

Working Papers

# iceur

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## EU-RUSSIA: NEW DEPARTURES AND OLD HABITS

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Mark ENTIN, Moscow

**Future tasks for the development of the relations  
between Russia and the European Union**

Johannes EIGNER, Vienna

**EU-RF relations - attraction or attrition?**

**Contributions by senior students  
(Vienna University,  
Department of Political Science)**

INTERNATIONAL CENTER FOR ADVANCED AND COMPARATIVE EU-RUSSIA/NIS RESEARCH

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The Working Papers are edited by ICEUR and offer background analysis on topical issues concerning the EU-Russian/NIS relationship. They aim at explaining and interpreting the complex political, economic and social problems of the Eurasian space against the backdrop of the interests and perceptions of relevant actors in order to elaborate innovative solutions. The authors are renowned scientists and practitioners from Russia/NIS and Europe.

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## EU-Russia: New Departures and Old Habits

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Hans-Georg HEINRICH, Ludmilla LOBOVA  
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## Preface by the editors

The current issue of the Working Papers addresses ICEUR's key theme, namely EU-Russian relations. Rather than selecting individual aspects of this topic, we have asked our authors to deal with the entire complex relationship, in order to demonstrate the mutual dependence of its components and the feedback loops emerging after significant events that have shaped the overall trajectory. In contrast to official declarations and statements, the development of the EU-Russian relations is non-linear. To expect or demand a rapid solution of the big issues, such as the energy charter and the transit protocol or the new security architecture, is a pipe dream. EU foreign policy is driven by national interests and, despite the new Lisbon mechanism, not yet in a position to frame and execute common strategies toward Russia or other global regions eliciting controversial standpoints.

The relations between the two sides can and should definitely be improved. Ongoing routine contacts often degenerate into rituals, but are testament to the fact that Russia and the EU do, at least, not ignore each other. Business makes full use of the still limited opportunities. Yet, it is important to note that the lack of progress is not due to Russian or European intransigence, or the lack of shared preferences or values. Priority-setting makes the difference: For Russia, sustaining and developing the economy is paramount. Soviet and market Bolshevism have left deep scars in the minds of leaders and rank-and-file citizens. Democratic and human rights strings attached would complicate the matter still further.

The EU is under constant jeopardy of being hijacked by company and narrow national interests. The renewed insistence on common values expresses the hope that the European model may be realized in the future. But the EU should refrain from bulldozing its (still utopian) model on other regions in a wholesale manner, but to realize its ideals first and only then offer it to those who are willing to emulate it. As a Russian proverb has it "Don't take your own rules into another monastery". The key article of this issue conveys exactly the perception of the Russian elites that a high-handed EU is talking down to them, although Russia has complied to all requirements set by Brussels or the international community.

This issue of the ICEUR Working Papers establishes a new column which is to provide a forum for young scholars from East and West. This time, senior students of political science analyze the relationship with Russia from a European perspective. We feel that their enthusiasm and their involvement presents a colorful contrast to the views of the seasoned professional analysts.



**Erhard BUSEK**

Former Austrian Vice Chancellor (1991 – 1995) and President of ICEUR-Vienna

## Welcome Address

In every speech of European politicians, in all the papers of think-tanks and in the comments of the media about future developments for the EU the relations between Russia and EU occupy an important place. In contrast to the verbal prominence accorded to this relationship, the outcomes of all the summits, committee meetings and efforts have remained moderate. To put it in a nutshell: it is an important question still missing the right answers.

Too many different positions are taken in the EU member states, which makes it easy for the Russian leadership to select appropriate ad-hoc partners. This weakens Europe`s bargaining position. There is also a sense that the European economy is highly dependent on energy supplies and the raw materials coming from its huge partner. Conversely, Russia is very much dependent on Europe when it comes to modernization in technology, infrastructure and industry. In these questions there is no agreed strategy!

Biased perceptions and outright prejudices are held on both sides. NATO and some ABM dislocation schemes are seen as a threat in Moscow. Also, the feeling to be still a superpower is preventing a partnership on an equal footing. The Europeans are advancing their standards in human rights, democracy and freedom of speech as a precondition for further relations, although this position varies over different governments. History is a burden for some member states, especially if the memory about WW II and Communism is brought into play.

To say it in a straightforward way: there is no alternative to a close partnership between Russia and EU. Russian Membership in the EU makes no sense for both sides, but global development needs a kind of "Eurasia", if Europe wants to keep its role in relation to China, India, Latin America and other global regions. We need another kind of partnership with Russia as the US and China. It should not be forgotten that the cultural background of Russia is a European one, which is a chance for better common understanding. So far we have to do everything to improve the knowledge about each other on both sides - a difficult but necessary job.

The Working Papers are serving this purpose.

*Dr. Erhard Busek*



**Mark ENTIN**

Professor, Director of the Institute of European Law, MGIMO  
Ministry of Foreign Affairs of the Russian Federation

## **Future tasks for the development of the relations between Russia and the European Union**

At the press conference at the EU-Russia Summit in Rostov-on-Don on 1 June 2010, the President of the European Council, Herman Van Rompuy, addressed the Russian government and the Russian people with positive, warm, kind and promising words, words that were “pleasant in every respect”. He said: “To conclude: Russia is a real strategic partner to the EU. With you we have a most intensive and dynamic dialogue. With Russia we do not need a “reset”. We want a “fast forward”<sup>1</sup>. The President of the European Council acted against his conscience. He really did.

Relations between Russia and the EU are in a disgraceful condition at the moment. With their small-minded, greedy and short-sighted policy, contradicting itself and the objective interests of global development, Moscow and Brussels not only inflicted a tremendous damage to each other, but to all the people on the continent. What this policy needs really urgently is a complete reorganisation, or rather a “comprehensive system modernisation”. It is of vital importance to promote new and unconventional ideas and to work hard in order to consolidate them within the public consciousness. We need to jointly proclaim ambitious strategic goals, the achievement of which could really change our continent. And it is not enough to only talk about them, using empty words in which nobody believes – we have to concentrate all available powers in order to make them our common perspective for the future.

The construction of a Greater Europe without border lines or – to put it in a more emotional way, the Union of Europe – could become such a political project. The Council of Europe has been doomed to work on specific humanitarian aspects of this project for many years now, without any significant chances of success. This political institution is being kept on a “starvation diet” and is being pushed further and further to the periphery of political life. Its further existence depends on the goodwill of Russia and the European Union. An economic and political reconstruction of the continent, based on the so much proclaimed and promoted principles – this is what today's Europe really needs to be saved. A reconstruction, similar to the formation of partnership relations and corresponding to the nature of their political culture, the common market, national law and its harmonisation, effective institutions for cooperation, partnership and administration. A reconstruction, eventually leading to the emergence of a Union which would absorb all people of the region.

Now, with a delay of 20 years, it is high time to overcome the division of Europe within the above-stated spheres, within the sphere of internal and external security as well as in all other spheres that constitute and determine the life of modern society.

### **HISTORICAL INJUSTICE**

Russia has sacrificed quite a lot on the altar of freedom, on the altar of unification and reconciliation between East and West. In fact, Russia has sacrificed itself and everything it used to possess – its past, its present and its future.

In the late 1980s and early 1990s, after it had “forced out the slave from within”, Russia spared no effort to put an end to communism and totalitarianism. By liquidating one of the conflicting parties, it liquidated the threat of mutual nuclear destruction and put an end to the Cold War. In fact, Russia brought “salvation” to all the people of the planet. It brought them hope for a new, peaceful and happy life.

It was not Russia's fault that these hopes did not become reality. Only now, as everything around is

<sup>1</sup> English original text: [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/ec/114736.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/114736.pdf); Russian source from the Website of the President of the Russian Federation: <http://news.kremlin.ru/transcripts/7932/print>

collapsing and falling into pieces, people begin to understand the reason why those hopes did not come true. Thanks to this awareness, the political project of a Greater Europe is becoming feasible. Nevertheless, Russia's new partners very soon forgot about Russia's role in "razing the old world to its grounds" and the liquidation of the old world order, although it had faced the danger of self-destruction when doing so. They tried everything to conceal Russia's huge and selfless contribution to this development. They acted selfishly, meanly, ungratefully and unfairly.

Maybe they acted this way because Russia had given too much. It gave the people in Central and Eastern Europe the possibility to choose. It gave independence to the republics of the former USSR and freedom to its own people. It provided its neighbours with immense economic support by generously sharing with them the resources it had gotten as the legal successor of the Soviet Union.

Maybe they acted this way because Russia had paid an exorbitant price for all this. What it got in return for the victory over the past was that thousands of people left the country for good. Its inhabitants were disappointed. They were lost in despair, unbelief and experienced a lack of self-confidence. The country faced a "demographic hole", an economic breakdown. It was a kind of crisis that had never been experienced by any country in the world before. Russia had to carry all the side-effects of the breakdown of the former political and economic system, the former world order, on its shoulders.

It endured, it survived and was reborn. Once again, Russia implemented an independent political course in the world and within the region, even if it was weakened significantly. Its infrastructure had become unsuitable and the country had lost a great part of its human capital. It was worn out from the reforms and the wild capitalism which had led to a substantial gap in Russian society, a gap between the rich who preferred to live abroad and the general public. The country had experienced all faults of deindustrialisation. It lagged behind in the sphere of technology. Its production structures and its trade were distorted, its economy degenerated and almost monocultural.

Maybe they acted this way because it turned out that all the other new partners benefitted from the changes, although they were not able to make use of them in a decent way. They managed to ascribe all the victories and achievements – including the victory over Russia – to themselves in an enviably self-controlled manner. It is only now that the value of those achievements is being questioned.

### **MISSED OPPORTUNITIES**

In fact, the Russians only longed for the most basic, most ordinary and elementary things. They wanted to be left alone. They wanted the state to keep out of their business and that it would no longer "build anybody". They wanted the state to give them the opportunity to decide for themselves what they wanted to do and how. They did not want the state to interfere. Not at all and not in anything. They wanted the two halves of Europe to unite and they wanted to live inside this new reality. A reality in which freedom reigned – freedom to move, to build up a business, freedom to vote and the freedom of personal fulfilment.

They were longing for a state that would at least not rob them and put them obstacles in their way, or even better, a state that would help them. They were longing for a state that would keep them safe from bandits, blackmailers and raiders. A state that would guarantee them a politically and socially stable, peaceful and quiet life. They wanted the state to provide them with the prerequisites for a decent life, a life in which they could earn enough for a living by means of their hands, their workforce and their brain. In this decent life they would have been able to provide their children with good education and care for the elderly. And they wanted all this to happen within the framework of the whole continent. They wanted to live inside the big family of European nations, into which Russia had returned at that time (in the late 1980s and the early 1990s).

In the end, those wishes remained unfulfilled. It is a shame, but actually not one of them came true. Instead of making use of all the new possibilities for the joint construction of a Greater Europe in which all European nations would be united, the Western political elite, and especially the elite of the Western European countries, preferred to choose a different scenario. The North Atlantic Treaty Organization and the European Union began to bite off bit by bit of the adjoining political and economic space, integrating it into their sphere of influence.

The political situation that had arisen at that time was unique because it was in fact possible to achieve everything in the fields of politics and economy. One could have tried to give the international relations a really new quality, to solve the problems of the historical reconciliation of the former enemies, to come to an agreement about inclusive guidelines and institutions for the joint administration of the common living space.

But the “air of freedom made them drunk”. The fact that there was no resistance or real opposition against the plans for primitive expansion blinded them. The deceptive success played an evil game with the political classes of the West, and especially of Western Europe. It appeared to them that their plans to integrate such a large group of neighbouring countries were absolutely legitimate, literally messianic.

As a result, NATO, EU and their member states decided to choose the way of extensive development. They were particularly occupied with themselves, with the celebration of their victory and the non-restricted furious outburst of consumption. By doing so, they themselves fostered the global crisis of 2008-2009 which has, in a different form, been going on until today.

The world-wide processes were left to self-regulation. The division of the continent into “us” and “them” remained the same, only the division line was moved further East. There were no really new instruments for the administration of the different parts of the continent and the global development. Not even one of the problems, most of the countries in the world and the whole human race is confronted with has been solved. The list of severe international catastrophes seems to be endless. Let me name just the most critical among them: the lack of food and clean drinking water in many parts of the world, misery, poverty and the indebtedness of many countries and whole regions. All this is happening while tens and hundreds of billions of Dollars and Euros are being squandered under the guise of development aid.

The world is being flooded with weapons of mass destruction and means of transporting them. Until recently, it would still have been possible to stop this process by acting quickly and resolutely. Alas, this did not happen. Now it is going to be very difficult, if not impossible, to stop it. This is shown by the discussions about building global and tactical missile defence systems.

Furthermore, international relations are nowadays characterised by real orgies of violence. Acts of aggression, the use of armed forces, international and regional armed conflicts of varying intensity and extent have become a quite ordinary phenomenon, whereas a burst of violence is to be expected from every side. Neither statutory and structured nor informal unions of states are able to get grips of this situation at the moment.

But this is not the only field on which they are being defeated. They are about to lose their wars against many phenomena: against global financial speculation, the drug business, organised crime, international terrorism as well as substate and networked radicalism.

Things cannot go on like this. Otherwise the visions of a climatic, ecological, nuclear, military or financial catastrophe or a catastrophe due to the lack of raw materials and food or any other catastrophe, looming on the horizon, will become reality.

The situation has to be brought under control eventually. The construction of a Greater Europe as a responsible global player, taking over the leadership in the solution of global problems would be the ideal way to realise this idea.

The objective requirements are given. They have been existing since the late 1980s, the early 1990s. They have not been able to make use of them yet and it is questionable if they are going to do so now. The subjective requirements are too vague: positive experiences in the cooperation between Russia and NATO as well as Russia and the EU have been very rare so far.

Therefore it is vital to extend those positive experiences and to build up the subjective requirements step by step.



## IMAGE IMPROVEMENT

The first step to be taken would be a common conceptual comprehension of the project of building a Greater Europe, or a Union of Europe. In a second step, without which a further development will not be possible, the two sides will have to stop the mutual “demonization” in the mass media and start to report about each other's internal and external affairs, about each other's events and actions in a calm and benevolent manner.

The picture of a real or potential enemy – in fact it is not important to which of those two categories Russia belongs in the eyes of NATO and the EU – has nothing to do with reality. Everybody knows that. Still, speculations about the Russian threat are being perpetuated. They are being used in order to gain political capital. They even use them as a basis for real politics. All this is happening, while Russia is cutting down its armed forces. While it is standing side by side with the US and other partners within the coalition against terror. While it is providing the international forces in Afghanistan with important support. While it has become a dependable participant in various groups and formations for the regulation of international conflicts – the conflict in the Middle East, the Iranian and North Korean atomic programmes, etc.

The picture of Russia being an unreliable, unforeseeable and inconsistent global player is formed out of half-truths, misinterpretations and deception. Let us look at some of the most widespread quotations as an example. The first one: Russia has suspended the Conventional Forces in Europe Treaty completely out of the blue (temporarily). The second: Russia has declared independence for South Ossetia and Abkhazia unexpectedly for everyone.

In both cases, Russia announced said steps publicly and more than in good time. The country's political leadership tried to explain and justify them in advance. Concerning the Conventional Forces in Europe Treaty, it was proposed to the partners of NATO to eventually follow Russia and ratify the revised version of the document. All of them were warned that if they would continue to sabotage the reached agreements, Russia would no longer observe the terms of the treaty. There was nothing unexpected in their decision to fulfil what they had promised.

The same held true for the recognition of independence of South Ossetia and Abkhazia. It was already approximately a year before the war in the Caucasus region that the Federal Assembly in its function as Russia's legislative power asked the President and the Government to recognise the independence of the two republics, if Mikhail Saakashvili's regime in Georgia would continue its military preparations and would try to regain the self-proclaimed republics by force, acting against the most basic principles and norms of international law. This was exactly what happened. The investigation carried out by the EU confirmed exactly that fact. Furthermore, the Kremlin explained its partners from NATO and the EU several times how destructive the consequences, arising out of the recognition of independence of Kosovo would be. In the opinion of the Kremlin, this decision was clearly against UN Security Council resolution 1244.

The picture of an authoritarian Russia that is suppressing everyone and everything, neglecting human rights, drowning in corruption and blackmailing its neighbours is another example for the unfair, preconceived and biased flow of information about the country. Of course, the Kremlin and the White House as well as the authorities at all levels and the defence and law enforcement agencies, the country's whole political system can be criticised strongly. But the style in which newspapers write about them at the moment is even worse than it was during the worst Cold War-times. This becomes even more obvious by considering the fact that the Soviet Union went through the time of Perestroika under Mikhail Gorbachev. It almost seems as if the above-mentioned sacrifices and achievements have never taken place. As if we did not leave the odious facts of our past thousands of miles behind. As if Russia had not developed into a friendly country, standing “on the same side of the barricade”.

On the other hand, the official Russian propaganda about NATO and the EU, the reputation they have gained among the Russian public, is quite ridiculous as well. In the people's stereotyped perception, NATO is a “hostile” structure, acting against our interests and representing a military threat for our country. Bugaboo number two is the story about the “world policeman” who openly promotes one-sided measures, spits on the UN and the international law and whose only aim is to satisfy the US industrial and military complex and Wall Street.

The EU is being defamed by picturing it as an empire that only pretends to be enlightened but in fact is greedy and without principles. It is said that its only purpose is to achieve unlimited expansion at our expense in order to compensate for its own inner weakness, fragility, inconsistency and lack of competitiveness. The EU is pictured as a cunning and hypocritical geopolitical opponent that is incorporating all of our former allies by telling them about higher democratic values, the rule of human rights and their appreciation and encouraging them to criticise us for our past. It is claimed that the EU's final goal is to make all our friends turn their backs on us, to blackmail and bind them to the EU and to turn the whole world around it into their new colonies.

We have to give up these mendacious, biased and false pictures dating back to another era, we have to give up the political rhetoric of the past. The further dissemination of these ideas in the public consciousness will lead to a dead end. They are the highest barrier to be overcome if we want to reach reconciliation and friendly and allied relations between Russia and NATO, between Russia and the EU and its member states. We have to be determined, uncompromising and firm in order to build up a new culture of respectful relations and to create a new way of reporting truthfully and objectively about everything happening around us and within our relations. It is of great importance to implant our societies a benevolent, and finally a friendly conception of each other. This could be the essential prologue for amicable and allied relations between the two of us.

Reaching this goal is going to be a difficult task, considering the fact that there are plenty of reasons for mutual distrust and biased assessments. Nevertheless, it has to be done.

### III FATE OR DAMAGE DONE

Many things in Russian every-day life cause disapproval. Otherwise young people and middle-class businessmen who are tired of the never-ending extortions and insults would not want to leave the country. Whereas they do not leave Russia in search for a better life – they just want to live under normal and human conditions and would like to express themselves.

On the other hand, the record of NATO, EU and its member states does not cause enthusiasm among Russia's average inhabitants either. The majority thinks that the West has betrayed Mikhail Gorbachev and the entire Soviet leadership of the Perestroika era, and, after that of the young country Russia. They were given promises about one thing, but what they received in the end was something completely different. The assurances that NATO would act reservedly and would not push forward towards the East are only one example.

The situation in Russia was particularly difficult at the very beginning, after the Soviet Union had fallen apart and the country had gained sovereignty. Factories and plants were standing still. Economic bonds were falling apart. The country was in no ways prepared for what was happening and blindly threw itself into the whirlpool of the unknown spheres of free market economy and privatisation. Nobody knew what to do and how to do it. During these years, the country really needed help – real and far-reaching help. Its new geopolitical “friends” did not lift a finger to provide Russia with such support and to pull the country out of the abyss into which it was about to fall. They thought that some bombastic words, some almost criminally unhelpful advice and a couple of predatory loans would be sufficient. It is hard to forget things like that. The same holds true for the extremely ambiguous political and moral support for the dispersal of legislative power in 1993 as well as for the support of the re-election of the severely ill president whose ratings had not reached more than some per cent only few weeks before the elections.

At the end of the decade, Russia turned out to be deeply indebted due to the most difficult crisis its transitional economy had had to go through and the overall negative economic situation, the weakness of the government and the many miscalculations that had been conducted. In order to avoid a fatal default and to get out of the abyss, the country would have needed significantly less financial support than small Greece has received now. The difference was that Russia did not get any financial aid at all. And when it began to stand on its own feet again in the early 2000s, despite of all their entreaties, despite of all pleas and demands the Western countries did not write off a single Dollar or Mark or Pound Sterling of Russia's tremendously high debts. They didn't write off neither Russia's own debts which the country had somehow managed to pile up during the economic breakdown, nor the debts it had inherited from the USSR in a doubtful manner.

These things took place while at the same time countries like for example Poland, to name a less significant one, got 30 per cent of its debts written off. Russia was forced to pay the French and British Club back everything to the last penny, while other countries even got bonuses for paying back their debts in advance.

Still, these are things that can somehow be explained, things that are not against international law. They happened within a legal framework, no matter whose or which framework it really was. People care for themselves the most, after all. All this is somehow understandable. What reason did they have to support their former enemy whose evil grin still gave them sleepless nights? They were not even obliged to fulfil the promises they had given to a country which was so naive and had not even demanded them in writing. But the obviously humiliating disregard of one's international duties, the use of armed force or the mere encouragement to use it, especially in circumstances where all this could have been avoided, is something completely different.

First, they gave in to German pressure, changed their position completely and actively supported the destruction of the SFRY. By doing so, they openly acted against all principles of the Helsinki Final Act. After that, they began to worsen the situation and imposed sanctions on the countries of the region. As it turned out later, Russia had had serious doubts about the trustworthiness of the information it had been provided with. Nevertheless, it showed solidarity – something Russia itself had not been met with by the way – and grudgingly supported the sanctions.

However, after a few years, Russia could no longer show solidarity or understanding for the supremacy of violence and military-political ways of pressurising others that had been strengthened in the sphere of international relations. Russia regarded the attack of NATO-forces on the FRY as a clear international brigandage. Let me give a short description of the Federation Council's statement Nr. 143-SF “Concerning NATO aggression against the Federal Republic of Yugoslavia” from 31<sup>st</sup> March 1999. In this statement it was said that, by bombing the territory of the FRY, the North Atlantic Treaty Organisation and its member states had committed an act of aggression against a sovereign state. The armed attack against the FRY did not have a legal basis according to international law. It was carried out by violating the United Nations Charter. It was in no way resulting from NATO's mandate. It maliciously violated the Geneva Conventions and its amendment protocols. Due to these bombings, Europe was at the edge of a war. They were followed by serious political, economic and humanitarian consequences.

Despite the fact that Russia began to build up its broken relations with the alliance immediately after the terrorist attacks of 9/11 and the Rome Declaration signed by the heads of the governments of the Russian Federation and NATO-member states, “NATO-Russia Relations: A New Quality”, which lead to a complete renewal of their relations (at least everybody thought so), the wounds of these days have not healed completely yet. The Russian foreign minister Sergei Lavrov described the events in the full version of his article “Euro-Atlantic: Equal Security for All” on 24th May 2010 which was first published in a shorter version in the French magazine “Défense Nationale”. He wrote: “In 1999, a group of OSCE countries committed aggression against another OSCE member country. Moreover, the unlawful bombing of Serbia was triggered by arbitrary actions of the Head of the OSCE Kosovo Verification Mission, W. Walker who having arrived in Rachak in January 1999 immediately qualified the developments there as “genocide”. The investigation commissioned by the EU and conducted later by the Finnish experts confirmed that the bodies discovered in Rachak belonged to members of armed formations and not to civilians. Incidentally, the investigation report is kept at the ICTY and, despite our repeated appeals, has not been produced even to the members of the UN Security Council. I am referring to this not to justify Milosevic's policy but to stress the utter unacceptability of the situation, when impermissible and biased statements of an OSCE official resulted in a war in Europe”.<sup>2</sup>

The invasion of an international coalition in Iraq was a new tragedy, leading to an increase in distrust of the Russian establishment against its partners. This time, the inconsistencies in justifying this step and the malignancy of the invasion itself were so obvious that not only Russia tried to avoid them, but the whole axis Paris-Berlin-Moscow. Their attempts were not successful. In order to at least mend the situation, to stop the interreligious slaughter and to avoid things to develop into an even worse scenario, the UN Security Council

<sup>2</sup> English original text: [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/ec/114736.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/ec/114736.pdf); Russian source from the Website of the President of the Russian Federation: <http://news.kremlin.ru/transcripts/7932/print>

passed a resolution and legitimised the presence of foreign troops in Iraq and the implementation of a local government. Nevertheless, they could not really make up for the things that had happened. The last act of the drama was the attack of Georgian armed forces on literally defenceless civilians in South Ossetia and on Russian peacemakers in the buffer zone. These attacks were conducted after months of psychological warfare, hostile acts, unilateral actions and mutual provocations. If the mission would have been completed successfully, Abkhazia would have been next on the list. The investigation conducted by the EU afterwards confirmed that the attack had definitely taken place. Russia carried out a counter attack against the invaders, aiming at the destruction of Georgia's military potential and the administrative systems supporting it. It did not even get the chance to choose a different procedure, not to mention the recognition of South Ossetia as an independent state. When Georgia tried to partially destroy the people of South Ossetia and partially push them out of the country, it lost every moral and political right to govern and to keep them inside its state territory.

The rearmament of Saakashvili's regime and the dismantling of mechanisms for consultation and peacekeeping inside the region were tolerated by NATO, the EU and their member states. They were supporting international criminals during the conflict and immediately afterwards. They condemned Moscow for its disproportionate use of force and the fact that Russia legally confirmed the separation of said territories from Georgia. And although the EU positioned itself as an impartial mediator who tried to reach a ceasefire and to maintain the conditions upon which both sides had mutually agreed, it even tried to impose sanctions on Moscow. These plans were dismissed at the very last minute.

All over the world, people started to talk about the return to Cold War times. The relations between Russia and NATO and Russia and the EU had worsened extremely for an inexcusably long period of time. They were broken down and have not been completely re-established yet. Because of the instability and insecurity, the region turned into a powder keg, into a time-bomb of delayed action ticking beneath the surface of the relations between Russia, NATO, the EU and their member states.

Still, these were only the most odious moments in the complicated history of their relations. Actually, the list of other smaller and less intensive conflicts is quite extensive. During the last 20 years, their relations could be compared to the ups and downs of a roller-coaster. This is a very disappointing fact. Periods of thawing were followed immediately by cool downs. After hope there came disappointment. But when there were objective reasons, they began to rebuild them again.

Let us remember some more ups and downs. The initial “honeymoon” of the partners and Yeltsin's Russia came to an end before it had really begun. The internal quarrels between the different branches of the Russian government and the success the far right parties, extreme patriots and nationalists under the leadership of Vladimir Zhirinovsky achieved at the following elections to the State Duma put off the partners.

Nevertheless, Russia and the EU with its member states managed to sign the Partnership and Cooperation Agreement which was regarded as a positive achievement but then turned out to be a Pyrrhic victory. The Russian government made a fatal, one could even say suicidal mistake when it thought it could resolve the Gordian knot of the Chechen feud by force. We all know about the further development of events. As a reaction to this bloody internal conflict, the EU broke off the relations with Russia and the member states delayed the ratification of the PCA for almost three years. The agreement was used several times to put pressure on the Kremlin and for other goals that had nothing to do with its real aims. Two years later, the Federal Centre decided to establish a constitutional order in Chechnya and began to realise it by carrying out a much more successful anti-terror operation which was supported by the public. Still, the scenario was almost exactly the same.

The new romantic relationship between NATO, the EU, its member states and Russia, now already under Putin's leadership, began right after the terrorist attacks in the USA, when Russia was standing in the first line of the coalition against terrorism. Only with Russia's consent the partners gained access to the military infrastructure of the Central Asian countries. The military victory over the Taliban which, by the way, could not be developed further and maintained by the partners, would not have been possible without Russia's direct support. But the next conflict in the Russia-NATO-EU relations was not long in coming. The Russian

establishment felt that it did not gain anything from its participation in the coalition. The West, on the other hand, reacted very cruelly to the destruction of the largest and most successful private Russian energy company “YUKOS” and the concentration of power inside the Kremlin.

The next tensions in their relations arose with the enlargement of the EU. It turned out that Brussels had completely ignored all of Moscow's concerns during negotiations with the future member states. In case that the enlargement would have taken place under the conditions set up by the EU, the Russian economy would have lost important markets because their business activities in these countries would have been cut down. The problems, existing in the bilateral relations between the countries, turned out to be threadbare. Open conflict could be prevented at the very last minute. They managed to find a compromise literally a couple of days before the celebrations on the occasion of the integration of the ten new member states took place. On 27<sup>th</sup> April 2004, the Permanent Partnership Council, consisting of the foreign ministers of Russia and the EU member states and the highest officials of the EU's political institutions was convened for the first time in the history of the relations between the partners. The council passed a joint declaration in which the EU and its member states were obliged to take into consideration Russia's concerns. Russia, on the other hand, agreed to extend the PCA on all the new member states.

Once again, the relations between Russia, NATO, the EU and its member states were about to improve. They managed to start up the work of the Russia-NATO Council in almost high speed. The Russia-NATO Council gave Moscow an opportunity they had been longing for many years: they could now contact all the partners of the Northern Atlantic alliance directly, not just through their representatives. Now they had the chance to discuss the regular agenda with their partners on a broader basis. The political leaders of Russia and the EU approved of the prospective concept of a common economic space. After some time, in 2005, they confirmed the roadmaps for the development of four such common spaces: in the fields of economy, internal and external security, science and education, including cultural aspects. After having started the implementation of these plans, Russia and the EU step by step developed new mechanisms of partnership and cooperation. In addition to the regular political meetings on different levels they now implemented more than fifteen dialogues in different branches as well as some specialised consultative courses of action, within the frameworks of which dozens of workgroups began to work.

Nonetheless, the relations between Russia and NATO, Russia and the EU and their member states were constantly put to the test. Obstacles were all around. Severe blows happened mostly in the run-up of the most important and major meetings and events, for example the Litvinenko case, contract killings of prominent journalists and human rights advocates, the dispersal and arrest of representatives of the “unappeasable” opposition, spectacular criminal cases and trials. It is almost impossible to name everything. Moreover, the situation worsened due to Russia's planned accession to the WTO which was being delayed constantly because the conditions had to be reconsidered again and again, the fact that the beginning of the negotiations about a new basic agreement which was intended to replace the PCA was being delayed, many unsolved commercial and economic disputes etc. In the end, this period culminated in a real scandal as well: the furious war in the Caucasus region. Once again, everything had to be restarted.

Since spring 2010, the relations between Russia and NATO, Russia and the EU and its member states have been experiencing a revival. The renewal of the Russian-American relations and the positive changes in the relations between Russia and Poland and some other European countries were of great importance for this development. Beside the objective factors that have been stimulating partnership and cooperation, it is now of vital importance to face the global economic crisis which affects us all – the USA, the EU and Russia. But this revival will once again lead to nothing if the two sides do not become aware of some basic truths. They must not act against each other. This would be suicidal. They need more ambitious goals which could form a more attractive perspective for many future years. They need to work for a result which is understandable and tangible for the people. They need different legal bases and mechanisms of interaction because the ones they are having at the moment are too weak and ineffective. The price they will have to pay for them has been shown during the war in the Caucasus region. Through this war their total fiasco became more than obvious.

## WHY THE INSTRUMENTS AND MECHANISMS OF COOPERATION AND PARTNERSHIP ARE INADEQUATE

It may seem as if the relations between Russia and the EU and its member states are standing on quite a solid legal basis. It consists of an immense number of universal and other multilateral and regional agreements between almost all European countries, the PCA and a number of bilateral sector-specific agreements, and the political and legal acts correcting them, case law and an internal legislation. What more do we need. All these pieces of the puzzle form a single impressive picture. Still, the phrase “it may seem as...” in the beginning of the paragraph was not chosen without a reason.

There are still discrepancies between Russia and its EU and NATO partners, concerning some of the most basic positions in the field of international law and their opinions about today's world order. They are not in complete agreement when it comes to questions of how their opponents deal with issues of territorial integrity, non-interference in internal affairs, the right of self-determination of nations and peoples, preventive actions, the peaceful solution of conflicts, the conscientious fulfilment of international obligations, the indivisibility of security. The same holds true for the different interpretation of international requirements concerning the inadmissibility of misusing protectionist measures, the protection of intellectual property rights and many other issues.

Things are not really better with the PCA, although it can be regarded one of the cornerstones for the regulation of the relations between Russia, the EU and its member states. The agreement was set up when the relations had achieved their peak. It contains vital features of the project of integration and a reasonable balance of interests. It sets up legal approaches which are equally beneficial for the world of business and the common people. It comprises many fields of interest and builds up a good framework for cooperation and partnership.

And still the two sides are sceptical about it. They think that it is morally obsolete, does not take into account contemporary changes and does not meet today's requirements. In fact, it is only partially applied in practice. Businesspeople rarely resort to the courts because they hope to protect their rights and defend their interests this way. Russia and the EU have been engaged in negotiations about a new basic agreement since 2005. Ten negotiation rounds have been conducted so far. They have not been really successful yet, though, at least concerning questions of economy.

There are few agreements on particular branches so far, but those reaching beyond the PCA, are formulated rudimentary, using commonplace phrases. Others, like for example the ones on steel or textile industries, are implementing exceptions from the legal frameworks of the PCA and discriminate Russian business on the EU markets. It can therefore be claimed that the strategy to enlarge the legal field in the mutual relations between Russia and the EU and its member states by means of agreements on particular branches is not really justified.

Some political and legal documents help to improve the situation at least a little bit, for example political declarations of Russia-EU summits and the above-mentioned declaration signed on 27 April 2004. Above all, they constitute a new system of organs for the joint administration of cooperation and partnership, different from the one provided for in the PCA. In these agreements, the roadmaps for the development of common spaces are being confirmed, that is, a contemporary catechism of cooperation is being build up. But they are written in a language not even comprehensible for lawyers. They are not normative and cannot fill up the white spots of legal regulations.

Things are even worse when it comes to the harmonisation of the internal legislation and the practice of enforcement. On the one hand, Russia rejects the idea of accepting the EU's legal heritage and achievements. On the other, it implements the reception of several fragments of EU-law or orientates itself by them. The result is not really positive. The Russian legislation will definitely not be able to reach compatibility with EU-law. At the same time, it is losing its inner order and consistency.

Still, there are plenty of examples where Russia and the EU are working effectively on the modernisation of common standards or are regulating their legal relationships jointly. The fact that Russia is not even afraid of the most far-reaching examples of converging their legal regulations is shown by the authorities' decision to

apply the technical regulations of the EU in cases where Russia has not fully developed its own ones yet or just does not have them at all.

The situation is still disastrous in the field of law enforcement. Here, the gap between the two systems is enormous. It is therefore of vital importance to work on the harmonisation of law enforcement in the first place. Otherwise not even the directly applicable norms of which are included in the PCA or in a new basic agreement (if they will be included there at all) will not be able to help.

The expansion and modernisation of the administrative organs and mechanisms of cooperation and partnership is another thing that really has to be conducted. Not only because the ones existing now have turned out to be ineffective. The thing is that they in fact cannot be effective the way they are organised at the moment (if we do not want to turn our backs on the principles of equality and mutuality).

If we want to improve the situation, these organs need to get at least partial competences so that they will be able to make legally binding decisions for the participating parties. Their system needs to be vested with procedures obliging them to solve disputes by means of applicable laws. They need to get the opportunity to administrate not only the relations between the parties but the most common spaces, their functioning and evolution as well.

Nevertheless, a legal basis for the relations between Russia, the EU and its member states already exists, even if it is not perfect yet. For example, it has not been build up in the fields of security and military cooperation as well as in the relations between Russia and NATO and its member states. They are built on shifting sands. The Founding Act and the Rome Declaration which was signed on 28 March 2002 and which actually reconstitutes the Founding Act are not even political and legal, they are merely political documents. They do not bear any legal consequences. No rights or obligations, yielding legal protection for the participants, arise out of these documents.

If the politicians would take some time to read those documents and the commentaries of a lawyer, they would shake their heads in disbelief. The part in which they refer to applicable international law and formulate the aims and principles of cooperation is a conglomeration of commonplace phrases which are being repeated over and over again and are not substantiated at all. In fact, those phrases are used to hide the fact that the documents are of little content or do not have any contents at all. The terminology used is not being explained. There are no definitions at all.

A certain order can be noticed only in the points dealing with the working order and the structure of the Russia-NATO Council. The list of duties of the Council is also quite concrete, although issues which would be vital for the strengthening of the relations between Russia, NATO and its member states are missing. The fact that the Founding Act and the Rome Declaration actually legitimise the confrontation of Russia and NATO's military and political bloc and the ongoing division of the continent, is another fatal inadequacy of the two documents.

There is only one conclusion to be drawn out of this. The proposal to sign a contract about European security that was put forward by the Russian government is highly timely. Such a contract or a series of contracts would be an extremely important step. First of all, the Founding Act and the Rome Declaration ought to be reconsidered fundamentally. After that, all constructions in the field of security and its administration ought to be put on a legal basis.

All in all, the development, strengthening and modernisation of the legal basis for the relations between Russia and NATO, Russia and the EU and their member states must be regarded as the top priorities, otherwise a breakthrough in the fields of cooperation and partnership will not be possible. The level that has been reached in the field of cooperation will always depend on the changes of the overall situation, no matter if we talk about security issues or the new agenda which is being set up through the initiative "Partnership for Modernisation".

## THE NEW AGENDA

The renewal of relations between Russia and NATO, Russia, the EU and their member states allows the partners to think about uncommon new conceptions of cooperation and to set up new and far-reaching tasks. Both sides are asked to work on these tasks. The “Partnership for Modernisation” initiative is not that ambitious. But if it should become a success, it definitely has the potential to provide the partnership between Russia, the EU and its member states with new quality. It has the potential to pave the future way of unifying the scientific, innovative and economic potential of the continent and its legal enforcement.

The idea of the “Partnership for Modernisation” was first proclaimed at the EU-Russia summit in Stockholm in November 2009, and immediately received constant attention. At the EU-Russia summit in Rostov-on-Don on 1 June 2010, Russia and the EU officially started the implementation of the initiative. It was announced officially with a Joint Statement on the “Partnership for Modernisation” at the summit<sup>3</sup>.

The purpose of the initiative is very simple and down-to-earth. It aims at making the realisation of the roadmaps for the development of four common spaces more concrete and productive. It has to be focused on the areas the partners find most important under the given circumstances, and show its positive effects as soon as possible.

If we put the tasks this way, we will have to “pour young wine into old glasses”. Already existing dialogues on different issues and subsidiary and more specialised structures of negotiations which have been established within them will serve as the means for carrying out the initiative. All of them are just being readjusted according to the selected priority topics and projects, and all efforts aim at their support and realisation. It is only natural that they will be complemented by some kind of superstructure by means of which the execution and stimulation can be surveyed and controlled. This superstructure will probably be consisting of the meetings organised by the sherpas of the initiative.

The most important changes will therefore be the improvement of pace for the joint work – until now, it has been carried out rather slowly – and the different setting of priorities. This is the most important game in town at the moment. The partners are interpreting priorities in different ways. For Moscow, one of them is the promoting of innovative activities in those fields of scientific and technical progress which it has already chosen as their future production specialisation, as well as joint research in these areas, activities in joint ventures and the organisation of advanced production. Brussels, on the other hand, would rather like to interpret the concept of modernisation in a broader sense applying to all aspects of the functioning of modern society.

After reading the Joint Statement, it is quite difficult to name the effects the harmonisation of the two sides had had so far. Maybe it is still too early. All priorities named in the document are very important. But the way they are listed reminds of a mechanical conglomerate of very different approaches. Maybe, it will serve merely as some kind of guidance for the two sides, and concrete steps are going to follow in the Plan of Action on the realisation of the initiative which has been commissioned by the Russian government and the EU.

However, Brussels rather saw the Joint Statement as a document to strengthen their position. The proposals that were handed over to Moscow already ten days after the summit already contained concrete plans for every direction and reflected the EU's opinion on what has to be done. In the Statement, the following priorities are named especially:

- “- expanding opportunities for investment in key sectors driving growth and innovation, enhancing and deepening bilateral trade and economic relations, and promoting small and medium sized enterprises;
- promoting alignment of technical regulations and standards, as well as a high level of enforcement of intellectual property rights;
- improving transport;
- promoting a sustainable low-carbon economy and energy efficiency, as well as international negotiations on fighting climate change;

<sup>3</sup> [http://news.kremlin.ru/ref\\_notes/572/print](http://news.kremlin.ru/ref_notes/572/print) (2nd June 2010).



- enhancing co-operation in innovation, research and development, and space;
- ensuring balanced development by addressing the regional and social consequences of economic restructuring;
- ensuring the effective functioning of the judiciary and strengthening the fight against corruption;
- promoting people-to-people links; and enhancing dialogue with civil society to foster participation of individuals and business.”

At the same time it is said in the Statement that “the list of areas for cooperation is not exhaustive. Other areas of cooperation can be added as appropriate. Russia and the European Union will encourage implementation of specific projects within the framework of the Partnership for Modernisation”.<sup>4</sup>

The next EU-Russia summit is going to show us in what direction the initiative is heading and what will be included in the Plan of Action. Russia will lay special emphasis on the use of the initiative for promoting the realisation of the main projects in the fields of medicine, biotechnology, pharmaceuticals, energy efficiency, nuclear technology, nanotechnology, information and telecommunication technology, microelectronics, aircraft construction, engineering etc., as well as the joint adoption and promotion of the results. The EU rather wants to emphasise the development of a favourable environment for attracting investments and for laying the foundations for the transition towards a green economy.

Whatever focuses the Plan of Action is going to have, the indicators of its success will be the growing intensification of cooperation within the framework of dialogues, the ability to pick out and quickly implement the really promising projects, the development of an authentic infrastructure for the joint activities. This will probably be the most important thing. Thanks to the Partnership for Modernisation, Russia and the EU will be able to proceed from simple communication and discussions to the far-reaching stimulation of concrete activities which will not be bound to a specific environment, activities which will be result oriented, as well as the attracting of essential investments.

### FUTURE PERSPECTIVES

The advantage of programmes such as the Partnership for Modernisation is that their realisation is connected with the concentration and mobilisation of power and resources on a strictly defined number of orientations. Therefore, there is a high probability that the needed results can be reached quickly, if only things are handled appropriately. Nevertheless, such a programme will not be sufficient for Russia, the EU and its member states. They rather need all structures of power, all constituents of the political system, economic mechanisms and civil society of the participating countries to work effectively.

These political and social requirements should be met with a much more extensive and thorough programme including the Partnership for Modernisation as only one of its integral parts. This programme could be the building of a Greater Europe or the Union of Europe with building sites on the entire continent.

The proclamation of the plan to build a Greater Europe would allow us to put an end to the historical injustice and to finally unite the two halves of Europe. The historic reconciliation of all European people, their voluntary unification into one European family would put an end to the suspiciousness, envy and distrust that are still poisoning the relations between the countries in the region. All European countries would be able to show solidarity, a feature so deeply manifested in the souls of today's Europeans.

After the building of a Greater Europe as a unified economic complex, capital investments will not be limited to any kind of national frameworks anymore. The whole continent's economic area will be open for free entrepreneurship, without exceptions. The fight against discrimination of entrepreneurs because of their nationality as well as against unfair competition will be led continuously and consequently, ensuring equal rules of the game for all.

The building of a Greater Europe as a social community will lead to a situation in which every single private person will have the opportunity to make use of equal protection and have the same rights as everyone else,

<sup>4</sup> Original English text: [http://www.consilium.europa.eu/uedocs/cms\\_data/docs/pressdata/en/er/114747.pdf](http://www.consilium.europa.eu/uedocs/cms_data/docs/pressdata/en/er/114747.pdf)

not depending on which area of the continent the person lives and works in. All people will be guaranteed to have the same social status secured by the administrative and judicial bodies at domestic, supra- and international levels.

After the building of a Greater Europe as a political union of all states of the continent, they will be able to withstand all global threats and solve all upcoming problems the individual states are confronted with jointly and effectively. The fusion of their political power and influence will allow them to make considerable improvements towards the regulation of most old conflicts, regardless where. They will get the opportunity to jointly project their visions of another world, a world in which the power of rights and not the rights of power will govern, and in which the aim will be the harmonic and just development for all.

*Translation from Russian: Julija Schellander*

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<sup>3</sup> [http://news.kremlin.ru/ref\\_notes/572/print](http://news.kremlin.ru/ref_notes/572/print) (2nd June 2010).



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## **EU-RF relations - attraction or attrition?**

With regard to no other country the EU has adopted such a host of documents, strategies, road maps, agreements, etc. This is proof of both the importance and intensity of the relations as well as of a still quite marked sense of disarray in the relationship.

The partners behave like an inseparable couple oscillating - at times rampantly, at times suddenly – between embrace and estrangement.

How else can one explain that the last EU-Russia summit in Rostov last May centered largely around issues addressed already 10 years ago by the then President of the European Commission, Romano Prodi, during a speech in Moscow:

“As Russia's largest trade partner, our aim was - and still is - to support Russia's efforts to prepare itself for WTO membership. That is why the PCA laid a special emphasis on the need for Russia to modernise its laws, technical norms, standards and business practices. It is now more vital than ever to give priority to this process...”

WTO accession and modernization have remained unfinished business despite the high priority accorded to them. In recognition of the political and economic significance of modernization, Russia and the EU have entered, at Rostov, a “Partnership for Modernization”. This tool is meant to pre-empt, for practical purposes, some actions and measures pending the still largely unclear outcome of the negotiations about a new legally binding comprehensive agreement.

Whereas the factors of attraction could be attributed to historical “longue durée” factors (religion, arts, culture), the instances of attrition derive mainly from the ups and downs of political decision-making (the most salient of which, from the Russian point of view, being the Kosovo War, NATO enlargement and the Iraq War). This is to say, the feeling to be an important part of European culture is often eclipsed by what is perceived by Russians as outrageous political moves taken or tolerated by the Europeans.

Sometimes indiscernibly between attraction and attrition lies what is often described as the stable basis for EU-RF relations, i.e. interdependence, or more precisely energy interdependence (in terms of general economic weight, the relations are much more one-sided: In the aggregate economic output of both EU and CIS the latter's weight constitutes roughly 15 %!).

This potentially stable and sustainable interdependence is derailed by the difficult relationship between the sides (in varying degrees and for different reasons, though). This refers particularly to the so called “common neighborhood”, which is regarded as disputed territory, claimed by both. Here, the central question is how to move from a zero-sum-approach to a win-win-logic and to build bridges in the countries which link the EU to Russia.

The last years have seen a consolidation of Russia's position in the largest of these bridge countries, Ukraine. Simultaneously, Polish-Russian relations have received a boost which is raising eyebrows in Brussels. Increasing Russian confidence is apt to open new avenues for cooperation in the CIS space.

From the perspective of Brussels, one of the promising avenues could be to have a fresh look at the EU's offer for association to its Eastern Partners: The prospect of creating a zone of partial integration with the EU potentially covering all the CIS with the exception of Central Asia might be an attractive one also seen from Moscow. For this offer basically also extends to Russia – it is up to Russia to decide on whether to go for a close “standard” relationship, or to seek “special” but less coherent and clear-cut formulas.

*This contribution reflects the author's personal opinion*

Jakob LUGER, Christian ENTREMONT

## Energy policies in EU-Russia relations

### RUSSIA'S RESOURCES

Russia's economy which is cushioned by enormous gas and oil reserves, focuses on the export of these energy goods to the West. This means that about 50 % of the federal income is generated by the energy sector. This global positioning of Russia leads to a very specific and unique relationship of dependence between the West and Russia. This article focuses on the problems and challenges major actors have to solve in this context. Under president Yeltsin, the oil sector – except Rosneft, which remained under state control – was transformed to private ownership. These privatizations are one reason for the development of the Russian oligarchy. Companies like Sibneft, Lukoil and in former times Yukos are connected with well known Russian magnates like Abramovich, Alekperov and Khodorkovski. Although Gazprom now participates in the stock market, the state monopoly in the natural gas sector remained. Gazprom became the world's largest gas company. When president Putin came to power, he started initiatives to consolidate Russia's economy. Concerning the energy sector this means no further reforms and a tendency of renationalization. There is merciless infighting especially in the oil sector. This is illustrated by the Khodorkovski case. Rosneft which acquired Yukos after that, turned out the biggest profiteer and became again Russia's number one oil company.

### Oil and gas transport

There are mainly two different routes of oil and gas transportation from Russia to Central and Western Europe. Whereas one pipeline passes through Belarus and Poland to Germany, the other one runs from the Ukraine over Slovakia, the Czech Republic and Germany to France. Obviously Europe is highly dependent on Russian oil and gas because of the intensive concentration on these two big transport routes. In order to reduce this dependence, the European Union sponsored the Nabucco-Pipeline project that is expected to realize a third gas transport route from Baku in Azerbaijan over Turkey, Bulgaria, Romania and Hungary to the small village Baumgarten an der March in Austria. The Nabucco pipeline is now under construction and will be fed with Azerbaijani natural gas<sup>1</sup>. Basically, the Nabucco Project must also be seen in the context of the European Union's ambitions for a greater diversification of the energy transport routes. On the one hand, the construction of this pipeline means a more intensive economic relationship between Turkey and the European Union (which, incidentally, is a powerful argument for supporters of a Turkish EU membership). On the other hand, the volatile political situation in Azerbaijan could have a negative impact.<sup>2</sup> The second strategy for a diversification of the transport routes is called "North Stream". This is the big project of a pipeline from Russia through the Baltic Sea to Germany which is now under construction. Moskau and Berlin simply want a direct connection to each other in order to avoid the "traditional" bilateral conflicts between Russia and the transit countries Belarus and the Ukraine.<sup>3</sup> The engagement of the former German chancellor Gerhard Schröder by Gazprom caused severe controversies in Germany about its moral and political aspects.<sup>4</sup> In this case Gerhard Schröder arguably combined German with Russian interests because both sides are mutually dependent in energy politics.

### Crisis

We can observe a worrying regularity in political conflicts in terms of natural gas price questions between Russia and the transit countries of the former Eastern bloc. Basically, the schedule of those problems is always the same: The Ukraine and Belarus still have gas contracts dating from the Soviet era which ensure low prices. Under vigorous protests from the transit countries, Russia wants to introduce market prices. As a result, this usually winds down to an energy-supply stop on the one side, to illegal gas consumption on the other side and serious supply problems in Central- and Western Europe. Particularly, Poland, Austria and Germany are heavily dependent on Russian natural gas. Of course, we also have to emphasize that oil and gas politics always includes a double-sided dependency: Russia secures its economic viability with the export of energy resources. Furthermore, Russia's oil and gas prosperity really seem to be an economic and political mainstay which guarantees its geopolitical claims in combination with the huge Russian nuclear stockpile. Oil and gas are the foundation of the international political relevance of Russia.

### Challenges and opportunities

Russia will try to intensify the production of gas and oil to satisfy the demand in the world markets. A very important point on this topic is also the need of enhancement of energy efficiency in Russia itself. Nevertheless, new energy sources will be tapped. Therefore Russia is going to focus on regions like the Caspian Sea and the Caucasus, but also the North of Russia, including the arctic region, will be reconquered. The economic focus on the Caucasus, with its tensions and conflicts, may constitute new risks for the security in the region itself, but also far beyond Caucasian boundaries. Besides the exploitation of new resources, Russia is trying to diversify its outreach; therefore Russia's interests in Asian, especially the Chinese, and American markets increases. Meanwhile, Europe follows a double strategy. In terms of diversification of the transport routes, we can understand the efforts to increase energy security to avoid the effects of conflicts between Russia and the transit countries. On the other hand, Europe tries also to find new energy suppliers. In this context the Nabucco pipeline plays an important role. In terms of diversification of energy sources, we can observe different trends in Europe. On the one hand, we experience a revival of atomic power, but in the same time alternative energies, like solar energy and wind energy, become more important. There are some utopian projects in the north of Africa which propose to deliver energy from gigantic solar parks via submarine cables to Europe. Now the question is, if both sides are successful in reducing the relationship of dependence, and which impact this might have on questions of security policies and on the relationship between Russia and the West. Summing up, it can be said that both actors want to enlarge their rooms of maneuver. In case of Europe this means the diversification of transit routes, energy suppliers and the expansion of renewable energy. In case of Russia this means the diversification of customers, the exploitation of new sources and the enhancement of energy efficiency.

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<sup>1</sup>20 Minuten - Okt. 2008: <http://www.20min.ch/interaktiv/Gasversorgung/index.html>; downloaded on 18.5.2010

<sup>2</sup>BMeiA 2010: [http://www.bmeia.gv.at/aussenministerium/buergerservice/reiseinformation/a-z-laender/aserbajdschande.html?dv\\_staat=10](http://www.bmeia.gv.at/aussenministerium/buergerservice/reiseinformation/a-z-laender/aserbajdschande.html?dv_staat=10); downloaded on 18.5.2010

<sup>3</sup>Spiegel Online - 9.12.2010: <http://www.spiegel.de/wirtschaft/0,1518,389493,00.html>; downloaded on 18.5.2010

<sup>4</sup>Welt Online - 30.3.2006: [http://www.welt.de/wirtschaft/article207771/Gazprom\\_Job\\_250\\_000\\_Euro\\_Jahresgehalt\\_fuer\\_Gerhard\\_Schroeder.html](http://www.welt.de/wirtschaft/article207771/Gazprom_Job_250_000_Euro_Jahresgehalt_fuer_Gerhard_Schroeder.html); downloaded on 18.5.2010

<sup>5</sup>20 Minuten – Okt. 2008: <http://www.20min.ch/interaktiv/Gasversorgung/index.html>; downloaded on 18.5.2010

Richard SATTLER

## Developing the European security strategy

The following article strives to analyze the positions of the European Union (EU) and the Russian Federation concerning a European security architecture and its future possibilities. From this vantage point, the interests of Russia and the EU appear to be bent on continuing the status quo of inter- and transnational institutions and also the interests to change them. Finally, we will point out some perspectives under these conditions of international relations.

### Common Security and Defense Policy (CSDP)

Until this day, the foreign policy of the EU has focused on regional levels. The adjustment to the new frame of security policy as it has been developed following the end of the Cold War is progressing at a painfully slow pace. In this situation, the EU does not use its full potential to behave as a global actor.<sup>1</sup>

The CSDP is part of the Common Foreign and Security Policy (CFSP) which was ratified in Maastricht 1992. The concept implies a concentration of decisions relating to security and defense policy in the hands of the EU like humanitarian assignments, rescue missions, peacekeeping challenges and battle group interventions in crisis situations. Working councils are the military committee, the military staff of the EU, the council on civilian aspects of crisis management and also external experts. In the multilateral sphere the most important institutions for international cooperation and partnership are the United Nations (UN) and the North Atlantic Treaty Organisation (NATO). The concept of policy is based on the Security Strategy of the European Union which was ratified in 2003. Its goals are the enlargement of the security zone around Europe, the reinforcement of international order by associations and the response to risks and threats like terrorism and natural disasters.<sup>2</sup>

Using these tools, the EU zeroes in on a consolidation of NATO-partnership and tries to establish the Union as a geopolitical actor. In this role, the EU has to find a clear position towards the Russian Federation. Otherwise the Russian Federation will not recognize the EU as an equivalent actor of power in international politics on a par with the United States of America.<sup>3</sup>

### Russia and the European Union

Russia views the EU as a future partner in security policy. In keeping with its self-image of a superpower, the Russian Federation also tries to maintain the independence of its foreign policy. In the doctrines on military and foreign policy (2000), Russia emphasises the coherence of internal security and economic development with the goals of foreign policy. The Summit of Saint Petersburg in 2003 was a further step in the cooperation of the Russian Federation and the EU.<sup>4</sup>

The main interest of the Russian Federation, however, is to strengthen its position in the Commonwealth of Independent States (CIS). The expansion of NATO through the inclusion of Eastern European States, and particularly the interest of Georgia to join the treaty are perceived as being detrimental to Russia's interests. Despite these problems the Russian Federation does not want to lose the EU as a partner which is seen as a counterweight to the USA.<sup>5</sup> The success of Russian foreign policy mostly depends on the competency to create and maintain international cooperation and coalitions. In this aspect the Russian

<sup>1</sup>Cf. Frank, Johann (2009): Die Entwicklung der Sicherheitsstrategie der Europäischen Union. Von der Europäischen Sicherheitsstrategie 2003 zum Fortschrittsbericht 2008. A.d.R.: Schriftenreihe der Landesverteidigungsakademie 7/2009, BMLVS Bundesministerium für Landesverteidigung und Sport (Hg.), Wien, S. 7-11

<sup>2</sup>Cf. ebd. 45-49, 81-87, 130f; Vgl. BMLVS (Hg., 2009): Weissbuch 2008. Wien, S. 24-28

<sup>3</sup>Cf. Karaganov, Sergei (2009): Russia in Euro-Atlantic Space. In: SOLON-line.de, Wiesbaden-Amöneburg, In: <http://www.solon-line.de/russias-place-in-euro-atlantic-space.html> (24.05.2010)

<sup>4</sup>Cf. Schulze, Peter W. (2005): Vom Paria zum Partner: Russlands Rückkehr als Machtfigur der internationalen Politik. In: Piehl, Ernst/Schulze, Peter W./Timmermann, Heinz: Die offene Flanke der Europäischen Union. Russische Föderation, Belarus, Ukraine und Moldau. Berliner Wissenschafts-Verlag, Berlin, S. 190, 192-195, 199, 216f

<sup>5</sup>Cf. Frank, Johann (2009): Die Entwicklung der Sicherheitsstrategie der Europäischen Union. Von der Europäischen Sicherheitsstrategie 2003 zum Fortschrittsbericht 2008. A.d.R.: Schriftenreihe der Landesverteidigungsakademie 7/2009, BMLVS Bundesministerium für Landesverteidigung und Sport (Hg.), Wien, S. 65

Federation pursues its recognition as reliably partner in the international relations.<sup>6</sup>

### Common security policy?

President Dmitri Medvedev's proposal for a Euro-Atlantic Security Treaty<sup>7</sup> is an attempt to gain the initiative in foreign policy. The concept is based on the assumption of a multipolar world order and of the necessity to establish a new framework of security policy which appears appropriate to the conditions that emerged after the end of the Cold War. Both states and international organisations should be included. Within an overarching conference Russia would have the chance to block further actions of NATO and also would have the possibility to ensure its status quo of political power in the space of the former Soviet Union. This last aspect reminds of the Helsinki Accords of 1975 which have been ratified in the framework of the Conference on Security and Co-operation in Europe (CSCE<sup>8</sup>). Medvedev's concept was named Helsinki 2.0 because it would legitimate Russian foreign policy and safeguard Russia's sphere of interests.<sup>9</sup> In this context Russia's withdrawal from the Treaty on Conventional Armed Forces in Europe (CFE) in 2007 was an obvious sign that there is still no agreement between NATO and the interests of the Russian Federation about cooperation in military security.

### Outlook

The EU's capacity to act in Eastern Europe depends on the development of its relations to the Russian Federation.<sup>10</sup> At least since the conflict in Georgia in the year 2008 it has become obvious that the European strategy to transform the Russian Federation into a Western-style democratic state has failed. Although there are efforts to establish a European security and defense architecture in the EU there was no agreement on a common strategy vis-a-vis the Russian Federation.<sup>11</sup> The effects of the CSDP on the relations with the Russian Federation are still unknown and president Medvedev's idea of a broad treaty on security does not find sufficient support in the international community. But it is certain that the goal of Russia and the EU to gain a more powerful position as geostrategic actors and to react in an appropriate way to global challenges can only be achieved by a stronger coordination of their strategies on foreign policy. In this respect it is important for the EU to frame a clear political line and to take a fresh and broader view on the question of the international network of such institutions as the OSCE and NATO and their contemporary relevance.

<sup>6</sup> Cf. Schulze, Peter W. (2005): Vom Paria zum Partner: Russlands Rückkehr als Machtfigur der internationalen Politik. In: Piehl, Ernst/Schulze, Peter W./Timmermann, Heinz: Die offene Flanke der Europäischen Union. Russische Föderation, Belarus, Ukraine und Moldau. Berliner Wissenschafts-Verlag, Berlin, S. 221

<sup>7</sup> Cf.: European Security Treaty. President of Russia. Official Web Portal, Moskau, In: <http://eng.kremlin.ru/text/docs/2009/11/223072.shtml> (24.05.2010)

<sup>8</sup> Renamed in 1994 to Organization for Security and Co-operation in Europe (OSCE)

<sup>9</sup> Cf. Klein, Margarete (2009): Medwedews Vorschlag für einen euroatlantischen Sicherheitsvertrag. In: Russland-Analysen. Nr. 193 04.12.2009, Deutsche Forschungsgesellschaft für Osteuropakunde e.V., Berlin, In: <http://www.laender-analysen.de/russland/pdf/Russlandanalysen193.pdf> (24.05.2010)

<sup>10</sup> Cf. Frank, Johann (2009): Die Entwicklung der Sicherheitsstrategie der Europäischen Union. Von der Europäischen Sicherheitsstrategie 2003 zum Fortschrittsbericht 2008. A. d. R.: Schriftenreihe der Landesverteidigungsakademie 7/2009, BMLVS Bundesministerium für Landesverteidigung und Sport (Hg.), Wien, S. 48

<sup>11</sup> Cf. ibidem. 65

Anna FILL, Judith BAUDER

## The Dynamic of EU-Russian Relations – From Past to Future

The relationship between Russia and the European Union is delicate matter with light and shadow. European- Russian relations were established when the Soviet Union collapsed and new-born Russia was still an opaque concept of hopes and dreams.

Against all expectations the integration of Russia into the European zone was more difficult than parts of Russia's elite had expected. Nevertheless, the EU started a program in 1991 to support the transformation process and to provide development in the Russian Federation, called "Technical Aid to the Commonwealth of Independent States"(TACIS). The programme was discontinued in 2007.<sup>1</sup> The first official "Partnership and Cooperation Agreement" (PAC) was established in 1997. PAC forms the legal basis for EU-Russian cooperation and sets an institutional network between the partners. Moreover, it symbolises the optimistic European approach and their interest in guiding Russia towards democracy and profound democratic values.<sup>2</sup> The European plan for the Russian transformation by means of cross-linking did not pan out and the planned "soft power mechanism " had almost no impact. When Putin came into power in 2000, Russian foreign policy did not only change in a profound way, but Putin also realized his ambiguous perception of "managed democracy."<sup>3</sup> Although the EU still urges Russia to implement democratic values and basic human rights, the EU holds back criticism, if a common outcome between Russia and the EU is to be reached. Due to external global events like the terrorist attacks in 2001, new forms of dialogue were initiated.<sup>4</sup> Not only was the security dialogue determined by Russia's attitude, but Russia was also generally able to exercise power and to reclaim its world leading position.

The 2004 enlargement of the EU is not just an act of reunifying Europe by incorporating former Soviet states, but it also implies a physical neighborhood between Russia and the European Union. Although Russia accepts and supports Eastern enlargement, it claims to have a say.<sup>5</sup>

The EU has to deal with three major problems: first, the interdependence with Russia will not diminish, but will grow (e.g. in the energy sector); second, the EU has to set ideological limits and protect its new borders geographically; third, a strong Eastern partnership with its new neighbours should guarantee stability and prosperity without whittling down Russia's power in its assumed influence zone. Generally speaking, one of the great weaknesses of the EU is the lack of consent concerning policies towards Russia. France, Italy and Germany are very much in favour of close EU-Russian relations whereas the Baltic States and Poland are rather sceptical. Russia manages to take advantage of this heterogeneity and pursues a policy of bilateralism.<sup>6</sup> As a result, association agreements and charters are very often not taken serious enough, which may be a consequence of missing obligations and sanctions.

The Ukrainian-Russian gas conflict in 2006/2009 and the War in Georgia in August 2008 caused sustainable damage to the trust between the EU and Russia. The escalation of the conflict between Russia and Ukraine,

<sup>1</sup>Cf. Frank, Johann(2007): Die Beziehung zwischen Russland und der EU. Eine Bestandsanalyse, in Innere Informationen zur Sicherheit, Büro für sicherheitspolitik, Wien: 2007 S. 3-12

<sup>2</sup>Cf. Europäischer Kommission, Europäischer Rat(1997): Beschluß des Rates und der Kommission vom 30. Oktober 1997 über den Abschluß des Abkommens über Partnerschaft und Zusammenarbeit zwischen den Europäischen Gemeinschaften und ihren Mitgliedstaaten einerseits und der Russischen Föderation andererseits. 97/800/EG, EGKS, Euratom, Internet: [http://europa.eu/legislation\\_summaries/external\\_relations/relations\\_with\\_third\\_countries/eastern\\_europe\\_and\\_central\\_asia/r17002\\_en.htm](http://europa.eu/legislation_summaries/external_relations/relations_with_third_countries/eastern_europe_and_central_asia/r17002_en.htm)

<sup>3</sup>Cf. Schwabecher, Heinrich(2006): Die Zukunft der europäischen-russischen Beziehungen nach 2007, in: KAS-AI 12/06, 2006 S. 49–65

<sup>4</sup>Cf. Moshes, Arkady(2006): Prospects For EU-Russian Foreign And Security Policy Cooperation. A Report commissioned by the EU-Russian centre, in: The Eu-Russian Review,2006, S.22-27cf.

<sup>5</sup>Cf. Kempe, Iris ( 2002): Nachbarschaftspolitik: Russland, Ukraine und Belarus, in : Jahrbuch der Europäischen Integration 2002/03, S. 276

<sup>6</sup>Cf. Frank, Johann: Die Beziehung zwischen Russland und der EU. Eine Bestandsanalyse, in : Büro für Sicherheitspolitik (2007): Innere Informationen zur Sicherheit , Wien, S. 6



which interrupted Europe's gas supply for nearly Eastern two weeks,<sup>7</sup> not only provoked an internal European debate, but also led to a cooling of the European-Russian relations. The EU became keenly aware of its strong dependency, of the necessity to strive for diversified energy supplies and to elaborate alternative energy resources. An immediate consequence is the increased European interest in pipeline projects like the Nabucco – Pipeline in the Eurasian region without Russian participation.<sup>8</sup> Regarding the Russian reaction to the establishment of the Eastern Partnership (EP) it becomes evident that Russia perceives the European Union as a serious competitor in the post-Soviet space.<sup>9</sup> The Eastern Partnership, which was initiated in 2009 by Poland and Sweden and consists of multilateral and bilateral elements, targets solely former Soviet countries. This illustrates that not just the EU has a special interest in this region, but that, vice versa, the “near abroad” is in favour of European rapprochement and the building up of reliable, stable alliances. Although the EU benefits from strengthening its influence in the East, the functioning of EP is chiefly dependent on Russia’s involvement. The success of the Eastern Partnership depends on the European Union itself, and once again it is of great importance to implement a goal-orientated policy, which is supported by a unified, unanimous European voice. The Lisbon Treaty (2009) offers new possibilities of decision-making, but the EU has to make use of those new instruments in order to be taken serious as a powerful global player. In principle, the EP is not just challenging the EU-Russian relations, but also the EU itself. After Russia’s withdrawal from the Energy Charter Treaty,<sup>10</sup> the ongoing energy-security debate should not be determined by the unwillingness of Russia to compromise. However, the EU shouldn't shy away from finding sustainable solutions and represent its own interests self-confidently, even if it means taking the risk of infuriating Russia. The implementation of an early warning system as well as the continued negotiations for a New EU/Russia Agreement to replace the existing PCA<sup>11</sup> symbolise a start. Although the economic crisis poses tough challenges for both systems, continued bilateralism will not lead to a sustainable solution. It’s up to both Russia and the EU to turn the future into a win-win situation.

<sup>7</sup>cf. Meister, Stefan(2007): EU-Russia relations after the gas conflict: What lessons we have learned, in: Schärfer S./Tolksdorf D. (Hg.):CAP policy analysis: The EU member states and the Eastern Neighbourhood – from composite to consistent EU foreign policy?, s. 20

<sup>8</sup>Meister, Stefan(2009): Die Eu-Russland Beziehungen am Scheideweg, in: Eberhard Sandschneider, Otto Wolf (Hg.): DGAP aktuell, 2009/1, S. 1

<sup>9</sup>Cf. May, Maria Lena/Meister, Stefan: Die östliche Partnerschaften der EU – ein Kooperationsangebot mit Missverständnissen, in: Eberhard Sandschneider, Otto Wolf(Hg.): DGAP aktuell, 2009/7, S. 3

<sup>10</sup>European Commission: EU-RUSSIA COMMON SPACES PROGRESS REPORT 2009( March 2010), online unter: [http://ec.europa.eu/external\\_relations/russia/docs/commonsplaces\\_prog\\_report\\_2009en.pdf](http://ec.europa.eu/external_relations/russia/docs/commonsplaces_prog_report_2009en.pdf) (accessed 24.5.2010)

<sup>11</sup>Cf. European Commission: EU-RUSSIA COMMON SPACES PROGRESS REPORT 2009 (March 2010), online unter: [http://ec.europa.eu/external\\_relations/russia/docs/commonsplaces\\_prog\\_report\\_2009en.pdf](http://ec.europa.eu/external_relations/russia/docs/commonsplaces_prog_report_2009en.pdf) (accessed 24.5.2010)





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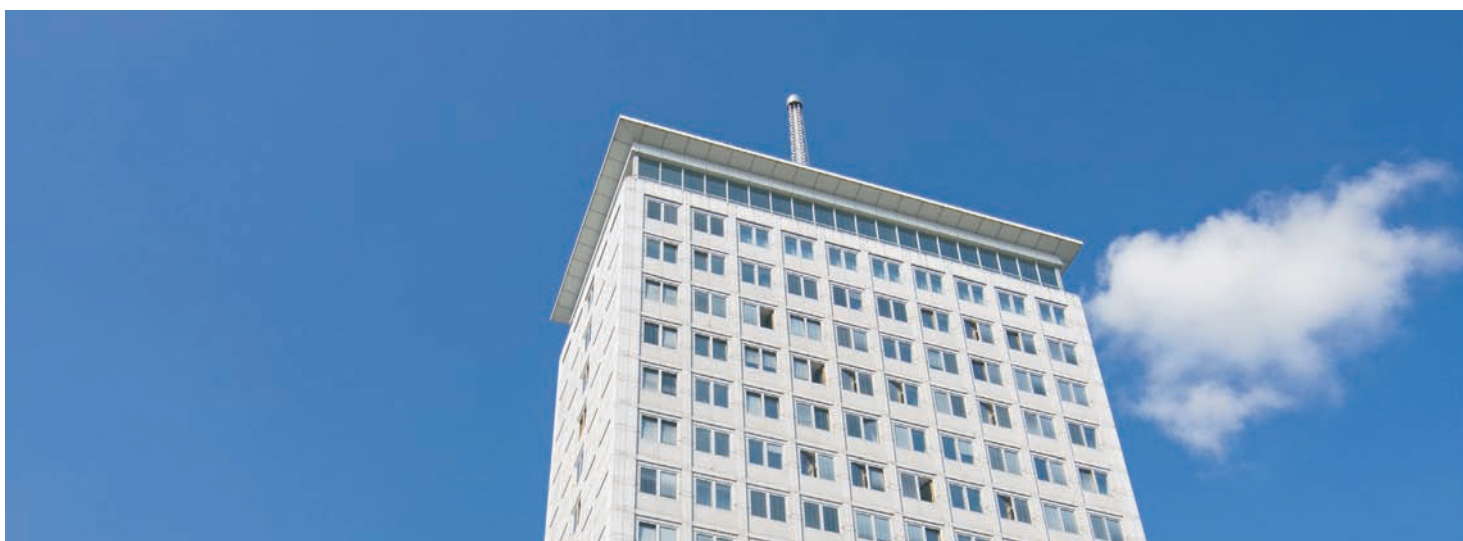
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