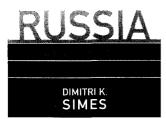
## "Dimitri, it's all over. It's really over," said

Richard Nixon – referring not to his checkered career but to the erstwhile Soviet Union. So opens Dimitri Simes' alternately incisive and silly memoir-like book.





First, the silly stuff. Simes, a Russian émigré who is now president of the Nixon Center in Washington, accompanied Watergate's unindicted co-conspirator to the Soviet Union in 1991 for meetings with academics as well as the soon-to-

After the Collapse: Russia Seeks Its Place as a Great Power.

By Dimitri K. Simes

Simon and Schuster, 272 pp. Cloth \$25.

Reviewed by Stephen Kotkin

be-obsolete Mikhail Gorbachev. The 78-year-old Nixon, it seems, could recognize a doomed politician instantly.

is not a book about Richard Nixon."

Even so, his worldview is decidedly Nixo-centric.

The fourth chapter, entitled "Russia is Reborn," begins with an assertion that most everyone got the new Pussia wrong except

The fourth chapter, entitled "Russia is Reborn," begins with an assertion that most everyone got the new Russia wrong – except Nixon, who was even able to understand "the main thrust" of conversations in Russian without a knowledge of the language. Here, we discover that the Soviet K.G.B. chief tried to draw Nixon into his plot against Gorbachev. We learn, too, that Nixon helped the up-and-coming Boris Yeltsin to be taken seriously in Washington, admonishing Simes to keep mum about Yeltsin's unsteadiness and alcoholism since "the man is obviously under tremendous pressure."

The fourth chapter contains many other interesting tidbits, just nothing on Russia's

Calling Gorbachev "a poor bastard who belongs to the past," the former American president is said to have been involved in "masterminding a strategy to influence American foreign policy" 17 years after having been forced to resign. For Simes, being a part of Nixon's "design" was "a great treat." Nixon, too, was "loving every second of it." Gorbachev was presumably having less fun, but he comes across as a secondary character: The book's index contains only 12 lines of entries for the Soviet president, while citizen Nixon manages 13.

Simes feels compelled to interject that "this

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rebirth. In subsequent chapters we get accounts of Nixon's final visit to Moscow, Nixon's critique of Bush, Nixon's critique of Clinton, Nixon's words of advice to Soviet (and later, Russian) policy makers. For events that take place after Nixon's death, Simes speculates on how Nixon would have reacted.

Simes, for his own part, assumes the mantle of semi-dissident. His qualifications are threefold: 1) he is Jewish, 2) before he emigrated in 1973, his mother, a defense counsel to actual dissidents, was frequently mentioned on Russian-language broadcasts of Radio Liberty and Voice of America, and 3) in 1966 the young Dimitri tried to organize a student meeting "to denounce" Soviet involvement in Vietnam, for which he was expelled (briefly) from Moscow University. Outright opposition, he writes, "was heroic but futile."

Whatever the problem, it did not prove fatal to his career.

Simes quickly resumed his studies, and soon landed a plum research position at the Soviet Union's most prestigious foreign policy think tank, the Institute of World Economy and International Relations. Even though, as Simes writes, the appointment was arranged by his father-in-law, it was not the kind of post given to enemies of the state. The institute was extraordinarily close to the Communist Party Central Committee. Moreover, Simes discloses that he served as first secretary of the institute's branch of the Communist Youth league.

Simes's boss at the institute was Yevgeny Primakov, now Russia's Prime Minister. For a Soviet apparatchik, even one in the scholarly world, the emigration of an underling did not always carry momentous consequences, but it could not have been pleasant. Simes claims that Primakov initiated a self-protective whispering campaign, accusing the defector of having faithfully served the system and of

having been a nobody – "almost a member of the cleaning staff."

Simes responded by writing to Primakov from abroad. Calculating correctly that the K.G.B. would read the letter, Simes wrote not to complain about Primakov's barbed gossip but to remind him of their long-standing close association. The maneuver, Simes writes, was intended to demonstrate that two could "play" at the game of inflicting harm by means of innuendo.

This reviewer is convinced. As for the substance of Primakov's alleged badmouthing, Simes reveals that he did compose officially approved op-ed pieces at the institute, while giving lectures on the side "for a nice fee." He confesses here, however, that it bothered him that he could not write "honestly."

Readers may wonder how a former Communist Youth leader and critic of America came to serve an American politician whose ascent had been predicated on anti-Communism. Simes explains that he received an invitation from Nixon to meet in 1985, after having written an op-ed piece "reappraising" him as "a very impressive President" and "an honorable statesman."

"This book could not have been written without Richard Nixon," Simes acknowledges. But the expression of gratitude extends well beyond the acknowledgements. We are also informed that Nixon found Simes a wife, served as best man at their wedding and personally selected him to head the Nixon Center.

When Simes drops names, he makes sure to record Nixon's presence. If the ex-President was absent, Simes hastened to brief him afterwards. He diligently reports on the compliments Nixon bestowed, but also describes one meeting with Russian officials in which Nixon deliberately failed to make known his agreement with something Simes had written and

## **BOOK REVIEWS**

"enjoyed seeing me put on the defensive."

Some aspects of Simes's work over the years do not find a place in the book. When Gorbachev was named General Secretary in March 1985, for example, Simes, then a senior Sovietologist at the Carnegie Endowment for International Peace, told *The Christian Science Monitor* that the new Soviet leader "has no new ideas." Simes does write in the book that upon traveling to Moscow in Oct. 1987, and sitting next to one of Gorbachev's closest advisors at a White House state dinner the following December, he belatedly grasped the seriousness of Soviet reforms.

This could be true. But Simes fails to mention here that a year later, he was still vehemently dismissing Gorbachev's radical and unprecedented arms-reduction proposals as dangerously Machiavellian. Nixon was also arguing at the time in *Foreign Affairs* magazine that "under Gorbachev, the Soviet Union's foreign policy... has been more aggressive, not less" — an absurdity that Simes chooses not to quote.

By the time Simes and Nixon got around to revising their publicly stated views on the consequences of Gorbachev's new thinking, the latter's Presidency was all but over. With hindsight, Simes observes that the Soviet political system and empire were "betrayed" by the ruling elite. "It was widely assumed," he writes in apparent reference to himself, that the fully armed Soviet regime had "the resources... and the will to retrench" if attempted reforms went too far. "No one anticipated that a leader would come to power who knew the rules of the Communist party apparat and could use them with tactical genius... while simultaneously not understanding the fundamentals of the system."

Arguing that Gorbachev unwittingly destroyed the Soviet system, Simes plays

down the importance of external threats, such as Reagan's military buildup and the "Star Wars" missile defense initiative. By implication, Nixon cannot be accused of appeasement or of prolonging the Soviet Union's existence with his policy of détente.

Now for the incisive part. "After the collapse," Simes writes, some two hundred pages into the book, "Russia was left without a clear conception of its national interests." He shows that Russia's quest for "its place as a great power" remains unresolved, but that after a shaky start Russia has begun to articulate and defend its state interests.

Since 1996, Primakov, first as foreign minister and then as prime minister, ended Russia's subservience to Washington. Simes argues that, under his old institute boss, Russia has come to accept that it is no longer a superpower and that nostalgia is not a guide for effective diplomacy. It makes a point of standing up to the United States, but stops short of outright confrontation. Its diplomacy is based not on a global ideology but on domestic needs – particularly economic interests, such as the pending Caspian Basin energy bonanza.

Accordingly, Simes sensibly advises the United States to build lasting ties founded on mutual interests and mutual respect, instead of seeking to remake Russia in its image. "The Russians may resent American predominance," he observes, but "chances are that almost anyone who should come to power in Russia... will be interested in normal relations with the United States," provided the United States avoids gratuitous grandstanding about Russia's irrelevance.

Simes underscores this realpolitik approach by quoting Russia's former ambassador to Washington, Vladimir Lukin: "Just name us a 'great power,' for God's sake – then you can do whatever you like."

MITY SHLAES is a member of The Wall Street Journal's editorial board, where she often writes on tax policy. And the Journal's editorial cure-all, you probably know - the secret to undreamed-of prosperi-

ty in the future - is to lower the taxes paid by higherincome folks. Thus when the book arrived, I immediately flipped to the concluding chapter, hackles up.

It was not what I expected. Shlaes lays out some principles she believes should guide tax reform, most of which I find pretty hard to argue with. Taxes should be simple. Taxes are, first and last, a source of revenue: no trying to save the world (or the middle class) through the tax code. And to her credit, Shlaes takes on not only the easy targets, but also some tougher ones, such as the deduction for home mortgage interest.

Next, taxes ought to be lower. Other things equal, this one's a nobrainer. But other things (specifically, revenue) aren't equal. And exactly which programs ought to be cut to cover the shortfall aren't covered in book. I, too, favor, eliminating programs that are not worth their cost. This is not really a tax reform question, though, but rather a matter of the proper size and scope of government.

To this point I almost felt the author and I

JOEL SLEMROD, who teaches economics at the University of Michigan Business School, is the co-author of Taxing Ourselves: A Citizen's Guide to the Great Debate Over Tax Reform (MIT Press).

were comrades in arms. But what exactly should be done about taxes? The easy part is to point out inconsistencies and even outrages - the "what drives Americans crazy" of the book's subtitle. The hard part is to identi-

> fy the appropriate path to reform - the "what to do about it" of the subtitle. And here, The Greedy Hand disappoints.

> The book devotes just three pages to specifics. It dismisses a national retail sales tax or value-added tax on the grounds that either approach would make us a nation of scofflaws. End of argument.

> The Greedy Hand spends all of one paragraph on the most intriguing tax idea of the last two decades - the Hall-Rabushka "flat tax" championed by the House majority leader, Armey, and the Republican presidential candidate Steve Forbes - dismissing it as "a

radical measure, particularly when it comes to business taxes," As if that weren't bad enough, the flat tax "would involve disruption." So much for the fire-breathing Republican idea of tearing the income tax out by its roots.

Shlaes does seem to favor a third, "serviceable" option: "clear out the underbrush and put through lower, simpler rates that apply to all in a consistent manner." If you think this sounds like the spirit behind the sweeping Tax Reform Act of 1986, you wouldn't be off base. Earlier in the book, Shlaes refers to that act as "the only solid tax reform in recent years." But if you think Shlaes is casting her lot with



The Greedy Hand: **How Taxes Drive Americans Crazy** and What to Do About It

By Amity Shlaes

Random House, 240 pages. \$22.95

Reviewed by Joel Slemrod