ANDREW MARR: Good morning.

WILLIAM HAGUE: Good morning.

ANDREW MARR: The truth of the matter is that Russia has won. Russia has the Crimea and that’s not going to change.

WILLIAM HAGUE: Well of course we want to see diplomatic progress on this. We want to see tensions reduced. That’s why John Kerry and I met Sergei Lavrov, the Russian Foreign Minister, in Paris on Wednesday. But I think it would be wrong to conclude actually that Russia has won in some sense. I think this will turn out over time to be quite a big miscalculation, over time.

ANDREW MARR: Okay but Russia has won in the sense that they are going to keep the Crimea at least
and there’s nothing that we are going to say or do that will change that.

**WILLIAM HAGUE:**
Well that is clearly their intention. What we want to see is Russians and Ukrainians coming to negotiations with each other. And we shouldn’t pre-judge the outcome of that, but clearly that is what Russia is intending to do and they have brought forward the holding of a referendum for a week today in Crimea – ridiculously quickly. The world will not be able to regard that as a free or fair referendum…

**ANDREW MARR:**
*(over)* But they don’t care, do they Foreign Secretary? When it came to the suggestion there should be more talks with Kiev, President Putin’s spokesman last night literally laughed with derision. I mean they don’t care what we’re saying because we have no real hold over them. That’s the truth, isn’t it?

**WILLIAM HAGUE:**
Well we will see. I think they do care about the international reaction to what they have done. That reaction is very strong. The European Union has set out a graduated series of measures and they will …

**ANDREW MARR:**
*(over)* With respect, it’s not strong.

**WILLIAM HAGUE:**
Well but let me come onto the point I was going to make a moment ago, which is the long-term consequences will be very significant for Russia and I think inadvertent and unintended consequences. From everything that I saw in Kiev when I was there on Monday people across the political spectrum – including the Easterners, including the people who have most identified with Russia – are strongly against the Russian intervention in the country and it will affect their attitude towards Russia very seriously over the long-term. And, secondly, I think European nations – you’ve just been discussing this with Ed Davey – will, if no solution to this can be found, recast their approach to energy and their economic links with Russia over time. Now those are things over time which I think will mean this has been a serious miscalculation.
ANDREW MARR:
Because so far in concrete terms all we’ve talked about are things like visa bans and visa discussions. What about, for instance, kicking Russia out of the G8? That’s been discussed. Is that possible?

WILLIAM HAGUE:
Well we’ve already suspended the preparations, as you know, for the G8 Summit, which is due to be held in Russia in June, and we’ve stopped the meetings leading up to that. Clearly one of the options, if there is no diplomatic progress, is to cancel that altogether …

ANDREW MARR:
(over) And have a G7?

WILLIAM HAGUE:
… and indeed the G7 countries are entirely free to meet on their own.

ANDREW MARR:
And that could happen.

WILLIAM HAGUE:
These are things that would not be welcome in Russia. Of course they are not … None of the measures that we can propose remove Russian forces from the Crimea, nobody is proposing a military conflict between the West and Russia, but some of the diplomatic and other costs to Russia of this are serious and need to be taken seriously in Moscow.

ANDREW MARR:
Could we simply cancel the gas contracts and the oil contracts and say we’re not having to do any more with you, we’re going to no longer for Russian oil and gas, or is that too much of a disruption to Western Europe?

WILLIAM HAGUE:
Well that would vary from one country to another. In the case of the UK, we only buy
about one per cent of our gas from Russia. Other countries buy up to a third and more
of their gas from Russia, so they’re clearly not in a position just to say we will do
without that gas.

**ANDREW MARR:**
Okay.

**WILLIAM HAGUE:**
But I think over time – and Ed Davey was talking about the need for diversification –
one of the consequences of Russia’s actions will be that that will change.

**ANDREW MARR:**
It feels at the moment that you have a certain number of rather small sticks available
to you. There’s no question of military action of any kind, I take it?

**WILLIAM HAGUE:**
That’s right.

**ANDREW MARR:**
That’s right. So we have a modest num… What are the sticks in your possession?

**WILLIAM HAGUE:**
Well there are the ones that we’ve already … And already the European Union has
announced that we’ve suspended talks on visa liberalisation; that we’re ending, we’ve
suspended talks on a new agreement on other forms of partnership with Russia.

**ANDREW MARR:**
I’m sorry to go on, but hoots of derision from the Kremlin at that level.

**WILLIAM HAGUE:**
Well we will see. As I was just arguing a moment ago, none of these things force a
Russian withdrawal from Crimea and that is well understood, but they are … they will
raise the cost to Russia over time. The next step does involve travel bans and asset
freezes on individuals. That will be taken very seriously by the individuals concerned.
And the European Council has said, the European heads of government have said that…

ANDREW MARR:
(over) And have we got the guts to do that in London because it’s been said that London - and indeed there was that unfortunately exposed piece of paper suggesting that we are not going to stop Russians coming here – that London needs the money too much, that we are not prepared to be tough with Russians in London?

WILLIAM HAGUE:
Well we are one of the countries that has been advocating a strong response within the European Union.

ANDREW MARR:
(over) Indeed.

WILLIAM HAGUE:
The Prime Minister led the way on that at the council in Brussels on Thursday and there isn’t any measure that has been proposed by any other country in the European Union that the United Kingdom has blocked on this.

ANDREW MARR:
(over) So what …

WILLIAM HAGUE:
(over) So the idea that Britain - a country in any case with strong laws against money laundering, very clear about corruption – the idea that Britain is going to block anything that Europe might agree to would be totally mistaken and nobody in Russia should rely on that and nobody in any other country should think that we would do that.

ANDREW MARR:
So what are we going to do about Putin supporting super rich Russians in London – able to use it as a place to have property and educate their children, come and go as
they please? Is there going to be any real change to that?

**WILLIAM HAGUE:**
Well this is … London is an international city, as we know, and there are people here from all over the world. And if they are here legally and their conduct is legal, then they are allowed to be here.

**ANDREW MARR:**
So we’re not going to change anything?

**WILLIAM HAGUE:**
Well the … I’ve just been setting out some of the things we’re going to change and adding to it for those responsible …

**ANDREW MARR:**
*(over)* No specific … this specific question of rich London Russians with their visas and so forth, what are we going to change?

**WILLIAM HAGUE:**
Well that depends on the individual. We’re not going to say that a Russian who is here entirely legally, conducting a legal business, cannot come to London. Of course we’re not going to say that and we’re not going to do that for any other country in the world. But the consequences - the economic and trade and financial consequences, as again set out on Thursday by the European heads of government – of Russia continuing to make the situation worse would be “far reaching” in the words of European heads of government of the European Council. And again I think that has to be taken seriously. So yes people can say none of those things bring about an immediate resolution to this …

**ANDREW MARR:**
*(over)* No they don’t, no.

**WILLIAM HAGUE:**
… and after all what we are trying to do, we’re trying every diplomatic effort to do so
ANDREW MARR:
(over) And all I’m saying to you, it’s not working.

WILLIAM HAGUE:
(over) … but they are a rising cost to Russia of behaving in this way. And it’s right that we do that because it is in our national interest as the UK that international treaties are upheld, that international law is upheld, and it has been violated by Russia’s actions.

ANDREW MARR:
And they’re getting away with it. And President Putin says there are no Russian troops in Crimea. Is he lying?

WILLIAM HAGUE:
Well there clearly are Russian troops in Crimea. There are people with Russian equipment who don’t have the insignia necessarily, but there are …

ANDREW MARR:
(over) But you are sure they are Russian troops?

WILLIAM HAGUE:
All the evidence is that they are. There is no plausible explanation of where else they have come from.

ANDREW MARR:
So Mr Putin is trying to deceive the world on this. But I come back to my main point: the troops are there, they’re not going to leave, there’s nothing that we are saying or doing that’s going to make them leave. And, so to that limited extent, at least for the time being, the Russians have got what they want. They have got the Crimea back and they are keeping it?

WILLIAM HAGUE:
They are. They have taken possession of the Crimea. But I would argue that it would be in Russia’s interest, faced with these both short-term and long-term consequences of this action, to enter into a diplomatic process with Ukraine, supported by other nations. This is what John Kerry is trying to bring about with the support of countries like the UK. I’ll be talking to him later today about our next steps on this. And he is not saying by the way, John Kerry is not saying he wants to close down diplomatic space. You were talking about this earlier in your paper review. He is saying that Russia’s actions in going ahead with such a rushed referendum in the Crimea, in preventing the monitors from the Organisation for the Security and Cooperation in Europe getting into Crimea – those things are closing down the diplomatic space.

**ANDREW MARR:**

But that referendum is going to take place presumably; and if (as we assume) it says yes, we want to be part of Russia, that’s going to happen. I just put it to you that there seems to be a kind of tacit acceptance now the Russians will keep the Crimea as long as they don’t go into the rest of mainland Ukraine and push into the Donets Basin and so forth. We will kind of shake our heads and walk away in the end.

**WILLIAM HAGUE:**

I don’t think there is a tacit acceptance of that. I think we’re clear that some of the consequences I was talking about will follow. If that happens without any diplomatic process to try to reduce tensions or to try to agree the basis of the future of Crimea with Ukraine, certainly those long-term things that I’ve talked about will happen. This is the creation of another frozen conflict in Europe, like Abkhazia that is part of Georgia, like Transnistria that is part of Moldova, and so, no, there absolutely isn’t a tacit acceptance of that.

**ANDREW MARR:**

Is it Lear in Shakespeare who says, “I shall do such things I what not of at the moment, but I shall do such terrible things when I think about them?” It sounds a bit like that where there’ll be terrible consequences. We can’t actually explain what they’re going to be and we’re not sure what they’re going to be, but there will be consequences.
WILLIAM HAGUE:
Well I have just explained what some of them are going to be and I think here there is a danger for Russia that they have made a miscalculation. They clearly had a well rehearsed plan to move militarily into the Crimea, but it was also clearly adopted at very short notice. They hadn’t expected former President Yanukovych to lead the country.

ANDREW MARR:
No.

WILLIAM HAGUE:
Russia miscalculated in November in thinking they could tell Ukraine what to do without any reference to the people of the country. And it will turn out that this is also a miscalculation because the long-term effect will be to unite Ukraine more against Russian domination of their affairs and to recast European policies in a way that will reduce Russian leverage over Europe.

ANDREW MARR:
Last time we spoke, I talked about the Russian tanks going in. They weren’t quite tanks but they were armoured personnel carriers going in. What if the Russian tanks go into Ukraine, mainland Ukraine, cross that border and move in. Is there anything the West will actually be able to do to stop that happening?

WILLIAM HAGUE:
Well anything that widens still further this conflict and creates even greater dangers (which that would) brings for Europe those far-reaching economic trade and financial consequences that the European Council has talked about. I’m sure the United States would also take extremely strong measures. And it is clear from everything we’ve seen in Ukraine in these recent days that there isn’t the popular support even in the East of Ukraine for any such Russian intervention.

ANDREW MARR
Okay. If the EU countries were going to be really tough with the Russians and cut off the oil and gas contracts, they would need to get oil and gas coming in particularly
from America and there need to be new talks about American energy supplies to Europe. Are those talks starting?

WILLIAM HAGUE:
Well this is now beginning to be discussed between European politicians, including ourselves, and Americans.

ANDREW MARR:
So you’re talking to Kerry and Obama about this kind of thing?

WILLIAM HAGUE:
Yes there is clearly an increased case for American gas exports to Europe. There is of course an increased case for the sort of thing … I was in Baku in December at the inauguration of a new pipeline that will now take several years to construct from the Caspian Sea into Southern Europe, bringing gas supplies that don’t pass through Russia and are not from Russia. The case for such developments is going to increase now …

ANDREW MARR:
(over) So Europe is going to work hard and fast to limit its dependence on Russian oil and gas in the future?

WILLIAM HAGUE:
Well I believe, as I say, there will be a recasting of the European approaches and we will be leading the way and advocating that if we don’t make any progress. Our first priority, let me stress, in the coming days, is through diplo… using every diplomatic channel to reduce these tensions, to reduce the danger of a provocation or a sudden flashpoint creating an even worse situation. But if none of that succeeds many of these other consequences are going to follow.

ANDREW MARR:
We will come back to all of this in just a moment.

INTERVIEW ENDS