

CHAPTER 5

THE GORE- CHERNOMYRDIN COMMISSION



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GORE-CHERNOMYRDIN: Vice President Al Gore and Prime Minister Viktor Chernomyrdin embrace Sept. 24, 1997. The Gore-Chernomyrdin Commission failed to serve its stated function of ensuring implementation of decisions made at the presidential level. Instead the Commission became the primary forum and vehicle for U.S. policy toward Russia. Yet the Commission was deeply flawed by its own structural defects—the need for a facade of success regardless of the reality; an excessive dependence on personal relationships that left the United States ill-prepared when Russia changed players; and a willful blindness to conflicting information about Russian affairs from sources outside the Commission’s staff bureaucracy. As the Commission came to dominate U.S.-Russia policy, these flaws infected the entire bilateral relationship.



The Gore-Chernomyrdin Commission is the instrument through which the good intentions and principles articulated first by me and then by Boris Yeltsin have made the United States-Russia partnership the success it is.

Bill Clinton, November 1, 1997

The life of the nations is not contained in the lives of a few men, for the connection between those men and the nations has not been found. The theory that this connection is based on the transference of the collective will of a people to certain historical personages is an hypothesis unconfirmed by the experience of history.

Leo Tolstoy, *War and Peace*, 1869

Delegating Duties

In April 1993, during his first meeting with President Yeltsin, President Clinton effectively delegated the management of U.S.-Russian relations to Vice President Al Gore. The “U.S.-Russia Commission on Economic and Technical Cooperation” was to be co-chaired by Gore and Russian Prime Minister Viktor Chernomyrdin. The first task of the Gore-Chernomyrdin Commission—as the Commission was soon popularly known—was to promote cooperation between the United States and Russia on space and energy issues.¹

At the April 1993 Vancouver summit, a joint Yeltsin-Clinton statement explained that the Gore-Chernomyrdin Commission would assume even broader powers: “In particular, working groups will be set up involving high-level officials of both governments with broad authority in the areas of economic and scientific and technological cooperation.”²

By the end of 1993, the Commission’s role had been expanded to include the full range of U.S.-Russia relations. According to the vice president’s chief foreign policy adviser, Leon Fuerth, in remarks at the Foreign Press Center on December 22, 1993: “In the aftermath of the first meeting here in Washington between Prime Minister Chernomyrdin and the vice president, [the Commission] expanded. ... This is a

very large enterprise involving a broad sweep of cabinet or ministerial level players on both sides.”³ Henceforth, the biannual meetings of the American and Russian presidents became little more than high-visibility adjuncts to the Commission’s own biannual meetings, and could not substitute for Clinton’s disengagement from his administration’s policy.

Clinton’s abdication to Gore of authority over the most important foreign policy opportunity for America since World War II—the rebuilding of Russia after the collapse of the Soviet Union—is striking. No other foreign policy development in the second half of the 20th century held as much in the balance as the potential Russian transition from Communism to free enterprise and democracy. By assigning this portfolio of overarching importance to his second-in-command—whose priorities were (and remain) “Reinventing Government,” environmental issues, and technology policy—Clinton guaranteed that Russia policy would receive only desultory attention. By removing the Russia portfolio another layer from the President, the administration also sent a signal that Russia was of secondary importance to the United States.

A Bureaucracy Is Born

The Gore-Chernomyrdin Commission’s function and structure proved an accurate blueprint for the even-





AP Photo/Mark Wilson

RUSSIA IN THE BALANCE: Former Communist industrial manager Viktor Chernomyrdin (left) and Vice President Al Gore preside over an elaborate meeting of the Gore-Chernomyrdin Commission Feb. 6, 1997, at the U.S. State Department. President Clinton delegated responsibility for U.S. Russia policy to Gore, who measured the bureaucratic Commission's success by the amount of paper it produced—"more than 200 intergovernmental and interagency documents."

tual failure of the entire Clinton administration policy toward Russia. In a self-congratulatory "fact sheet" released in July 1999, the administration touted the Commission by asserting that "a dialogue wouldn't take place without [the Commission]."²⁴ In fact, by superseding normal policy making and well established channels of communication within the U.S. government and between it and the Russian government, the Gore-Chernomyrdin Commission would come to impede the information flow to decision makers in Washington.

More basically, by ostentatiously placing great emphasis on the importance of the two central governments, rather than on reducing the role of Russia's central government and devolving power to private decision making, the Gore-Chernomyrdin Commission distracted Russia from what should have been its main

focus: constructing the essential elements of a free enterprise economy.

Finally, the Commission powerfully reinforced the overall tendency of the Clinton administration to base U.S. Russia policy on personal relationships with a handful of Russian officials. Such personalization of the bilateral relationship created a symbiotic political relationship between the two sets of officials, making American policy dependent on the political fortunes of individual Russian politicians. It thus created strong incentives to ignore their failings and believe their representations. A former State Department official has testified that "... senior administration officials were tempted to turn to their Russian partners [rather] than to the intelligence community and the Foreign Service for insight as to what was happening in Russia and how to proceed."²⁵



A Pattern of Busywork and Neglect

The first meeting of the Gore-Chernomyrdin Commission, which consisted mainly of discussions between Gore and Chernomyrdin, established what soon became its format: discussions between representatives of two bureaucracies. It also developed its own elaborate bureaucratic structure. Over time, its main activity became government contacts at the staff level.

As the years went by, the Gore-Chernomyrdin Commission developed a Secretariat—whose very name conjured up memories of the Soviet bureaucracy. Numerous committees, each co-chaired by a U.S. cabinet secretary and his or her Russian counterpart, were established for the purpose of exchanging papers, distributing memoranda, and planning for additional meetings. Each committee, in turn, had its own working groups and subgroups as well, all with their own assigned staffs.

The Gore-Chernomyrdin Commission Secretariat was divided into a Russian and an American component. The American staff was headed by Gore's national security advisor, Leon Fuerth, who became—in the words of the *Washington Post*—"the virtual day-to-day manager of U.S. relations with Russia."⁶ By substituting a bureaucrat whom the *Post* called an "obscure force in national security"⁷ in place of the vice president—who himself was already a stand-in for President Clinton—the importance of U.S. policy making for Russia was further diminished.

Despite the Commission's elaborate structure and the hundreds of people involved, it had no full-time professional staff. Instead, it relied on the various principals to detail their own staffs to the Commission as needed. As a result, the preeminent forum for U.S.-Russia relations not only was twice-removed from the President but also lacked a staff able to give it full-time attention.

The requirement that the staff assigned to the Gore-Chernomyrdin Commission discharge their other duties and responsibilities, which were often unrelated to the Commission's objectives, ensured that the individuals involved had inadequate time to carry out either of their jobs fully.

But what the Gore-Chernomyrdin Commission lacked in organizational focus and dedicated staff, it made up for in numbers. By 1999, the U.S. delegation to a Commission meeting would consist of over 700 officials.⁸

The sheer size of the U.S. delegations to Commission meetings would require the U.S. Embassy in Moscow to suspend normal activity for weeks in advance of a Commission meeting, just to handle the logistics.⁹

The multitudes of part-time U.S. government bureaucrats associated with the Gore-Chernomyrdin Commission were even harder for the Russians to handle. The Commission's constant demands for the time and attention of Russia's already hard-pressed and mismanaged ministries kept them from focusing on more vital and difficult tasks—such as dismantling the Soviet-era bureaucracy.

The distraction from real work caused by the Gore-Chernomyrdin Commission was especially severe given the frequent turnover in the Russian government's senior personnel. Often, a new Russian minister would have just assumed his duties before being called to devote time and resources to preparing for the next semi-annual meeting of the Gore-Chernomyrdin Commission (or, in its subsequent incarnations, the Gore-Kirienko, Gore-Primakov, and Gore-Stepashin Commissions).¹⁰ Gore's convening of the Commission in July 1999, when Russia's Prime Minister Sergei Stepashin had been in office for less than three months, is a recent example.

Mostly, the Gore-Chernomyrdin Commission's bureaucracy produced paper—a great deal of it. A report issued on the occasion of the tenth meeting of the Commission, issued just months before the August 1998 economic debacle, boasted that it had issued "more than 200 intergovernmental and interagency documents in every area and avenue of U.S.-Russian cooperation."¹¹ Not since the days of the Soviet Union had the unrelenting issuance of so much government paperwork been viewed as a prime measure of achievement.

From 1993 until 1998 (with the exception of 1995, when the Commission met only once), the Gore-Chernomyrdin Commission and its immediate successor, the Gore-Kirienko Commission, met in plenary session twice every year. In 1998, then-Russian Prime Minister Sergei Kirienko proposed holding only one plenary session each year, thus cutting down on the excessive number of government staff conclaves. The other meeting each year would be limited to the vice president and the prime minister. (The two most recent meetings of the Commission, in July of 1998 and 1999, have been held on this less formal basis.)



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The Russian media applauded the less frequent meetings, saying “it was high time” to replace “ostentatious gestures” with “effective actions.”¹²

According to E. Wayne Merry, formerly the head of the political section of the U.S. Embassy in Moscow, the Gore-Chernomyrdin Commission was worse than mere ostentation; it very much got in the way. Beyond the make-work from so many meetings and memos, the increasing public-relations demand to hype the Commission’s supposed “achievements” became a principal chore in its own right. Over time, he reports, the need to pad the accomplishments of the Commission distracted both sides from accomplishing substantive work:

Sadly, with time the Commission has taken on a bureaucratic life of its own and now impedes rather than encourages innovation.

U.S. agencies cannot conduct normal cooperation with Russian counterparts, because the Commission needs fodder for its summits: “new” programs to unveil, documents to sign, photo ops for the principals. ...

Worse, U.S. staffs are under constant pressure to increase the list of summit “deliverables”: taxpayer-supplied evidence of American goodwill regardless of Russian performance, honesty or even desires.¹³

By proclaiming dozens of trivial successes, the administration hoped to divert attention from a string of larger policy failures, including the fundamental failure of the Commission to perform its core functions: Russia still lacked even the most basic elements of a free market economy; the costs and delays from U.S.-Russian space cooperation continued to escalate; the privatization of Russia’s energy sector was becoming criminally corrupt; and the Russian military was accelerating its proliferation of dangerous weapons and technology.

Indeed, despite the Clinton administration’s perceived need to fill the Gore-Chernomyrdin summits with apparent activity, major issues in U.S.-Russia relations often were not addressed. For example, the Commission did not even establish a working group to focus on corruption, money laundering, and organized crime until 1999—long after the problem of Russia’s crime and corruption scandals had gained worldwide media attention.

This dynamic—hying good news and ignoring problems—was increasingly apparent to lower-ranking



OUT OF THE LOOP: The logo of the “Binalational Commissions” project as it appears on the State Department web site. Government-to-government relations under the U.S.-Russia Commission, outside of normal diplomatic channels and based on personalities rather than policy, compromised the ability of the United States to respond to intelligence information, especially information about the head of the Russian Commission, Viktor Chernomyrdin.

U.S. officials. A former State Department official acknowledged that over time “there was an unmistakable shift in the administration’s priorities, from ‘tell us what is happening’ to ‘tell us that our policy is a success.’”¹⁴ Another former administration official described the “chilling” effect this attitude had on reporting from the State Department and the intelligence community.¹⁵

The Gore-Chernomyrdin Space Station Debacle

From the outset in 1993, Russian-American space cooperation was a key item on the Gore-Chernomyrdin Commission’s agenda. Starting with the 1993 Vancouver Summit, the Clinton administration—under the direction of the Gore delegation to the Commission—undertook an ill-fated effort to integrate Russia fully into the International Space Station.

In 1993, Russia was economically and politically ill prepared to devote the necessary resources to completing the space station on the ambitious schedule then contemplated. Nevertheless, the U.S. staff of the Gore-Chernomyrdin Commission and others in the Clinton administration repeatedly asserted in 1993 that Russian involvement in the space station would actually *accelerate* its deployment. Even more improbably, they claimed it would *save* money for United States taxpayers.

The vice president estimated that Russian participation in the space station program would save U.S. taxpayers \$4 billion and reduce the time needed to deploy the space station by two years.¹⁶ But the error in that optimistic estimate became apparent almost immediately. By April 1994, the savings promised by the Clinton administration had been reduced to \$1.5 billion, and the estimated time savings had been cut to





just over one year.¹⁷ By the end of 1994, the promised savings had vanished entirely.

The actual result of the Gore-Chernomyrdin space station initiative has been not savings but added costs, and not early deployment but seemingly endless delay.

The space station was originally scheduled to begin operation in 2002. The most recent revised schedule calls for beginning full operations no sooner than 2006. Similarly, the original estimate of \$4 billion in *savings* has been changed to added *costs*: whereas the 1993 price tag for the space station was \$17.4 billion, it has since ballooned to at least \$24.1 billion.¹⁸ In 1998 testimony before the House Science Committee, Joe Rothenberg, NASA's Associate Administrator for Human Spaceflight, conceded that Russian participation in the program is responsible for \$1 billion of these added costs.¹⁹ The Johnson Space Center has estimated that Russian participation in the space station has added \$5 billion in costs.²⁰

Under the original Gore-Chernomyrdin proposal, the United States was to have paid Russia \$400 million for its role in the space station project. This money would take the form of direct payments from NASA to its Russian counterpart, Rosaviakosmos. But the United States has already paid nearly twice this amount to the Russian government, and further additional funds have been requested.²¹

In the final analysis, these cost overruns and delays are neither unprecedented nor wholly unexpected. What is troubling about the Gore-Chernomyrdin Commission's role, however, is that it served chiefly to deny and cover up the delays and cost overruns when they occurred. Three years into the Russian participation in the space station program—and long after the rising costs and attendant delays had become self-evident—Vice President Gore announced “an ambitious future schedule of cooperation in space,” as if the earlier schedule had never existed.²² Disregarding both the escalating costs for the United States and the Russian government's failure to meet its commitments, the Commission has produced similarly glowing statements about the health and vitality of U.S.-Russian space cooperation throughout each of the past seven years.

When confronted with information that Russian participation in the space station was detrimental to the station's success, the Clinton administration argued that the costs and delays in the space station program might



AP Photo/Mikhail Mezel

CONFLICT OF INTEREST: Viktor Chernomyrdin attends a board meeting of the Gazprom natural gas monopoly in Moscow, June 30, 2000. He had announced the previous day that he would resign as chairman of the board of Gazprom. Chernomyrdin reportedly obtained significant ownership of Gazprom during the firm's privatization—which Russia's Deputy Prime Minister for Finance called “the biggest robbery of the century, perhaps of human history.” Chernomyrdin maintained ties to Gazprom as Prime Minister, simultaneously influencing both Gazprom's affairs and Russia's energy, tax, and regulatory policies that directly affected the company.

be justified as an effort to prevent a “brain drain” of Russian scientists to other countries seeking their expertise in rocketry and missile development.²³ But in fact the Russian government had proved willing to provide these other countries with its scientists' missile and rocket expertise without the scientists ever having to leave their Russian research institutes. U.S. assistance on the space station, it was learned, actually subsidized the “brain drain” by supporting companies in the Russian military-industrial complex that were simultaneously engaged in both the space station program with the United States and missile proliferation to Iran.²⁴



The Commission's failure in this, its first assignment—and, in particular, its demonstration of a willful blindness to uncomfortable facts—would become symptomatic of its approach to the broad range of issues in U.S.-Russia policy, and a microcosm of the Clinton administration's approach to unpleasant realities in Russia.

Papering Over Missile Proliferation to Iran

The links between space technology and proliferation facilitated the Commission's assumption of yet another area of responsibility: resolving differences between the United States and Russia on weapons proliferation, especially proliferation to Iran.²⁵

In 1995, the Gore-Chernomyrdin Commission claimed success in stemming Russian weapons proliferation when Russia announced it would become a party to the Missile Technology Control Regime. Unfortunately, this "success" was only the first in a string of meaningless Russian pronouncements about arms proliferation. When the first public reports of Russian assistance to the Iranian missile program subsequently surfaced in January 1997, the Clinton administration's weak response was to begin a long and ultimately inconsequential dialogue through the Gore-Chernomyrdin Commission. Such temporizing has failed to this day to stem Russian assistance to the weapons programs of Iran and other rogue nations.

Despite urgent requests from the Israeli government, Vice President Gore failed to make the Iran weapons proliferation issue a focus of the Gore-Chernomyrdin Commission plenary meeting in February 1997. Instead, the Commission focused on such weighty matters as commending itself for having produced 160 documents during the four years since its creation.²⁶ Not until the next Commission plenary session, in September 1997, did Gore even raise arms proliferation in the Commission's public discussions.

Gore's reticence about directly confronting the Russian government on difficult bilateral issues surfaced again when the Clinton administration refused to work with the U.S. Congress as it considered legislation to provide for sanctions, not against Russia, but rather against Russian companies guilty of selling missile technology to Iran. The Clinton administration's unwillingness to tackle the issue drew the attention

even of its Democratic allies in Congress. In the Additional Views filed by the minority in connection with the Iran Missile Proliferation Sanctions Act of 1997, eight senior Democrats wrote:

Missile technology transfers to Iran have become a contentious issue between the Committee [on International Relations] and the Executive branch, in part because the consultation process has been weak. The Committee has had difficulty in getting detailed, timely information from the Executive branch on this issue.²⁷

Throughout 1997 and into the summer of 1998, following the advice of the Gore-Chernomyrdin Commission and Vice President Gore himself, the Clinton administration refused to impose sanctions against the Russian firms involved in proliferation to Iran. Instead of accepting the reports of the U.S. intelligence community, Gore chose to trust Chernomyrdin's reassuring pronouncements that proliferation to Iran was against Russian policy.²⁸

The failure to listen to information beyond the elite coterie involved in the Gore-Chernomyrdin Commission, which allowed Gore to credit Chernomyrdin's policy pronouncements above the economic imperatives that are even now helping drive Russian proliferation to Iran, reflected a characteristic weakness of the Commission's very structure, and of the Clinton administration's Russia policy as a whole.

This weakness was again revealed in January 1998, when the Clinton administration chose to accept at face value the Russian government's assurances that its export controls would soon be tightened. The Clinton administration's refusal to accept the widespread reports of Russian violations of its non-proliferation commitments came to a head in June 1998. An overwhelming, bipartisan, and veto-proof supermajority of both houses of Congress passed the Iran Missile Proliferation Sanctions Act of 1998.

The Act provided for targeted sanctions against those Russian firms that were engaged in furthering the Iranian missile program.²⁹ Despite the precision of the legislation, President Clinton—explicitly citing the assurances the Gore-Chernomyrdin Commission and administration officials had received from high-level Russian officials—vetoed the bill.³⁰





Less than one month later, on July 22, 1998, Iran tested the Shahab-3, a missile developed largely with Russian assistance.³¹ The public embarrassment of having vetoed legislation designed to prevent the development of this new weapons system forced the administration finally to sanction ten Russian firms instrumental in the Iranian missile program. Critics of this approach claimed that, of the ten entities singled out for sanctions, only two or three would be affected by the sanctions, and the others that should have had sanctions imposed on them were left off the list.

The Clinton administration's unwillingness to deal firmly with Russian proliferation to Iran—a policy failure centered in the structural weaknesses of the Gore-Chernomyrdin Commission—continues to this day. At the July 1999 meeting of what was then the Gore-Stepashin Commission, Gore rewarded Russia for cooperation on proliferation with an increase in its U.S. satellite launch quota.³² Yet just one month earlier, the U.S. intelligence community had reported that Russian assistance to Iran's nuclear program continues.³³ Although the unclassified version of the report was not released to Congress until February 2000, the Clinton administration had access to this information before the July 1999 Commission meeting.

Conclusion

Ultimately, Vice President Gore's U.S.-Russia Commission failed to serve its stated function of ensuring implementation of decisions made at the presidential level. Instead the Commission became the primary forum and vehicle for U.S. policy toward Russia. Yet the Commission was deeply flawed by its own structural defects—the need for a facade of success regardless of the reality; an excessive dependence on personal relationships that left the United States ill-prepared when Russia changed players; and a willful blindness to conflicting information about Russian affairs from sources outside the Commission's staff bureaucracy. As the Commission came to dominate U.S.-Russia policy, these flaws infected the entire bilateral relationship.

Because the Commission was dominated on the American side by the same group of senior officials for eight years, it became increasingly insular and resistant to oversight.

The Commission became far too reliant on its small circle of Russian interlocutors for its information

about conditions in Russia. This excessive dependence on Russian officials—including a series of Russian prime ministers necessarily focused on their own political survival—led both Gore and the U.S. delegation to the Commission to insulate themselves from discordant information that might cast doubt on the success of the Commission or the Clinton administration's policy. Rather than making policy based upon the best information available from all sources, the Gore delegation chose to depend on a single source with clear motivations to distort.

Such information as the vice president and his staff did choose to receive through normal State Department and intelligence community channels was eventually distorted by the same penchant for exclusively good news, turning the Gore-Chernomyrdin Commission into a Potemkin village version of the administration's Russia policy.

The Gore-Chernomyrdin Commission thus contributed to a deliberately uninformed U.S. policy toward Russia. It refused to acknowledge failure, and even worse, celebrated failure as if it were success. The Clinton administration's dependence on the Gore-Chernomyrdin Commission, coupled with the Commission's refusal to listen to independent information, meant that administration Russia policy was both procedurally and substantively unsound.

Beyond failing to properly assess Russia's problems or to offer sound advice to address them, the Clinton administration's use of the Gore-Chernomyrdin Commission in place of established U.S. policy making mechanisms resulted in its repeatedly being caught off guard by Russian developments—from Russia's complete financial collapse in 1998, to the continued proliferation of missile and nuclear technology to Iran, to Yeltsin's appointment of Vladimir Putin as Prime Minister. The dangerous substitution of the vice president's bureaucracy for America's institutional eyes and ears in Russia left the Clinton administration woefully unprepared to deal with what should have been America's most important foreign policy priority since World War II.

