

A PRACTICAL APPROACH TO EU-RUSSIAN RELATIONS

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Russia has come to see itself as a more important player on the international stage, and it is demanding to be treated as an equal partner in its relationship with the European Union. But Brussels had long ignored this shift, and EU-Russian relations have stagnated as a result. It is time for a fundamental rethink of the EU's Russia policy.

EU-Russian relations are becoming more competitive.

Over the last five years, as the European Union was focused on its internal crisis, its biggest neighbor fundamentally transformed its approach to foreign policy in general and to the EU in particular. Russia has come to see itself as a more important player on the international stage, and it is demanding to be treated as an equal partner in its relationship with the European Union. The Kremlin has also rebalanced its foreign policy, placing more emphasis on the Asia-Pacific region and particularly on post-Soviet Eurasia.

But Brussels long ignored this shift, and EU-Russian relations stagnated as a result. The relationship degenerated into a transactional one, boasting a fair amount of trade but punctuated by constant bickering over energy, visas, and human rights. At the same time, the EU proceeded with a policy toward Russia's neighbors that was wholly separate from its Russia policy—until Brussels and Moscow suddenly collided over Ukraine in late 2013.

It is time for a fundamental rethink of the EU's Russia policy. Brussels needs to take Moscow's Eurasian project seriously, and it must decide what kind of relationship it wants with Russia in the short and longer term as well as whether—and how—this is achievable.

Leadership changes at the top levels of several EU bodies later this year will provide an opportune moment to engage in serious thinking about these matters.

AN OUTDATED PREMISE

The EU and Russia laid out the original framework for their political, economic, and diplomatic relations in the Partnership and Cooperation Agreement, which was signed in 1994. It expired in 2007 and has yet to be replaced by a new agreement.

The relationship was initially structured as a loose association in which the EU was the driving element. It was based on a widely held assumption in Brussels that Russia would become progressively more European—that is, more like the EU member states—as it modernized.

But Russia has proved this assumption wrong. It has stopped viewing the EU as a mentor or even a model. Instead of being the EU's follower, it has come to understand itself as a co-equal partner and a competitor of the EU.

This reversal did not happen overnight. The transformation of Russia's foreign policy began almost a decade ago. An early indication of this shift was Moscow's refusal to be included in the EU's



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European Neighborhood Policy, a foreign relations tool first outlined in 2003 to increase cooperation with countries to the east and south of the Union. Russia opted not to participate in the project—which lumped together all elements of the EU’s neighborhood, from Morocco to Moscow—because it wanted to be treated as an equal partner.

As a result, Russia and the EU agreed to create four “common spaces” to improve cooperation in the areas of economics; freedom, security, and justice; external security; and research, education, and culture. This “space-building” exercise, begun a decade ago, is now presumed defunct.

Subsequent EU policies raised fears in Moscow that Brussels was poaching in Russia’s geopolitical backyard. This was the case with the EU’s Eastern Partnership, an initiative inaugurated in 2009, in the wake of the 2008 Russian-Georgian war, to strengthen the EU’s ties with six post-Soviet countries in Eastern Europe and the South Caucasus.

And this sense of geopolitical competition has only increased in recent years. Brussels is expanding efforts to make its Eastern neighborhood more compatible with the EU, and thus safer and more comfortable for Europeans, and Moscow policy circles are becoming more and more concerned about Western Europe’s “push to the East.” For the first time since World War II, Western Europeans are being portrayed in Russia as trespassers in a territory beyond their natural habitat.

The EU should also note the impact on Russia of two proposed free-trade agreements, the Transatlantic Trade and Investment Partnership between the United States and the EU and the Trans-Pacific Partnership, which is led by the United States and includes a number of Asian countries. These huge trade zones flank Russia to the west and the east, creating in Moscow a sense of encirclement. In response, the Kremlin has stepped up its efforts to create a Eurasian economic space of its own, with several former Soviet republics participating.

And Russia has recently begun to challenge Europe on ideological grounds as well. Moscow has formally stopped pledging ritual allegiance to the values of present-day Europe, instead criticizing Europeans’ “tolerance that knows no bounds,” in particular on issues linked to what Russia has referred to as “gay propaganda,” multiculturalism, and runaway secularism. Russian President Vladimir Putin recently stepped forward as a champion of “traditional European values,” announcing that Russia defends conservative views on the family, religious faith, the role of the church in society, and national sovereignty as opposed to the “ultraliberal” values now embraced in Western Europe. The Russian Orthodox Patriarch, Kirill, went as far as to accuse Western European elites

of being “anti-Christian and anti-religious.” Moscow is also insisting that human rights need to be balanced by citizens’ responsibilities to society and the state and must include religious rights.

LOOKING TOWARD A EURASIAN UNION

As part of its foreign policy transformation, Russia has undertaken a Eurasian integration project, the aim of which is to create a political and economic system that will bring together various post-Soviet states—a Eurasian Union.

The project, begun in earnest in 2009, initially included Belarus and Kazakhstan, which joined Russia in a customs union that was upgraded in 2012 to a common economic space. In 2013, Armenia and Kyrgyzstan filed for accession. Tajikistan is considering a similar move. By 2015, a full-fledged Eurasian Economic Union is set to emerge as an open platform for integrating former Soviet states. This economic union is being flanked by a security alliance, the Collective Security Treaty Organization, and a distinct “civilizational space” with Russian as a lingua franca.

This integration project is motivated in part by Russia’s desire to gain additional strategic weight and resources for a more equal relationship with the European Union. Moscow knows that the issue of equality will be tricky to manage. Economically and demographically, the EU and Russia are anything but equal. Any relationship between Brussels and Moscow is therefore likely to remain tilted in Europe’s favor. But if the relationship were between the European Union and a union of Eurasian states, the component parts would be more equal. This reasoning led Moscow to come up with the idea of a “Greater Europe,” a binary construct composed of the European Union and the future Eurasian Union.

As Russia proceeds to build an integrated space of its own, the EU needs to decide what its interests are vis-à-vis this project and develop a strategy toward the future Eurasian Union. For historical reasons, the Russia-led Eurasian integration process is often viewed as a new imperial project, inherently threatening to Europe. Such concerns are understandable. In fact, they are a mirror image of the Russian fears of NATO and EU enlargement to the east. But they are also overblown.

Moscow’s Eurasian integration project will not restore the historical Russian Empire. The age of empire is over. Moscow cannot and would not be the benefactor for its former borderlands, and the new states, particularly their elites, value their independence with regard to Russia. Built on a balance of interests, this integration will, however, reconsolidate northern and central Eurasia economically, creating a reality that the EU should not ignore. But opposing this reality would be a mistake. The EU has no reason to see Russia’s Eurasian integration project as inimical to its interests or its values.

Instead, like the Russians looking west, the Europeans looking east should be guided, above all, by the criterion of popular will. As long as the process of Eurasian integration is voluntary, there is no reason to challenge it. Imposing integration on unwilling partners would be unacceptable, but this does not seem to be occurring.

Indeed, for many countries the Russia-led integration effort is creating more social stability and offers better chances of prosperity. Belarus and Kazakhstan joined the customs union with Russia for solid economic reasons, not as a result of pressure from Moscow. Economic integration with Russia is generally noncontroversial among the Belarusian and Kazakhstani populations, including their elites. In Armenia, some of the elites would prefer association with the EU, but this is a minority view. In Kyrgyzstan and Tajikistan, opinions on the issue differ more widely and the option of moving closer to the EU does not exist.

There is a caveat, of course. Not a single country involved in the Eurasian integration process, including Russia, is a certified democracy. This distinguishes them from the countries that acceded to the EU.

A PRACTICAL APPROACH

Russia's shift from EU follower to EU competitor par excellence will require Brussels to do more than grapple with the prospect of a future Eurasian Union. It will also force the EU to revise its basic approach to Moscow.

A key goal of the EU's revised Russia policy should be to preserve the EU-Russian partnership, which is mutually beneficial in a wide range of areas. This relationship will grow stronger if both sides take specific, practical measures to increase nongovernmental contacts, particularly between businesses and individuals. Removing unnecessary obstacles in customs-clearing procedures, working on the technical standards that govern trade, and improving conditions for cross-border travel are the areas that require the most attention.

Foremost among these should be the issue of visa-free travel. The EU should gradually advance toward a visa-free regime with Russia, which would be a potent soft power instrument for promoting better understanding between Western Europeans and Russians. The Russian government has consistently promoted such a regime, in stark contrast to the Soviet practice, which is a serious testimony to Moscow's intention to build strong relations with its European neighbors.

The idea of a visa-free regime raises legitimate concerns in Europe regarding trans-border criminal activity and third-country immigrants who might come to the EU via Russia, but no threat of mass immigration from Russia itself is likely. Those EU countries that

currently welcome the most Russian visitors, such as Finland, have seen benefits, particularly in retail trade, hotel business, and property acquisition.

Given the current state of affairs between Brussels and Moscow, adopting specific, practical measures to increase EU-Russian contact is more likely to improve relations than attempts to conclude a new fundamental compact governing the relationship. For one thing, this sort of basic agreement would be best concluded after the Eurasian Union is in place. For another, individual EU countries vary widely in their attitudes toward Russia, so any attempt to mechanically forge a common EU Russia policy risks becoming the lowest common denominator of national policies. This would condemn the relationship to perpetual wariness and foreclose many opportunities for cooperation.

Even those EU member states most reluctant to improve ties with Russia would do themselves, and the Union, a big service if they adopted a more open and constructive attitude toward Moscow. This would increase the likelihood of the eventual formation of a common EU policy on Russia, which should remain a long-term goal if the EU has the ambition of becoming a strategic player.

In the past several years, Poland has made important steps in this direction, enabling the process of historical reconciliation and the easing of cross-border travel between Russia's Kaliningrad enclave and neighboring areas of Poland. Latvia, Estonia, and Lithuania could follow Poland's example in converting their newly gained self-confidence as now well-established EU members into direct engagement with their neighbor.

AVOIDING PITFALLS IN UKRAINE, MOLDOVA, AND GEORGIA

The increase in geopolitical competition between Brussels and Moscow will affect the EU's attempts to expand European cooperation with Russia's neighbors. Nowhere is this more evident than in Ukraine.

Toward the end of 2013, the issue of Ukraine's economic integration pitted the EU against Russia. Brussels is looking to sign a far-reaching association agreement with Ukraine, and Moscow is hoping Kiev will join its Eurasian integration project. From the Kremlin's perspective, Ukraine may provide the future Eurasian Union the critical mass it still lacks to function as a true equal to the EU. The Kremlin will need to understand that bringing Ukraine into a union with Russia against the will of the Ukrainian people and elites will not work.

In November, the Ukrainian government suspended preparations for signing the EU association agreement, leading to widespread

protests in Kiev known as the Euromaidan. European officials have been overtly involved on the ground in these protests, meeting with the leading members of the opposition and pressing demands for nonviolence with the government. This interference may be welcomed by one part of Ukrainian society, but it sets a bad example for Moscow to follow should it decide to openly interfere in Ukraine's politics.

The developments in Ukraine have highlighted the pitfalls that the EU faces east of its borders. Brussels is de facto attempting to force a clear choice—closer alignment with Russia or with the EU—on a country that is in no position to make such a decision. The EU's actions risk undoing the delicate balance within Ukrainian society and provoking even deeper division there.

Getting into a geopolitical battle with Russia over a country that should first decide for itself is foolhardy. Instead, the EU should let the Ukrainian people choose whether they want to move toward Moscow or Brussels. European officials should interfere less in order not to appear to promise what the EU has no intention of delivering.

In the meantime, the EU should work with elites and the public in Ukraine, helping them embrace much-needed economic reforms without which Ukraine will be a problem for its neighbors. It would also make sense for the Union to discuss the Ukrainian issue with the Russians, making sure there is no misunderstanding about either party's position and intentions. In addition, Brussels and Moscow could agree to work together, with the Ukrainians, where EU and Russian interests meet, such as improving the infrastructure for gas transit from Russia to the EU across Ukraine or protecting investors' rights in Ukraine.

As it looks to expand cooperation to the east, the Union should be conscious of the geopolitical and strategic implications of its moves, even if it experiences a well-known strategic deficit—it has a common external action service but still no common foreign policy—and rarely thinks and acts in geopolitical terms. If the EU really means to become a full-fledged strategic player, it will need to deal with these deficiencies.

The two other countries seeking closer association with the EU, Moldova and Georgia, suffer from unresolved conflicts dating back to the breakup of the Soviet Union. Concluding association agreements with these countries will require the EU to play a stronger and more creative role in conflict resolution on the Dniester River and in the Caucasus than it currently does. This will call for direct contacts with Abkhazia, South Ossetia, and Transnistria, as well as with Russia. Establishing better conditions for economic, cultural, and human exchanges in the areas of conflict would ameliorate

the situation for the people on both sides of the dividing lines and help move toward an eventual political settlement.

CONSOLIDATING EU FOREIGN POLICY

As the EU revisits its approach to Moscow in light of Russia's demands for a more equal relationship, it should leverage the changes set to occur at the top levels of EU bodies in 2014. By the end of the year, the EU will have new presidents of the European Council, the European Commission, and the European Parliament. It will also choose a new foreign policy high representative, who can upgrade the quality of its key foreign policy and diplomatic institutions, such as the European External Action Service. These changes will provide an opportunity for strategic leadership to emerge in the EU.

The new EU leaders should engage Russia and its partners in the Eurasian integration project in a dialogue on the future of relations between Brussels and Moscow and between the EU and the Eurasian Union. In addition, Brussels should work toward creating a better coordinated European foreign policy in general.

This will not be easy, especially as the EU is still trying to emerge from the most serious internal crisis since the start of the European integration process. But if it comes out the other side with a more strategic, consolidated, and efficient approach to all its neighbors—and to Russia in particular—the EU can help make the entire Eurasian continent more stable, peaceful, and prosperous.

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