact that this conflict broke out not just as an interstate conflict or struggle for territories. It started with ethnic confrontation. Regrettably, it is also a fact that violent crimes against the Armenian people were also committed in Sumgait and later in Nagorno-Karabakh. We must consider all this in a package.

At the same time, we understand that a situation where Azerbaijan has lost a substantial part of its territory cannot continue. Over the years, we have suggested many diverse options for settling this crisis with a view to stabilising the situation in the long-term historical perspective.

I will not go into detail at this point but believe me, this was intensive work on bringing the positions of the parties closer. Sometimes it seemed like a bit more effort, another small step and we would find the solution. Regrettably, it did not happen,

and today we are seeing the worst-case scenario in this conflict. The death of people is a tragedy. There are heavy losses on both sides. According to our information, there are over 2,000 dead on either side. The total number of victims is already approaching 5,000.

Let me emphasise that the Soviet Union, the Soviet army lost 13,000 people during the ten years of war in Afghanistan. Now the toll is almost 5,000 in such a short span of time. And how many are wounded? How many people, how many children are suffering? This is why it is a special situation for us.

Yes, the Minsk Group was established, I believe, in 1992. As its co-chairs, Russia, France and the US are responsible for organising the negotiating process. It is clear, and I am 100 percent confident of this, that all participants in the process are sincerely striving to settle the situation. That said, nobody is interested in this as much as Russia is, because this is a very sensitive issue for us. This is not just happening before our eyes, but in a broad sense, it is happening with our people, our friends and our relatives. This is why we are in a position that allows us to be trusted by both sides and play a substantial role as a mediator on the rapprochement of positions in settling this conflict. I would very much like to find a compromise here.

As you may be aware, I maintain close contacts with both President Aliyev and Prime Minister Pashinyan. I speak to them on the phone several times a day. Our respective foreign ministers, defence ministers and heads of special services are constantly in contact. Foreign ministers of both countries came to us again. Today, or rather on October 23, they will have a meeting in Washington. I strongly hope that our American partners will act in unison with us and promote a settlement. Let us hope for the best. This covers the first part.

The second part concerns disputes within NATO between Turkey and France. We never take advantage of frictions between other states. We have good and stable relations with France. I would not say they are full-fledged, but they hold a lot of promise and, in any case, have a good track record.

Our cooperation with Turkey is expanding. Turkey is our neighbour, and I can tell you in more detail how important interaction between our states is for both Turkey and Russia.

I do not think anyone needs our mediation. Turkey and France are perfectly capable of regulating relations between themselves. No matter how tough President Erdogan's stance may look, I know that he is a flexible person, and finding a common language with him is possible. Therefore, I hope the situation will get back to normal here as well.

**Fyodor Lukyanov:** Mr President, a follow-up if I may, since it is a hot topic.

Still, Turkey's much more active role than ever before is what makes the current crisis in the South Caucasus different. You said President Erdogan is flexible. That may well be the case as you spent a lot of time with him. However, many experts believe that Erdogan's policy is actually about expanding his zone of influence to the borders of the former Ottoman Empire. These borders stretched far and wide, as we know, and they enclosed a lot of territory, including Crimea, which was part of it at some point. It was a long time ago, but nonetheless.

Should we not fear that if this becomes a consistent policy, we would have certain differences with Ankara?

**Vladimir Putin:** Russia is not afraid of anything. Thank goodness, we are not in a position where we should be afraid of anything.

I do not know about President Erdogan's plans or his attitude towards the Ottoman legacy. You should ask him about it. But I know that our bilateral trade exceeds \$20 billion. I know that Turkey is really interested in continuing this cooperation. I know that President Erdogan is pursuing an independent foreign policy. Despite a lot of pressure, we implemented the TurkStream project together rather quickly. We cannot do the same with Europe; we have been discussing this issue for years, but Europe seems unable to show enough basic independence or sovereignty to implement the Nord Stream 2 project, which would be advantageous to it in every respect.

As for Turkey, we implemented our project quite quickly, despite any threats. Erdogan, who was aware of his national interests, said that we would do it, and we did it. The same is true of our ties in other areas, for example, our military-technical cooperation. Turkey decided it needed a modern air defence system, and the world's best is the S-400, a triumph of Russian industry. He said he would do it, and he bought it. Working with such a partner is not only pleasant but also safe.

As for aspirations, regarding Crimea or anything else, I know nothing about them, and I do not care about them because the interests of Russia are reliably protected, take my word for it. I am sure that our other partners are fully aware of this.

Regarding Turkey's refusal to recognise Crimea as part of Russia, well, we do not see eye to eye on all subjects. For example, we are not always on the same page regarding the situation in the South Caucasus. But we also know about the positions of Europe and the United States. They claim to be true dyed-in-the-wool democrats, but they do not even want to hear about the people of Crimea voting for their future in a referendum, which is the highest form of direct democracy.

As I said, they adopted sanctions against the Crimean people. If Crimea was annexed, then they are the victims. Why are sanctions adopted against the victims? But if they voted freely, it was democracy in action, so why are they being punished for democracy? This is all rubbish and nonsense, but it is also a fact of life. So why point the finger at Erdogan? Just take a look at what is happening in other countries.

This is a consistent stand: he does not recognise Crimea, and he does not recognise Nagorno-Karabakh. What should we do? We must continue working with everyone and remain calm. This is exactly what we have been doing: trying to prove that our position is correct, and we will continue to uphold it, and when positions diverge, we look for compromise.

For example, as far as I know, our views on the developments in the South Caucasus do not coincide, because we believe that conflicts should be settled diplomatically at the negotiating table rather than with the use of armed force. Of course, one could say that talks have been ongoing there for 30 years, but to no avail. Well, I do not see this as a reason to start shooting.

**Fyodor Lukyanov:** Thank you very much.

Of course, Mr Erdogan has been consistent. For example, he recognises Northern Cyprus. But this is perhaps part of the flexibility that you were talking about.

**Vladimir Putin:** Yes, you are right. I agree. I was supposed to say this but it slipped my mind. But you are correct. Northern Cyprus, yes. However, as far as I know, Turkey does not object to the country finally being unified. The principles of this unification are the problem. But, overall, you are right.

**Fyodor Lukyanov:** Thank you.



Anatoly Torkunov, President of the Moscow State Institute of International Relations.

**Anatoly Torkunov:** Mr President,

Although there are still more than two months left in 2020, I think all of us see this year as one of very dramatic and unpredictable events. So of course, there is a joke that goes, if by the end of the year we encounter aliens, nobody will be surprised.

Never mind the aliens, we will see how it goes. My question is, of course, not about them. It is related to the developments around our borders. Thank you for such a detailed and interesting account. As an expert, I was very curious to hear your remarks on the South Caucasus.

But in general, developments around our borders seem to be rather dramatic. Let us take the events in Kyrgyzstan.

The elections in that country have always prompted some kind of turbulence, although this year the civil disturbances have been particularly rough. The situation in Belarus is somewhat complicated. There is also the problem of Donbass.

I understand that you must be tired of talking about this. We know your firm and consistent stance on this issue.

My question is what are Russia's current fundamental foreign policy goals in the post-Soviet space, considering that it directly concerns our security and humanitarian links? Today you have stressed several times that these people are not foreigners to us – meaning the Caucasus but also our friends in Central Asia and our friends in Belarus and Ukraine.

Thank you.

**Vladimir Putin:** You know this better than anyone else, you are

a very experienced person and a professional with a capital “P”. Our policy in the post-Soviet space within the CIS framework is the main component of our overall foreign policy. This is obvious because all the countries you listed and every other country with which we have good, very good multilateral relations, as well as those with whom our ties seem to be in a stalemate in some cases – they are not foreign countries to us all the same. These are not remote countries somewhere overseas about which we know little.

It is obvious that we lived in a single country, and not just for many years but for centuries, We have strong ties and very deep cooperation in the economy, humanitarian ties. We all speak a common language. In a sense, to a greater or lesser degree, we are essentially people of the same cultural space, not to mention our history. We have a common history and a common victory over Nazism. Our predecessors – our fathers and grandfathers – validated our special relations with their blood.

Regardless of the current events and today’s political environment, I am sure that this community of interests will eventually pave the way to the restoration of our ties with all these countries, no matter how difficult our ties with them are.

At the same time, and this is also an obvious fact, when our common state, the USSR began disintegrating, the people who dealt with this did not think about the consequences this would lead to, something they should have thought about. But it was clear that our neighbours did not always have identical interests. Sometimes their interests diverged and rope pulling was always possible. I believe we must and will find solutions to complicated issues in any way we can, but we need to avoid fueling or exaggerating anything or emphasising disputed issues.

On the contrary, we must look at what can and must unite us and what does unite us. What is this? Our common interests.

Look, with respect to economic integration, who is not interested in this? Only our competitors. And the post-Soviet countries are bound to understand, at least smart people are bound to understand that a concerted effort, considering we have a common infrastructure, common transport and energy system and a common language that unites rather than divides us, etc., is our distinct competitive advantage in achieving the things for which some economic associations and structures have been fighting for decades, while we have received all this from our predecessors. We must use this, and this brings benefits to all of us. It is absolutely obvious that this is simply beneficial.

Look, Ukraine saw a revolution in 2004, and then in 2014 another revolution, a state coup. What happened as a result? Read the statistics published by the Ukrainian statistical services: shrinking production, as if they had more than one pandemic. Some of the local industries, ones the entire Soviet Union and Ukraine itself were proud of – the aircraft industry, shipbuilding, rocket building – developed by generations of Soviet people, from all Soviet republics, a legacy Ukraine, too, could and should be proud of – are almost gone. Ukraine is being de-industrialised. It was perhaps the most industrialised Soviet republic, not just one of them. There was of course the Russian Federation, Moscow, St Petersburg, Siberia, the Urals – all right, but Ukraine still was one of the most industrialised republics. Where is all this now and why is it lost? It was just the stupidity of those who did it, just stupidity, that is all. But I hope that these common interests will still pave the way for common sense.

You just mentioned Belarus – indeed, we have witnessed these turbulent processes there. But there is something I would like to highlight. As you may have noticed, Russia did not interfere in what was happening there. And we expect no one else to interfere either. No one should be stirring up this conflict to promote their own interests and impose any decisions on the Belarusian people. I already said in my opening remarks that nothing introduced from the outside without taking into account the peculiarities, culture and history of the people will ever work for that culture, those people.

The Belarusians themselves should be given the opportunity to calmly handle their situation and make appropriate decisions. The decisions they will make could pave the way for amending the country's Constitution or adopting a new Constitution. President Lukashenko said this publicly. True, people can say, well, he will just write something for his own benefit, this kind of constitution will have nothing to do with democracy. But, you know, it is possible to slander just about anything, and there are always sceptics. But I already said this, so I will not go into more detail.

But what happened in Belarus compares favourably with what happened on the streets of some big cities in developed democracies, do you see that? There has been some harsh action indeed, I give you that, and maybe even unjustified, but then, those who allowed it should be made responsible. But in general, if you compare and look at the pictures – in Belarus, no one shot an unarmed person in the back, that is what I mean. So let us just calmly deal with this.

The same goes for Kyrgyzstan. I think current developments there are a disaster for Kyrgyzstan and its people. Every time they have an election, they practically have a coup. What does

this mean? This is not funny. It means that many of these countries are taking the first steps towards their own statehood and the culture of state development.

I have told my colleagues many times that the post-Soviet countries should be treated with special attention, and we must carefully support these new sprouts of statehood. In no case should we be pressing advice or recommendations on them, and even more so, avoid any interference, because this will destroy the fragile, nascent institutions of sovereignty and statehood in those countries. It is necessary to give these nations the opportunity to carefully build these relations within society leading by example, but not acting like an elephant in a china shop with advice and piles of money to support one or the other side.

I strongly hope that we have helped Kyrgyzstan, as a member of the CSTO and the EAEU, to get on its feet, invested hundreds of millions of dollars to support the Kyrgyz economy and various industries and to help Kyrgyzstan adapt so it can join the EAEU. This also goes for phytosanitary services, customs systems, individual sectors of the economy and enterprises. We have recently implemented projects valued at up to \$500 million. I am not even talking about grants that we provide annually in the amount of tens of millions of dollars.

Of course, we cannot look at what is happening there without pity and concern. Please note that we are not pressing our advice or instructions on them. We are not supporting any particular political forces there. I strongly hope that things in Kyrgyzstan will get back to normal, and that Kyrgyzstan will get on the path to progress and we will maintain excellent relations with them.

The same goes for Moldova. We can see the developments related to Moldova, and we know the Moldovan people's needs for promoting democracy and economy. But who is buying Moldovan wine? Will France buy Moldovan wine? Who needs it in the European markets? They have more than enough of their own. When they ship wine from country to country, even within the European Union, the farmers dump it into ditches just to get rid of the cargo.

This is not just about wine. Other sectors of the economy are so closely tied to Russia that they simply cannot exist without it, at least for now. They can only sell their products in Russia. This is exactly what happened to Ukraine. Therefore, we hope that during the next election in Moldova, the Moldovan people will appreciate the efforts that the current President of the republic is undertaking to build good relations with Russia.

**Fyodor Lukyanov:** Thank you very much.

Hans-Joachim Spanger has joined us from Frankfurt.

**Hans-Joachim Spanger:** Mr President,

Allow me to turn to an issue which is connected with a person whose name reportedly is not really used in the Kremlin, at least not in public – Alexei Navalny.

A renowned Russian scholar, Dmitry Trenin, the director of the Carnegie Moscow Center, recently stated, let me quote: “The poisoning of the opposition activist Alexei Navalny has become a turning point in Russo-German relations.” And this, according to him, essentially means that, another quote, “this special role performed by Germany and its Chancellor in recent years is now a thing of the past. From now on, Germany will have the same attitude to Russia as all the other countries in Western Europe.”

My question is whether you share this view that a) there was such a special role of Germany in bilateral German-Russian relations, and b) whether you also detect such a turning point now, and if so, what Russia can do to avoid it happening, or, conversely, to turn the turning point around again? Thank you.

**Vladimir Putin:** I will start with the first part of your question, about the poisonings. First, we have heard about poisonings here and there many times. It is not the first time.

Second, if the authorities had wanted to poison the person you mentioned or to poison anybody, it is very unlikely they would have sent him for medical treatment to Germany. Don't you think so? As soon as this person's wife contacted me, I immediately instructed the Prosecutor General's Office to see if it was possible to allow him to travel abroad for medical treatment. They could have prohibited it because he was under restrictions due to an investigation and a criminal case. He was under travel restrictions. I immediately asked the Prosecutor General's Office to allow that. And he was taken to Germany.

Then we were told that they found traces of this infamous Novichok that is known around the world. I said, "Please give us the materials." Primarily, the biological material and the official report so that we can do more research that can give us official and formal legal grounds for initiating criminal proceedings.

What was unusual about this request? Our Prosecutor General's Office, in keeping with the agreements we have with Germany, has repeatedly forwarded official requests for these materials. Is this unusual? In addition, in a conversation with a European leader, I suggested that our specialists go to Germany and together with French, German and Swedish experts work on site to obtain the necessary materials, which we could use to initiate criminal proceedings and, should this

incident prove to be a crime, investigate it. But they would not give us anything. How can you explain why? There is no explanation, there is just no explanation. This all looks strange.

Well, they said that they had found traces of Novichok. Later they passed whatever they had on to the OPCW – the Organisation for the Prohibition of Chemical Weapons. Then quite unexpectedly, they said, it is not Novichok – it is something else. So, is it Novichok or not? This has cast doubt on what was said before. Well, let us investigate the incident together. I say, as I have said several times, that if this is really true, we will definitely conduct an investigation. Unfortunately, there have been attempts on the lives of public figures and businessmen in our country. These cases were investigated in Russia, the culprits were found and punished and, what is important, all of them were punished. We are prepared to spare no effort in this case as well.

As for specific individuals, we have quite a few people like Saakashvili, but I do not think that currently these people have influence to speak of... They may also change, why not? They may undergo some transformation – which, in principle, is not bad – and will also get involved in realpolitik instead of making noise in the street. Take Occupy Wall Street – where is it? Where? Where is all the informal opposition in many European countries or the United States, for that matter? There are many parties there. Where are they? Two parties dominate the political stage and that is it. However, look what is going on in the streets.

This is why we are developing the Russian political system and will continue to do so, offering all political forces – seriously-minded, sincere and patriotic ones – the opportunity to work in compliance with the law.



Now, regarding Germany's role. We have had very good relations with Germany in the post-war years. I think this was largely due to the German Democratic Republic, the GDR, which was the Soviet Union's key and main ally in Europe, at least during the time that state existed. We have developed very good relations at the personal and political levels, and in the economic sphere. I know there are still a lot of people there now who sympathise with Russia. And we appreciate that.

Incidentally, the Soviet Union did play a decisive role in the reunification of Germany. It was indeed a decisive role. Some of your current allies, allies of Germany, in fact, objected to the unification of Germany, no matter what they said. We know this; we still have it in our archives. While the Soviet Union played this role. I personally believe that it was the right thing to do, because it was wrong to break a single whole into parts, and if the people there really want something, in Germany's case they wanted unity, reunification, their pursuit should not be contained by force, as it will not do anyone any good.

As for building relations between East and West Germany – this should be up to the Germans, of course. Has Germany played any special role, say, as a mediator between Russia and the rest of the world or Russia and the rest of Europe? I do not think so. Russia is a country that does not need intermediaries.

At the same time, we have always had very special economic, and even humanitarian ties with Germany. Why? Because Germany wanted to play a special role? Well, no, I think it had more to do with Germany's own interests. Even now, Germany is Russia's second largest trade partner, in gross volume. It used to be the first, by the way, but it is second to China now, as our trade with China is twice the volume it is with Germany.

Nevertheless, there are more than 2,000 companies with German capital in our market. We have a fairly large volume of German investment and German businesses are interested in working in Russia. We are happy about this, because we know these are sincere people interested in expanding ties with our country. I regularly meet with representatives of German business; they are all our friends, or I would like to think so, anyway. This cooperation provides millions of jobs in the Federal Republic of Germany as well, because goods produced by German enterprises go to the Russian market; they enjoy demand here, which means jobs there.

Incidentally, many industries have been seeing a high level of cooperation in recent years. All the above are manifestations of the special nature of our relations, of a mutual interest, I would say. Mutual interest is at the heart of this relationship – not an ambition to play some special role. And this mutual interest will not go away, regardless of the current political situation, and we will maintain such relations, no matter what anyone does.

**Fyodor Lukyanov:** Thank you very much.

We will stay in Europe for now.

Nathalie Tocci from Rome has joined us. Nathalie, please go ahead.

**Nathalie Tocci:** Thank you, Mr President, for your extremely candid remarks.

You spoke very eloquently about the importance and centrality of the state, but at the same time the importance of international cooperation, and, in particular, highlighted areas like security as well as climate, which I would associate also with energy transition.

Now, when it comes to security, perhaps a follow-up question on the Caucasus and the resumption of war between Armenia and Azerbaijan. At some point, hopefully very soon, there will be a new ceasefire. At the same time, the conflict itself won't be resolved. Given that the current configuration of the three Minsk Group co-chairs has been unable to deliver a settlement in all these 26 years, does Russia think that this is the setup that should be reconsidered?

And then, perhaps, if I may, a question on climate change and, in particular, energy transition. Now, energy transition requires funding. The European Union, for instance, will dedicate approximately 40 percent of its next-generation new fund to the Green Deal. Now, when it comes to Russia, it is clear that, being a country that has depended quite importantly on its fossil fuel exports, stabilising energy markets is obviously going to be key for Russia in order to obtain the funds to move forward.

In your speech you highlighted the importance OPEC Plus had in that stabilisation of the market, and I think Russia itself played an extremely important role in ensuring that supplies were cut so as to stabilise prices. But at the same time, we are now in a second wave of the pandemic, and we are likely to see demand continuing to be rather sluggish. Would you expect, or would you like to see in 2021, a further cut in supplies to ensure a further stabilisation of prices?

**Vladimir Putin:** I will start with the first part of your question regarding the Minsk Group negotiation format and whether it should be changed. Unfortunately, Nathalie, I cannot answer your question. This is for a number of objective reasons, not because I want to emphasise Russia's role, we all understand that Russia is where it is, nearby. These are our neighbours,

and we have special relations with these countries and these peoples. The influences are very strong. I have already said that 2.4 million Armenians and about 2 million Azerbaijanis live in Russia. They wire tens of billions of dollars to support their families. But this is just one factor. I am not even mentioning many others, including the use of markets, cultural ties, and so on. That is, in our case, the situation is very different from relations between the United States and Armenia, or the United States and Azerbaijan, or even Turkey and Azerbaijan. Therefore, of course, we bear special responsibility and must be very careful in what we do.

In this context, the support of the United States, France and other members of the Minsk Group – 10 or 12 countries – matters a lot to us. There are European countries there, and Turkey as well. Do we need to change anything in this regard? I am not sure. Maybe the format could be tweaked a little, but it is imperative to find constructive and acceptable compromises for both sides.

To reiterate, for many years we have been looking for these compromises. We have proposed, believe me, very persistently, a variety of compromises, down to minute details and kilometres, to tell you the truth. All sorts of “corridors” were suggested, as well as an exchange of territories. All the things that were suggested... Unfortunately, we were unable to identify a solution, which eventually led to this tragedy. I hope these hostilities will come to an end soon. I agree with those who believe, including you, that the first thing is to immediately stop the hostilities. We, in fact, agreed to this during the meeting in Moscow. Unfortunately, we were unable to avoid this situation. We will continue to strive for this.

Now I would like to say a few words about oil and everything

connected with it, the demand for oil and so on. We are working on alternative energy sources ourselves. We are one of the richest countries in hydrocarbons, oil and gas, but this does not mean at all that we should not think about the future. We are thinking about it and about solar energy and hydrogen energy. We are working on this. Moreover, we are working on this with a view to improving the current situation.

You know for sure that we have adopted a decision in line with which in 2022 we must make our 300 largest contaminators, that is, 300 major companies that are the biggest emitters of these gases, switch to the most accessible, latest technology that would minimise emissions into the atmosphere and into the environment in general of any pollutants, and reduce these emissions by 20 percent by 2024. But we understand that by dealing with these 300 companies and 12 cities where most of them are located, we will not drastically improve the situation. Our strategy in this respect is aimed at halving all anthropogenic emissions by 2030. We must move towards this goal. We have set it for ourselves and will pursue it consistently. We will work on it.

That said, I do not think it will be realistic, provided every country wants to be competitive, to abandon hydrocarbons in the near future. I believe the near future embraces several decades: 30, 40 and 50 years from now. This is simply unrealistic.

Therefore, when we hear about European novelties on hydrocarbons and relevant restrictions, I do not know on what basis these proposals, conclusions and decisions are made. Are they explained by domestic political struggle? Later they are followed by restrictions in international trade and cooperation, right? I do not think this will lead to anything

good. It is necessary to achieve a result in this respect not through restrictions but through cooperation and a striving to reach common goals.

We have done what we ought to do under the Kyoto agreement. We have fulfilled everything we did. We are active participants in the Paris agreement and intend to do all this. We are not shutting down from it. On the contrary, we think this is the way to go.

I spoke in my opening remarks about the speed at which permafrost is disappearing and the consequences this may have for all humankind. And what about us? We have a lot of transport systems in this zone: oil and gas pipelines and railways. Our residential districts and whole cities are located on this territory. This is a huge problem for us, and that is why we are willing to work and will work, both ourselves and at the international level, for a clean environment and a reduction in anthropogenic emissions. That said, it is impossible to do without hydrocarbons.

But there is also natural gas as a hydrocarbon source. It is actually the cleanest of hydrocarbons. And what about nuclear energy? Despite what anyone says or the scare tactics around nuclear power and nuclear power stations, it is one of the cleanest kinds of energy. So what are we talking about? Take automobiles, what is the primary energy source there? Even now, Europe and the entire world still use coal to produce electricity. Yes, coal's share is falling but it is still used.

Why should any fiscal constraints be placed on using natural gas and even diesel fuel? By the way, it can be made to be extremely clean with modern purification and usage standards. So what is the point? To give competitive advantages to certain

sectors of the economy in this or that country, with politicians standing behind it. That is the only way I can explain it, not as a simple desire to improve the environment. Nevertheless, I hope sound decisions will be taken here and we will be able to find a proper balance between environmental and economic interests.

As for the demand for oil and work within OPEC+, we maintain contacts with all our partners – both the Americans and the Saudis. We do so regularly at the ministerial level. Literally just the other day I spoke to the Crown Prince of Saudi Arabia, we consult with one another. We believe there is no need to change anything in our agreements as of yet. We will be closely tracking the recovery of the market. You said it was sluggish. It was but is recovering, I will note, it is growing.

The world economy did indeed contract due to the pandemic but consumption is on the rise. That has something to do with our decisions as part of OPEC+. We are of the opinion that nothing needs to change right now. However, we are not ruling out either maintaining existing production limits or not lifting them as soon as we had intended earlier. And if necessary, we will make further reductions. But currently we do not see the need. We have agreed with all our partners that we will closely monitor the situation.

Russia is not interested in higher or lower prices necessarily. Here, our interests overlap with those of our US partners, perhaps primarily with them, because if oil prices drop significantly, shale production will experience great difficulties, to put it mildly. However, although it did not join the OPEC+ deal in a meaningful way, the United States has, in fact, reduced output.

So, almost all market participants, all players have close or overlapping interests, as diplomats say. We will proceed based on the actual situation so as not to make a negative impact on the market. As you are aware, it is important not to impact geological exploration and the preparation of new wells. If we treat the energy sector like a stepchild and keep saying it is not good enough and does nothing but pollute, investment will dry up, and prices will skyrocket.

That is why it is necessary to act responsibly and not politicise this issue or chatter idly, especially for those who know nothing about it, but to act based on the interests of the global economy and their own countries' interests and find a compromise between protecting nature and growing the economy, so our people can earn enough to support themselves and their families. We will succeed only if we manage to balance these interests. Anything less will lead to ruin.

**Fyodor Lukyanov:** Mr President, we at the Valdai Club have the pleasure to meet with you regularly and so we have a basis for comparison. If I may say so, I think you have learned something from the pandemic. You sound at peace when you talk about it. I have to ask. You speak so well of Europe, but does it bother you that you are considered almost a murderer there, that those closest to you in government are sanctioned and you are always called on to justify something? And yet I can hear absolution in what you say.

**Vladimir Putin:** You know, there is little that bothers me, because to a certain extent, when I carry out my official duties, I become the function of protecting the interests of the Russian people and the Russian state. Everything else I try to shut out, so that it does not interfere with the performance of this function. I have had a long time to get used to these attacks, since 2000,



when we fought international terrorists in the Caucasus. I heard and saw everything. They portrayed me with fangs and in every other way imaginable. So, it has no effect on me.

**Fyodor Lukyanov:** Thank you.

Let us jump to the other side. Zhao Huasheng, Shanghai.

**Zhao Huasheng:** Good afternoon, Mr President.

**Vladimir Putin:** Good afternoon.

**Zhao Huasheng:** Thank you very much for this great opportunity.

This year's theme at this Valdai Club session is *The Lessons of the Pandemic and the New Agenda: How to Turn a World Crisis into an Opportunity for the World*. I will paraphrase this: how can we turn a world crisis into an opportunity for Sino-Russian relations?

The world is rapidly changing now. Given these conditions, how do you think Sino-Russian relations should develop? I am referring to political and economic ties and regional and international cooperation. What new approaches can be expected? Thank you.

**Vladimir Putin:** I would give a very brief answer to the question on how to further develop Sino-Russian relations: the same way we have been doing it and are doing it now. Russian-Chinese relations have reached an unprecedented level.

I am not even mentioning the term “specially privileged” relations, etc. What matters is not the name but the quality of these ties. As for the quality, we treat each other with deep trust; we have established durable, stable, and most importantly, effective ties across the board.

My friend – and I have every reason to call him a friend –President of the People's Republic of China Xi Jinping and I continuously consult each other on what and how things need to be done based on what has already been achieved, but we always find a way to move forward.

You know that we are working together in aviation and nuclear power engineering, as I have just mentioned, and further developing trade ties. Last year, our trade was over 111 billion. This is far from the highest figure that we can achieve. We will certainly achieve more.

We are developing infrastructure, building bridges that unite us in the literal meaning of the word. We are developing humanitarian ties and seeking implementation rather than simply planning large projects in the areas where we supplement each other effectively, including energy.

China is a big shareholder in a number of large Russian projects on gas production, and later, on liquefaction (LNG). Where are these projects carried out? Not on the border with China but in the north of the Russian Federation. We work together in a variety of other areas. And, as we have said many times, there is no doubt that international cooperation is a very important factor in stabilising world affairs; this is absolutely obvious.

To say nothing of our military and defence industry cooperation. We have traditionally maintained relations in this area on a significant scale. I am not only talking about buying and selling, I also mean the sharing of technologies. We hope to maintain this working relationship with our Chinese friends – a friendly relationship based on mutual respect, oriented toward achieving the best results for the people of both China

and Russia.

As for Shanghai, it happens to be a sister city of St Petersburg, where I am from. I have been to Shanghai on more than one occasion. It is a magnificent and beautiful city, and I wish the people of Shanghai all the best.

**Fyodor Lukyanov:** Thank you.

Here is a follow-up question from China to clarify a bit what you just said. Professor Yan Xuetong wants to ask you a very simple and straightforward question: Is it possible to conceive of a military alliance between China and Russia?

**Vladimir Putin:** It is possible to imagine anything. We have always believed that our relations have reached such a level of cooperation and trust that it is not necessary, but it is certainly imaginable, in theory.

We hold regular joint military exercises – at sea and on land in both China and the Russian Federation – and we share best practices in the build-up of the armed forces. We have achieved a high level of cooperation in the defence industry – I am not only talking about the exchange or the purchase and sale of military products, but the sharing of technologies, which is perhaps most important.

There are also very sensitive issues here. I will not speak publicly about them now, but our Chinese friends are aware of them. Undoubtedly, cooperation between Russia and China is boosting the defence potential of the Chinese People's Army, which is in the interests of Russia as well as China. Time will tell how it will progress from here. So far, we have not set that goal for ourselves. But, in principle, we are not going to rule it out, either. So, we will see.

Anyway, we are satisfied with the current state of relations between Russia and China in this area. Unfortunately, we have to confront new threats. For example, the intention stated by our American partners to possibly deploy medium- and short-range missiles in the Asia-Pacific Region, of course, raises alarm, and we undoubtedly will have to take reciprocal steps – this fact is self-evident.

Of course, before it comes to that, we have to see what if anything is going to happen, what threats it will pose to us, and, depending on that, we will take reciprocal measures to ensure our security.

**Fyodor Lukyanov:** Thank you.

Piotr Dutkiewicz from Canada, please.

**Piotr Dutkiewicz:** Mr President, thank you so much for this unique opportunity to talk to you.

You mentioned in your speech that the youth will have to push the future of Russia, the development of Russia forward. But young people are very unhappy with the world. Look at what is happening in the US, France and Israel. They are saying we have shut the door to a good future for them. According to international opinion polls, over half of young people think they will live worse than their parents do. But they are not impressed by any of this. So, I would like to ask you as the President of the Russian Federation, what you can advise and offer to Russian youth?

**Vladimir Putin:** I touched on this in my opening remarks, but I can say it again. Of course, the future belongs to the youth, This is the first thing.

Second, young people are usually discontent not with what is

happening but with what they have achieved for today, and they want more. And this is right, this is what underlies progress. This is a foundation for the young people to create a better future than the one we have built. And there is nothing surprising or new in this idea. We can understand this from classic Russian literature. Read *Fathers and Sons*, it is all there.

But what can we offer? We believe we will give young people more opportunities for professional growth and create more social lifts for them. We are building up these instruments and creating conditions for people to receive a good education, make a career, start a family and receive enough income for a young family.

We are drafting an increasing number of measures to support young families. Let me emphasise that even during the pandemic, most of our support measures were designed for families with children. What are these families? They are young people for the most part.

We will continue doing this in the hope that young people will use their best traits – their daring striving to move ahead without looking back at formalities that probably make older generations more reserved – for positive, creative endeavours. Eventually, the younger generation will take the baton from the older generation and continue this relay race, and make Russia stronger.

**Fyodor Lukyanov:** Thank you.

We have an unusual connection with Australia today. I do not remember anything like this before.

Anton Roux, Please, go ahead.

**Anton Roux:** Thank you, Mr President, for the opportunity

to ask you a question. I really appreciated your insightful, heartfelt and considered remarks during your speech; and I come to you from our second state lockdown in Melbourne, Australia, which is also a sister city to St Petersburg. I embrace also your urging to cast aside silo mentalities.

My question is the following: How do you want to be remembered? What do you want your legacy to be as a world leader and the President of the Russian Federation during the first half of the 21<sup>st</sup> century? How would you like international historians across the world to write about you and your legacy as a leader, a man and a human being at the end of the 21<sup>st</sup> century? And how might you shape this any differently during the next phase of your leadership as President of the Russian Federation?

**Vladimir Putin:** If the translation is correct, you said “who lived in the 21<sup>st</sup> century.” But, thank God, we are alive and keep living in the 21<sup>st</sup> century. To be honest, I never think in terms of the areas you mentioned. I do not think about my role in history; those who are interested can decide. I never read a single book about myself.

I just keep working day in, day out, trying to resolve current issues and looking into the future so that these current issues do not stand in the way of achieving our strategic goals. It is, in fact, routine work. I proceed from what I must accomplish today, tomorrow, this year, or in three years given that we plan the budget of the Russian Federation three years in advance.

Of course, as I have said, we do consider strategic goals; this is why we have drafted and continue pursuing national development plans and national projects. But this totally

unrelated to any desire to mark my place in history in some way. It is related to something completely different – ensuring the interests of the Russian people, the Russian state, strengthening Russia.

How I will be seen by future generations, I would rather leave to them and their judgment. But then, I do not think I would be interested in these judgments when they are made. In this sense I am a pragmatic person, and I am trying to work not for my image as a world leader, and I do not think I am one (I do not think I am any different from my colleagues – the heads of other states), I work to strengthen my country. This my priority and the meaning of my life.

**Fyodor Lukyanov:** Thank you. I remember your interview a few months ago, ahead of the constitution referendum, when you openly said that an opportunity to remain in office after 24 years is a guarantee against bureaucratic intrigue, the people around you, so they would not look around in search of a successor.

But if this is true, it is an endless circle; they will always be searching, even while you remain in office.

**Vladimir Putin:** No, it must definitely end one day, I am perfectly aware of that. And the changes in the Constitution you mentioned are aimed not only at granting the incumbent head of state the right to be elected in 2024 and later, but these amendments are basically aimed at reinforcing the sovereignty of the Russian Federation, outlining our development prospects and building up the fundamental constitutional foundation for progress in the economy, the social sphere and enhancing our sovereignty.

I expect it will all work.

As to what will happen in 2024 or later – we will see when

the times comes. Now we all just have to work hard like St Francis, everyone at his or her place.

**Fyodor Lukyanov:** Thank you.

Alexander Rahr, please.

**Alexander Rahr:** Mr President, my question is about nostalgia as well. I remember your historical speech at the German Bundestag 20 years ago, where you actually proposed building a common space from Lisbon to Vladivostok. Do you regret that?

Here is my point. The French and the Germans supported the idea. The Eastern Europeans did not. America will not, either. Actually, that keeps us from building our relations with Russia, which, I think, many Europeans would like.

If you had the opportunity to address the Bundestag again, would you also propose working together in the digital sphere or, perhaps, the environment, which would unite Europe and Russia in terms of energy? I think this is a promising idea for the future.

**Vladimir Putin:** Regarding what I would say if I were speaking there now, here is what happened back then.

At that time (it was 2007, correct?), many of my colleagues told me it was a bit harsh and it was not very good.

What did I actually say? I will refresh your memory. I said it is unacceptable for one country to extend its law beyond its national borders and try to subject other states to its regulations. Something along these lines.

What is happening now? Is it not Western European leaders who are saying that secondary sanctions and extending US jurisdiction to European companies are unacceptable?



If only they had enough guts to listen to what I said back then and to try to at least change the situation, do it carefully, without destroying Atlantic solidarity or the structural arrangement in NATO or elsewhere. I was not talking about that, but about the fact that it is unacceptable and bad for everyone, including those who do this.

Back then, our European partners seemed not to care and everyone looked the other way. Here again, what happened then is happening now. I am saying that this is still bad for everyone, including those who are pursuing or trying to pursue a policy of exceptionalism, because this actually destroys relations and interaction between Europe and the United States, and ultimately causes damage to the United States itself. Why do this?

This fleeting tactical gain that the United States is seeking may lead to negative strategic consequences and the destruction of trust. This is not my business, but since we are having an exchange at the discussion club, I will go ahead and philosophise. This is an absolutely obvious thing.

So, I did not say anything unusual, harmful or aggressive in Munich in 2007. But if I were to speak there now, I would not, of course, say I told you so. I would not do that just out of respect for my colleagues. I am fully aware of the realities back then and today. We do not live in a vacuum, but in real life conditions, our relationships are real and our interdependence is strong.

We understand everything perfectly well, but we need to change things. We are talking about a new world order, so these realities must be taken into account when building modern international relations, which must, of course, be based

on consideration for each other's interests and mutual respect, and respect for sovereignty.

I hope we can build our relations carefully and calmly, without destroying what has been created over previous decades, but while taking into account today's needs. These relations will meet present requirements and the interests of all participants in international communication.

**Fyodor Lukyanov:** Alexei Yekaikin. Since we have talked a lot about ecology today, we cannot go without this.

**Vladimir Putin:** What time is it?

**Fyodor Lukyanov:** Yes, we are finishing up, Mr President. We feel we have already exceeded our time, but we cannot do without ecology in the end.

**Vladimir Putin:** No, we cannot. I agree.

**Alexei Yekaikin:** Thank you, Fyodor.

Good evening, Mr President.

Maybe, this question will seem a bit surprising to you although we have met several times over the years and talked about this. I would like to raise it again. It is about the Antarctic. We spoke about this at the climate session and, in general, this is an anniversary year for us – 200 years since the discovery of the Antarctic.

This is what my question is about. Russia has adopted or is adopting a strategy for developing activities in the Antarctic. A new Vostok station is under construction in the Central Antarctic as part of this strategy. You know this.

It would seem that everything is fine, investment in the infrastructure and the like. So, you may get

the impression that we are doing well in the Antarctic. Alas, this is not the case, because the policy is about infrastructure but does not say a word about science. This is a fairly paradoxical situation. I would call it strange because we invest in the infrastructure whereas the main goal for which we need it, that is, science, remains somewhere backstage.

At our Arctic and Antarctic Research Institute, we have prepared a draft federal programme for studying the area around the Vostok station for the next 15 years. It has been drafted in detail. It consists of two main themes. The first is the study of the past climate based on ice core data, and this study is very closely connected with the climate theme. Yes, this is drilling the ice, that is right.

The second theme concerns the subglacial lake Vostok. You also know about this. It is one of the most unique phenomena on the planet.

These are two subjects in which we, Russian scientists, are generally strong; we are not trying catch up with anyone in this respect. We are at the proper level and even ahead of some of our colleagues. Nonetheless, there is no government support for research in the Antarctic. I find this strange.

We sent this draft programme to the Ministry of Natural Resources, our relevant ministry. I do not know where exactly it is now. We do not know what happened to it. My question is very simple: does the Russian Government have the opportunity to support our efforts to study the Antarctic or will this topic go down the drain?

After all, it would be a pity to lose our priority in this area.

Thank you very much.

**Vladimir Putin:** Alexei, first of all, the fact that your colleagues and you made it to Lake Vostok and made this discovery, got to this water that is thousands of years old and that was not connected in any way with the world, remaining under the ice, this, of course, is of great interest to people like you, researchers, who study what eventually became the Earth and how the climate was changing.

I saw this; they brought me the core samples and the water. It is exciting. However, the fact that the infrastructure is being created means that preparations for research are underway. I do not know the plans regarding the allocation of funds for these purposes. You said that money was allocated for the infrastructure, but not scientific research. I doubt this is a lot of money. If the Ministry of Natural Resources ...unfortunately, budget cuts are underway, which are caused by certain economic difficulties.

I am not sure if it was necessary to cut the already small expenses associated with Antarctic research. I promise I will look into it. We will punish anyone who made a mistake.

**Fyodor Lukyanov:** Mr President, you mentioned in your speech that you do not miss the Cold War. Do you miss anything at all?

**Vladimir Putin:** My children, I rarely see them.

**Fyodor Lukyanov:** We at the Valdai Club miss the opportunity to get together in person. With all the great advances in technology that allow us to hold almost complete meetings, we would still very much like to talk in person to you and each other next year.

We have not broken the record; there was a forum where the President spent more time with us, but we are close. We

talked with the President of the Russian Federation for almost three hours, for which we are sincerely grateful.

Thank you very much. We will try to quickly get back to our normal schedule, and we look forward to seeing you next year.

**Vladimir Putin:** Thank you very much for hosting this.

I want to address all members of the Valdai Club, the analysts, politicians and journalists who work with this entity. It is an entity, because it has been operational for many years now. I hope you find it interesting and useful.

I am grateful to you for showing interest in Russia, in our development plans, in us today and in our history. This means that you are engaged, and it is important for us to know your opinion.

I am saying this sincerely, because by comparing what we are doing, by comparing our own assessments of our progress and our economic and political plans, comparing them with your ideas about what is good and what is bad, we find the best solutions and can adjust our plans.

I want to thank you for this and to wish you every success. I also hope for a personal meeting next time.

Good luck to you. Thank you very much.

**Fyodor Lukyanov:** Thank you very much. Good-bye.

**Vladimir Putin:** Good-bye.