

## RING OF FRIENDS OR RING OF FIRE?

### EASTERN EUROPE BETWEEN THE EUROPEAN UNION AND THE EURASIAN UNION

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The main concern for the European Neighbourhood Policy (ENP), which was launched in 2004, was to create a “ring of friends and stable states”<sup>1</sup> at the external borders of the European Union. Ten years later, in January 2015, former Swedish Minister for Foreign Affairs Carl Bildt concluded on Twitter that the EU is facing a ring of fire in its neighbourhood.<sup>2</sup>

The EU has shown itself to be neither prepared for the war Russia is waging in Ukraine, nor to have succeeded in solving the numerous (frozen) conflicts in its eastern neighbourhood over the past several years. These two issues are interrelated. The main reason for this is the incompatibility of the EU’s integrative policy with the Russian thinking on spheres of influence.<sup>3</sup> From a Russian



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- 1 | In 2003, then President of the European Commission Romano Prodi said: “Instead of trying to establish new dividing lines, deeper integration between the EU and the ring of friends will accelerate our mutual political, economic and cultural dynamism.” Quoted from European Commission, “Wider Europe Neighbourhood: proposed new framework for relations with the EU’s Eastern and Southern Neighbours”, European Commission Press Release Database, 3 Nov 2003, [http://europa.eu/rapid/press-release\\_IP-03-358\\_en.htm](http://europa.eu/rapid/press-release_IP-03-358_en.htm) (accessed 08 June 2015).
- 2 | Carl Bildt, Twitter post, 11 Jan 2015, 7.24 pm, <https://twitter.com/carlbildt>: “A decade or two ago we worked for a Europe surrounded by a ring of friends. Now we find ourselves surrounded by a ring of fire.” (accessed 8 Jun 2015).
- 3 | Cf. former Human Rights Commissioner of Russia Vladimir Lukin in an interview in February 2015 marking the first anniversary of the Euromaidan protests in Ukraine: “Unfortunately, the West played and still plays the most fateful role. Through the EU and NATO it tries to shift the earlier dividing lines in Europe, from the Elbe to the gates of Smolensk on our western border. [...] The doctrine of robbing Russia -

perspective, countries are “perceived as objects of action for powerful external forces and as territorial bones of contention”.<sup>4</sup>

A key event for the European-Russian rivalry in Eastern Europe was the EU Eastern Partnership summit held in Vilnius in November 2013. The summit was preceded by blatant promotion on the part of the EU and Russia for at least four of six Eastern European countries. This had particularly fatal consequences for Ukraine:

**Then Ukrainian President Viktor Yanukovich refusing to sign an Association Agreement with the EU in Vilnius was the starting point for the Euromaidan protests.**

Then Ukrainian President Viktor Yanukovich refused to sign an Association Agreement with the EU in Vilnius, which had been negotiated through a process spanning several years. This decision appeared to be made under pressure from Russia, which had adopted a number of restrictions on imports of Ukrainian goods that summer. In addition, it had offered the bankrupt Ukraine a loan of 15 billion euros just before the summit if it would step back from signing the agreement. This yielding to Putin was the starting point for the Euromaidan protests before Yanukovich fled to Russia in February 2014. Initially, the Kremlin regarded the Maidan protests as an intra-Ukrainian affair. However, Ukraine’s foreign policy reorientation, which not only saw the signing of the Association Agreement with the European Union in the summer of 2014 but also struck the country’s non-aligned status from its constitution and openly aspired to join NATO, provoked Putin to launch a war against the neighbouring country.

Yet the Vilnius summit was not solely centered around Ukraine; it led the way for at least three other Eastern European countries. Georgia and Moldova decided to enter into an Association Agreement with the EU, while Armenia, which had also been involved in long negotiations with the EU, announced ahead of the summit that it would join the Eurasian Economic Union.

of its historical zone of influence in Ukraine and perhaps even Belarus has unfortunately been implemented in opposition to the Paris Charter of 1990.” Matthias Schepp, “Jahrestag des Maidan-Aufstands: ‘Im Palast herrschte Panik’”, *Spiegel Online*, 19 Feb 2015, <http://spiegel.de/politik/ausland/a-1018970.html> (accessed 04 June 2015). Lukin’s representation of the situation is rather absurd as it omits the fact that the Paris Charter of 1990 codifies that every state has the ability to decide for itself the alliance it wishes to belong to.

4 | Anna Veronika Wendland, “Hilflos im Dunkeln”, *Osteuropa*, Sep/Oct 2014, p. 25 f.

This “trend-setting” outlines the dilemma of European foreign policy in Eastern Europe in recent years: the rivalry with Russia has meant the situation that the countries themselves are facing has been neglected – in terms of economic, foreign and domestic policy.

### **COMPETITION IN “MEDIAN EUROPE”**

Nevertheless, with the Eastern Partnership, the EU had a program which was to be aligned with the constitutionality of the countries in its eastern neighbourhood: Belarus, Moldova, Ukraine and the countries of the Southern Caucasus, Armenia, Georgia and Azerbaijan. Due to substantial commonalities, it was expedient to combine these countries in one specific neighbourhood program:

- They occupy an area between the EU and NATO and Russia.
- They are former Soviet republics.
- They are countries in transition.
- All these countries are facing territorial conflicts: in the case of Armenia and Azerbaijan (over Nagorno-Karabakh), Georgia (Abkhazia and South Ossetia) and Moldova (Transnistria), these are frozen conflicts; Ukraine, however, is facing both a half-frozen conflict (Crimea) and a latent conflict (eastern Ukraine). Belarus is the only country without any territorial conflicts, though it makes up for this with a frozen political conflict (with President Lukashenko, who has ruled for over 20 years).

The fact that the EU would be entering into an open conflict with Russia’s interests in the region was underestimated when drafting the Eastern Partnership:

- Russia considers this area between itself and the EU to be a “canonical territory”. The former Soviet republics are seen as a “near abroad”, where influence by other actors is not tolerated.<sup>5</sup>

5 | Cf. Robert Kagan, “New Europe, Old Russia”, *The Washington Post*, 6 Feb 2008, <http://wapo.st/1MRI72p> (accessed 4 Jun 2015). Kagan foresaw this confrontation already in February 2008: “Putin laments the fall of the Soviet Union and seeks to regain predominant influence in the Baltic states and Eastern Europe, as well as over Ukraine, Georgia, Moldova and the rest of what Russians call their ‘near abroad’. But the former are now formally part of Europe, and the latter are what Europeans call their ‘new neighbourhood’ [...] It is not hard to imagine the tremors along the Euro-Russian fault line erupting into confrontation. A crisis over Ukraine, which wants to join NATO, could bring confrontation with Russia. Conflict between the Georgian government and Russian-supported separatist forces in ▶

- The Russian elite is not interested in the democratic transformation of the countries in the area bordering the EU; the example of a modern and prosperous nation in its immediate vicinity would cast a harsh light on the failed reforms in Russia itself and could have a "contagious" effect.
- Russia is not interested in a solution to the territorial conflicts in its neighbourhood because it would stand to lose important influence in the region.

In 2008, Hannes Adomeit already pointed out these conflicting interests of the EU and Russia in the region. His study anticipates much of what actually materialised between 2013 and 2015: in particular, the tightening of Russian foreign and security policy both in terms of rhetoric and the "military reality".<sup>6</sup> Adomeit's study is also distinguished by the fact that he closely intertwines the rivalry between Russia and the EU with the perspectives of the "Median European" countries, as he refers to the region.

**The war Russia is waging on Ukraine also reflects the competition between two models of integration – European and Eurasian.**

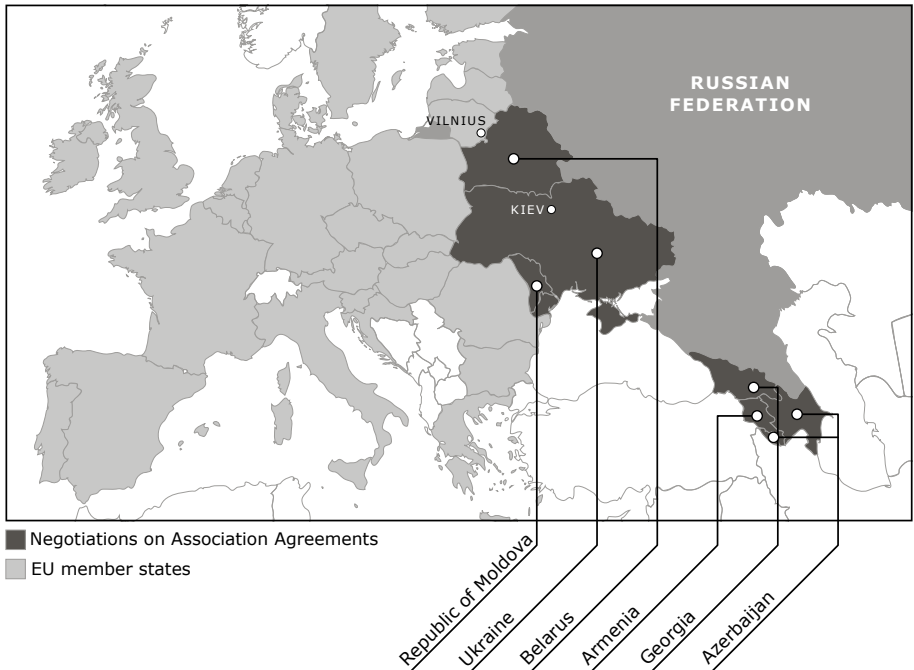
Seven years later, the Russian-European rivalry has resulted in an open conflict to be played out in Ukraine due to Russia's military aggression and in which it is mainly Ukrainians who are paying with their lives. In Europe is largely ignored that the war Russia is waging on Ukraine does not center around minority rights, separatism or the problems of a supposedly divided country but instead is also largely focused on the competition between two models of integration – the European and Eurasian. Furthermore, with the war in Ukraine, Putin attempts to divert attention from domestic problems such as the failed modernisation of Russia, the corruption that is rampant because nothing is done to combat it and the threat of a contagious knock-on effect of the Maidan protests.

Abkhazia and South Ossetia could spark a military conflict between Tbilisi and Moscow. What would Europe and the United States do if Russia played hardball in Ukraine or Georgia? They might well do nothing."

- 6 | Cf. Hannes Adomeit, "Russland – EU und NATO: Konkurrenz in 'Zwischeneuropa'", in: Hannes Adomeit/Peter W. Schulze/Andrei V. Zagorski (eds.), *Russland, die EU und "Zwischeneuropa"*, Sozialwissenschaftliche Schriftenreihe, Oct 2008, p.3-26, <http://iilp.at/index.php?download=103.pdf> (accessed 04 June 2015). With regard to Ukraine, Adomeit quotes a source that directly anticipates the events of 2014/2015: "According to American reports, Putin is said to have become more explicit in the NATO-Russia Council and questioned the sovereignty of Ukraine, from there going on to mention that if Crimea and eastern Ukraine were to accede to NATO, they could be detached from Ukraine and annexed to Russia." Cf. *ibid.* p. 13.

Fig. 1

### Countries Participating in the Eastern Partnership and the EU Summit in Vilnius in 2013<sup>7</sup>



## EUROPEAN INTEGRATION: EUROPEAN NEIGHBOURHOOD POLICY AND EASTERN PARTNERSHIP

In May 2004, alongside its eastward enlargement, the EU launched a program focused on its new immediate neighbouring countries in Eastern Europe and ten countries in the Mediterranean region in the form of the European Neighbourhood Policy. The framework for economic, political and cultural cooperation with these new neighbours was outlined in the ENP. In the process, the intention is to offer these countries incentives to modernise their politics, economy and society through a stronger association with the EU and to provide support in respecting human rights, the rule of law and the development of the market economy. The pace of this rapprochement between the EU and ENP countries should depend on the extent to which individual countries engage in the program's objectives. The ENP explicitly did not include any prospects of membership.

7 | Cf. "Vilnius Summit: Where Former Soviet Republics Stand", novinite.com, 28 Nov 2013, <http://novinite.com/articles/155938> (accessed 4 Jun 2015).

Relations with Russia have found new footing following the 2004 expansion: In May 2005, a program was agreed upon for the creation of four "Common Spaces" (economy; freedom, security and justice; external security; research, education and cultural aspects). "Road maps" were to serve to fill these spaces. However, the program proved to be too non-binding. Although it included an extensive and rather specific task catalogue, its implementation depended on political will, which was ultimately lacking. Here, it is worth noting that drawing up an Association Contract with the EU that went beyond the Common Spaces was certainly discussed by the Russian establishment in 2005. However, this would have had to have included restrictions on or completely excluded the EU's influence over Russia, while at the same time Russia wanted to be involved in discussions and decision-making processes within the EU.<sup>8</sup>

The biggest problem facing the ENP was that it lacked specifics and did not differentiate between eastern and southern neighbouring countries. It was for this reason that, at France's urging, the Union for the Mediterranean was established, followed shortly after by the Eastern Partnership at the initiative of Poland and Sweden. The decision was made at the European Council in December 2008, and the founding summit was held in Prague on 7 May 2009.

The main objective of the EaP was to establish the necessary conditions for political association and further economic integration between the EU and interested partner countries in Eastern Europe. The EaP is founded upon the conclusion of extensive Association Agreements, which also include "deep and extensive" free trade agreements. The Association Agreements were intended to replace the existing and somewhat outdated Partnership and Cooperation Agreements (PCA) and renew the EU's relations with its partners.

Russia initially reacted negatively to the Eastern Partnership. Foreign Minister Sergey Lavrov called the program an establishment of the EU's influence in its eastern neighbourhood.<sup>9</sup> And by 2008, Moscow had made the accusation that the initiative forced the countries in question to choose between Russia and the EU.

8 | Cf. Hannes Adomeit/Rainer Lindner, "Die 'Gemeinsamen Räume' Rußlands und der EU. Wunschbild oder Wirklichkeit", *SWP-Studie* 34, Nov 2005, [http://swp-berlin.org/fileadmin/contents/products/studien/2005\\_S34\\_adm\\_ldr\\_ks.pdf](http://swp-berlin.org/fileadmin/contents/products/studien/2005_S34_adm_ldr_ks.pdf) (accessed 4 Jun 2015).

9 | Cf. *ibid.*

Voices from the Duma called on the EU “to consult with Russia before starting any initiatives that concern Russia’s ‘traditional interests’”.<sup>10</sup>

## EURASIAN INTEGRATION: EURASIAN ECONOMIC UNION

Out of the realisation that the Commonwealth of Independent States (CIS) had never functioned properly in the wake of the 1991 dissolution of the Soviet Union and certainly as a reaction to the Eastern Partnership, Russia began pushing its own models of integration:

**Russia began pushing its own model of integration: a Customs Union was established in 2010, and in 2011, Russia, Belarus and Kazakhstan decided on the creation of the Eurasian Economic Union.**

a Customs Union was established in July 2010, which included Russia, Belarus and Kazakhstan. All customs borders between the three states were dismantled by July 2011. Through free trade agreements, Ukraine enjoyed duty-free access to the common market of the Customs Union for many goods. In November 2011, Russia, Belarus and Kazakhstan approved the creation of the Eurasian Economic Union (EAEU) by January 2015.

The founding treaty was signed in May 2014. Armenia joined in October 2014. Accordingly, the EAEU was launched in January 2015 with four member states, with Kyrgyzstan joining as a fifth member in the course of the year. The EAEU is headed by the Supreme Eurasian Economic Council, which is made up of the heads of state of the member states, and the Eurasian Integration Council comprised of prime ministers. The primary objective of the EAEU is to facilitate the exchange of goods, capital, services and labour.<sup>11</sup> Furthermore, it seeks the free choice of training and work places, joint coordination in areas such as energy, industry, agriculture and transport, and in the longer term, a common energy market (2019), a common oil and gas market (2025) and the establishment of conditions for a uniform financial market (2025). At an EAEU summit in Astana in March 2015, Vladimir Putin once again raised the idea of a common currency.<sup>12</sup>

10 | Susan Steward, “Russland und die Östliche Partnerschaft. Harsche Kritik, punktuell Kooperationeninteresse”, *SWP-aktuell* 21, Apr 2009, [http://swp-berlin.org/fileadmin/contents/products/aktuell/2009A21\\_stw\\_ks.pdf](http://swp-berlin.org/fileadmin/contents/products/aktuell/2009A21_stw_ks.pdf) (accessed 6 Apr 2015).

11 | For more on the Eurasian Union and the “Game of Unions”(Europe and Eurasia): Nicu Popescu, “Eurasian Union: the real, the imaginary and the likely”, *Challiot Papers* 132, Sep 2014, [http://www.iss.europa.eu/uploads/media/CP\\_132.pdf](http://www.iss.europa.eu/uploads/media/CP_132.pdf) (accessed 8 Jun 2015).

12 | Cf. “Putin Proposes Talks on Currency Union”, *Radio Free Europe, Radio Liberty*, 20 Mar 2015, <http://rferl.org/content/kazakhstan-putin-lukashenka-nazarbaev/26911076.html> (accessed 4 Jun 2015).

**Including territories to the EAEU that officially belong to states associated with the EU is an indication that the European integration policy is intended to be actively torpedoed.**

An expansion of the EAEU to include the conflict regions of South Ossetia, Abkhazia, Transnistria and the DPR/LPR (Donetsk People's Republic and Luhansk People's Republic), which are de-facto occupied by Russia

and are not internationally recognised states, is repeatedly a topic of discussion. The fact that these are territories that officially belong to the EU associated states of Georgia, Ukraine and Moldova is an indication that through the EAEU the European integration policy in the region is intended to be actively torpedoed.

## **A DIFFERENTIATED APPROACH**

With the signing of the Association Agreements between the European Union and Ukraine, Moldova and Georgia in June 2014 and Armenia joining the EAEU in October 2014, the region has lost its character as Median Europe. For the EU, this means that a further differentiation of its policy towards its eastern neighbours is essential.<sup>13</sup> Both the internal development of the countries and Russia's policies in the region will need to be taken into consideration.

### **Belarus**

Out of all the Soviet Union successor states, the relations between Belarus and Russia were always the closest. Already by the mid-1990s, Presidents Lukashenko and Yeltsin had decided to establish a Union State, yet once Putin took office in 2000, this resulted in very little real political impact: while Putin framed the Union as the inclusion of Belarus in the Russian Federation, Lukashenko insisted on an equal merger.

However, irrespective of the largely formal Union State idea, there are numerous profound links between the two countries: In terms of economy, Belarus depends considerably on support from

13 | This is what Belarusian Minister of Foreign Affairs Vladimir Makey was referring to in mid-February when he said: "The European Union should have a 'differentiated approach' to dealing with the countries involved in its Eastern Partnership program and look for mutually acceptable formats of cooperation. [...] Someone wants to be a member of the European Union in the future, someone sees himself as a member of the EU in the distant future, and someone simply wants to have proper economic and political relations with it." Iryna Turchyna, "EU should treat each Eastern Partnership country differently, Makey says", *Belapan*, 20 Feb 2015, [http://belapan.com/archive/2015/02/20/en\\_16040220H](http://belapan.com/archive/2015/02/20/en_16040220H) (accessed 4 Jun 2015).



Russia. This endowment of the Belarusian state budget through reduced gas prices, revenues from oil export duties and lending amounts to 7.7 billion U.S. dollars per year.<sup>14</sup> Russia is currently building the first nuclear power plant in northern Belarus and owns 100 per cent of the gas pipeline network in Belarus, through which Russian gas is transported to Europe. Border controls at the common “Union State border” are practically non-existent.



Lukashenko and Putin this spring: A permanent distrust marks the relationship between the two heads of state. | Source: Kremlin ©📷

A treaty on military cooperation has also been in place between the two countries since 1997. Every two years, large-scale military exercises are held alternatively in Belarus and Russia, including “Zapad” (West) in 2009, in which an attack on Poland was simulated.<sup>15</sup> Russia maintains a radar station near the military airfield in Baranovichi as part of a joint CIS air defence force, and both sides also closely coordinate their arms industries with one another.

However, problems in the relations between Belarus and Russia result among other things from the mutual personal dislike of Presidents Putin and Lukashenko as well as from the question

14 | Cf. German Economic Team Belarus, “Bewertung der wirtschaftlichen Lage durch GET Belarus”, Get Belarus, Sep 2014, <http://get-belarus.de/wordpress/wp-content/uploads/2014/10/WAB-2014-01.pdf> (accessed 4 Jun 2015).

15 | Cf. Anna Dunin, “Intel Brief: Poland on Edge Over Russian Drills”, *The International Relations and Security Network*, 18 Nov 2009, <http://isn.ethz.ch/Digital-Library/Articles/Detail/?id=109702&Ing=en> (accessed 4 Jun 2015).

of Belarus' actual political independence from Russia, which is rarely discussed openly but forms a breeding ground for constant mistrust.

It is for this reason that Lukashenko has perfected a "see-saw policy" between Russia and the EU over the past decade, where, despite economic dependencies on all sides, he makes an effort to occasionally take independent positions in terms of foreign policy. This was most evident in 2008 when he refused to recognise Russian occupied Abkhazia and South Ossetia after the Russian-Georgian war. This was followed by a cautious rapprochement between Belarus and the EU accompanied by a rapid deterioration of Russian-Belarusian relations. Lukashenko's release of political prisoners was observed with suspicion by Moscow, while the EU in turn lifted account blocks and entry restrictions. This rapprochement came to an abrupt end with the presidential elections held in December 2010 when, after a surprisingly liberal campaign, a peaceful demonstration on the eve of the elections was brutally suppressed. This once again resulted in Belarus being isolated from Europe and returned deep into Moscow's sphere of influence.

As a founding member of the EAEU and given its economic dependence on Russia, Belarus remains destined for Eurasian integration. Aside from institutionalised cooperation, there is nevertheless strong potential for enhanced sectoral cooperation between Belarus and the EU.

### **Armenia**

Strong historical ties also exist between Armenia and Russia. Russia is seen as the protector of the country, whose borders are closed to its eastern neighbour, Azerbaijan, due to the conflict over Nagorno-Karabakh, and its southern neighbour, Turkey, due to the issue of the Armenian genocide in 1915/1916. Alongside the Republic of Moldova, Armenia is one of the poorest countries in the region and does not have significant own resources or access to the sea. In terms of (energy) industry, the country is heavily dependent on Russia.

In the war over the Nagorno-Karabakh region that raged between Armenia and Azerbaijan between 1991 and 1994, more than 40,000 people were killed and more than one million people became refugees. Since the ceasefire in May 1994, Armenia has maintained control over Nagorno-Karabakh, which is located in

Azerbaijani territory and is inhabited by ethnic Armenians. The conflict is politically frozen; yet time and again it descends into a military conflict with many victims. Although oil-rich Azerbaijan is likely to be far superior to its neighbour militarily speaking – Azerbaijan’s military budget is about as high as the entire state budget of Armenia – it shies away from open confrontation. This is due to the Russian military presence in Armenia. Russia maintains an air base in Gyumri.

**The conflict between Armenia and Azerbaijan over the Nagorno-Karabakh region is politically frozen; yet time and again it descends into a military conflict with many victims.**

In 2012 and 2013, Armenia had been negotiating with the EU on an Association Agreement as part of the Eastern Partnership, making good progress by regional standards (compared to Georgia, Moldova and Ukraine) by mid-2013.<sup>16</sup> Still in the summer of 2013, it had been expected that Armenia would establish an Association Agreement with the EU at the summit in Vilnius. Russia responded to this development with a short-term increase in the prices of energy supplies to Armenia. In early September 2013, Armenian President Serzh Sargsyan travelled to Moscow to meet with Putin, where he made the surprising announcement that Armenia would join the Eurasian Union. It was then reported that Putin not only “reminded” Sargsyan of Armenia’s economic dependence on Russia,<sup>17</sup> but also “informed” him that Russia had just concluded an agreement on arms sales with Azerbaijan measuring in the billions.

This existential economic and military dependence on Russia dominates Armenia’s foreign policy. Unlike with Russia, no fundamental security guarantees are realistically likely to come from the EU either with regards to the conflict with Azerbaijan (which the EU is courting because of its oil) or the conflict with NATO member Turkey. Nevertheless, Armenia is interested in closer cooperation with the EU, which, unlike Russia, is seen as an engine for the country’s modernisation.

16 | For details, cf. Olga Kvashuk et al., International Renaissance Foundation / The Open Society Foundations / The Eastern Partnership Civil Society Forum, *European Integration Index 2013 for Eastern Partnership Countries*, [http://eap-index.eu/sites/default/files/EaP\\_Index\\_2013\\_0.pdf](http://eap-index.eu/sites/default/files/EaP_Index_2013_0.pdf) (accessed 4 Jun 2015).

17 | “Putin and Sargsyan both used the Moscow meeting to highlight Russia’s massive economic presence in Armenia [...]. Russian cumulative investment in Armenia currently exceeding \$3 billion, or approximately one half of total foreign investment in this country whose total annual total GDP was reported at \$9.8 billion in 2012.” Quoted from Vladimir Socor, “Armenia Chooses Russia and Eurasia over the European Union”, *Eurasia Daily Monitor* 156, 5 Sep 2013, [http://jamestown.org/single/?tx\\_ttnews%5Btt\\_news%5D=41319](http://jamestown.org/single/?tx_ttnews%5Btt_news%5D=41319) (accessed 4 Jun 2015).



While Armenia's President Serzh Sargsyan (l.) actively negotiated with the EU on an association agreement in 2012 and 2013, he announced in September 2013 Armenia's accession to the Eurasian Union and therefore made a U-turn under Russian pressure. | Source: Enzo Zucchi, European Council, flickr ©①⑤③.

### **Azerbaijan**

Azerbaijan is the only country in Eastern Europe to show no serious interest in either the European or Eurasian model of integration. The rivalry between Russia and the EU is therefore at its lowest in Azerbaijan. Due to its immense oil reserves, the country is largely economically independent. Azerbaijan is the only Muslim country of the six EaP countries and has close historical ties to Turkey. Neither of the two countries have any diplomatic relations with neighbouring Armenia.

Azerbaijan's policy towards Russia is marked by cautious reserve and a kind of mutual diplomatic inaction: Although Azerbaijan would have been justified in condemning Russia's actions in Crimea as it bears similarity to the pattern of the Armenian occupation of Nagorno-Karabakh, no open criticism of Moscow was levelled by Baku. No official comment has been made even on Russia's repressive handling of Crimean Tatar, another Muslim ethnic group. However, Azerbaijan is in the process of negotiating with the European Union on the supply of Caspian oil (and likely gas as well) bypassing Russia via Georgia and Turkey to Italy. Russia observes with distrust the way in which Caspian oil makes Europe less dependent on Russian energy supplies, yet is careful

not to openly criticise Baku's leadership for this. Unlike with all the other Eastern European countries, Russia's economic influence on Azerbaijan is low.



In 2014, Azerbaijan has chaired the Council of Europe. Nevertheless, it lacks a common foundation of values with the countries of the European Union: Baku has no understanding for European criticism of various human rights violations in the South Caucasian state. | Source: Dominique Edte, flickr @👤👤.

However, the South Caucasus state is not seeking an association with the European Union. Although it participates formally in the program of the Eastern Partnership, the signing of a visa facilitation agreement with the EU at the summit in Vilnius is the extent of its commitment. However, there is a distinct lack of a common foundation of values. In particular, Baku has little understanding for the European criticism of the violation of human rights in Azerbaijan, for the brutal actions of the security forces and the lack of civil liberties. The EU's main problem with Azerbaijan is the double standards in place: the human rights situation in the country is worse than in Belarus with nearly 100 political prisoners serving time in Azerbaijani prisons; in 2014 there was a wave of repression against the opposition, journalists beaten and accounts of independent institutions blocked. At the same time, the country held the Presidency of the Council of Europe in 2014 and the EU has never seriously discussed sanctions against the Aliyev regime, unlike in the case of Belarus.

Russia has understood that the combination of an authoritarian state on the one hand, and an abundance of resources on the other constitutes a political dilemma for the European Union. This dilemma, together with the frozen Nagorno-Karabakh conflict, provide important leverage for Russia to exert its – albeit limited – political influence on its southern neighbours.

### **Georgia**

Since the Revolution of Roses brought Mikheil Saakashvili the presidency in 2003, Georgian (foreign) policy has focused on the European Union. Fundamental reforms had been implemented in Georgia long before the start of the Eastern Partnership: reduced bureaucracy and economic liberalisation meant that the old elites and networks were largely disempowered and state institutions sustainably strengthened. In addition, corruption and crime were prosecuted and the police in particular saw radical reform.<sup>18</sup>

Saakashvili's foreign policy priority was the reintegration of the breakaway regions of Abkhazia, South Ossetia and Adjara into Georgian territory. This goal was achieved in the case of Adjara, but failed in the regions of Abkhazia and South Ossetia, which border Russia. This policy has resulted in a rapid deterioration of Russian-Georgian relations, with Russia imposing economic embargoes and closing border crossings in 2007. Tensions escalated in August 2008 during a five-day war between Georgia and Russia in which some 850 people lost their lives. "Georgian Dream", established by oligarch Bidzina Ivanishvili, has been the ruling party since 2012 and has thus far sought without success to improve relations with Russia.

The flip side of such shattered relations with Russia is Georgia's interest in closer integration into European and Western structures: a strategic partnership with NATO was concluded in 2004 and Georgia was in negotiations with the EU on an Association Agreement beginning in 2008, which was concluded at the EU summit in Vilnius in November 2013 and signed in June 2014 in Brussels. Amongst the Georgian people, the policy of European rapprochement enjoys broad support. By contrast, Russia's intention

18 | Some reformers from Saakashvili's first term of office took over important functions in the Ukrainian government formed in autumn 2014: Alexander Kvitashvili is the Ukrainian Minister of Healthcare, Eka Zguladze is the First Deputy Minister of Internal Affairs, Saakashvili himself serves as an adviser to President Poroshenko, as well as Governor of the Odessa region since late May.

is primarily to torpedo the European integration of its southern neighbour via the breakaway regions there: Moscow concluded a strategic partnership alliance last year with the regions of Abkhazia and South Ossetia, regions which both officially belong to Georgia; this is seen as an attempt towards legal legitimisation of Russian annexation.<sup>19</sup>



Georgian soldiers on their return from the front: The attempt to reintegrate the regions of Abkhazia, South Ossetia and Adzharia in the Georgian territory by then-Georgian President Saakashvili was followed by a five-day war with Russia in August 2008. | Source: Håkan Henriksson ©1.

Georgia has faced and continues to face immense economic, political and military pressures from Russia and the European Union has thus far not reacted appropriately: "Russian advances, including the removal of Georgian territory in 2008, have not lead to the countermeasures that were presumably required,"<sup>20</sup> writes retired General Klaus Dieter Naumann. He contends that this mistake also contributed to the 2014 crisis in Ukraine. Naumann urges the West to affirm that the changing of European borders by force will not be tolerated, yet to do so "without returning to the Cold War, but instead by sending a clear signal of 'thus far and no further!'"<sup>21</sup>

19 | Cf. Mikhail Bushuev, "Russland und Südossetien. „Maximale Integration“, *Deutsche Welle*, 17 Feb 2015, <http://dw.de/p/1EdD6> (accessed 4 Jun 2015).

20 | Klaus Dieter Naumann, "Hat der Westen alles falsch gemacht? Über das Verhältnis des Westens zu Moskau von 1988 bis heute", *Die Politische Meinung*, Special Volume Oct 2014, p.77, [http://kas.de/wf/doc/kas\\_38977-544-1-30.pdf](http://kas.de/wf/doc/kas_38977-544-1-30.pdf) (accessed 4 Jun 2015).

21 | Naumann's criticism is shared by many observers; for example, Stefan Auer said "Europas Reaktion auf Russlands imperialistische Ambitionen war inadäquat." Quoted from Stefan Auer, "Der Maidan, die EU und die Rückkehr der Geopolitik", in: Katharina Raabe/Manfred Sapper (eds.), *Testfall Ukraine – Europa und seine Werte*, Berlin, 2015, p.206.

## Republic of Moldova

The paradox of the political development of the Republic of Moldova over the past decade lies in the fact that it was the communists assumed to be loyal to Moscow under President Voronin who sustainably strengthened the European vector of the country after 2005. In 2011, the Republic of Moldova held negotiations with the EU on an Association Agreement, which was successfully concluded at the summit in Vilnius in 2013. The agreement was signed in June 2014 and ratified in July in Chisinau. Already by April 2014, the visa requirement for Moldovan nationals travelling to the EU had been lifted.

Although the country, which borders Ukraine to the east and Romania in the west, is not of strategic importance to Russia, and despite the fact that, unlike in Georgia or Ukraine, NATO membership has never seriously been discussed in the Republic of Moldova, the country's European rapprochement is a thorn in Putin's side. Russia has a great deal of leverage in influencing the situation in the Republic of Moldova and puts it to use:

- The country is almost entirely dependent on Russian energy supplies. Half of the Moldovan state gas company Moldovagas belongs to the Russian company Gazprom.
- Russia is the main market for Moldovan agricultural products, particularly for Moldovan wine.
- Hundreds of thousands of Moldovan guest workers work in Russia. Their transfers of funds make up a large part of the Moldovan GNP.
- Russia controls and finances some of the country's political parties. Currently most of this control is directed towards the "Party of Socialists", which became the strongest parliamentary party in the November 2014 elections.
- The Moldovan oligarchs who dominate the economy, politics and media in the Republic of Moldova have made their fortunes through opaque business ties in Russia.
- Political leaders in the Gagauzia autonomous region in the southern part of the country have long threatened secession from the Republic of Moldova and annexation to Russia.
- In the Transnistria region that broke away 25 years ago, Russia has established an extensive arsenal and has stationed some 2,000 troops there, refusing to reduce this troop deployment despite an agreement put in place since 1999.



Russia uses the frozen Transnistrian conflict in particular to destabilise the situation in the Republic of Moldova. Transnistria is considered to be a “black hole” in Europe where arms are illegally traded, human trafficking takes place and money is laundered.<sup>22</sup>

Despite the Republic of Moldova’s numerous structural problems, there is no alternative but to implement the Association Agreement with the EU: “If we were to say now that everything has failed,” says Elmar Brok, “we would be placing the Republic of Moldova in the lion’s mouth of Russia and Putin will have won, which we of course do not want.”<sup>23</sup>

## Ukraine

The milestones of political development in Ukraine over the past year and a half are well-known: the corrupt regime of Viktor Yanukovich, the Euromaidan protests, Yanukovich’s escape, Russia’s annexation of Crimea, the war in the eastern part of the country. Four issues of concern neglected in Western discourse bear highlighting:

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- The fighting in the Lugansk and Donetsk territories is not an intra-Ukrainian confrontation or a conflict with pro-Russian separatists, rather is an act of Russian aggression against Ukraine.
- A major reason for the war Russia is waging against Ukraine is Ukraine’s decision not to join the Eurasian Union, instead choosing the path of European rapprochement. This is tantamount to a Russian war by proxy to which it is mainly Ukrainians who have fallen victim.
- The EU and the West bear some responsibility for solving the conflict due to their international obligations: in autumn 1990, every NATO country and what was then the Soviet Union signed the Paris Declaration, in which the principles of the Helsinki Final Act of 1975 were reaffirmed. These include the inviolability of territorial boundaries, the renunciation of violence in states’ dealings with one another and the freedom of each state to be able to decide for itself which alliances it would likely engage in.

22 | Cf. Jan Marinus Wiersma, “Bericht: Ad-hoc-Delegation für Moldawien 05. und 06. Juni 2002”, 2 Jul 2002, p. 6, <http://europarl.europa.eu/meetdocs/committees/afet/20021007/473437DE.pdf> (accessed 4 Jun 2015).

23 | Keno Verseck, “Warnung der NATO: Putin hat die Republik Moldau im Blick”, *Spiegel Online*, 26 Feb 2015, <http://spiegel.de/politik/ausland/a-1020428.html> (accessed 4 Jun 2015).

In addition, in the Budapest Memorandum of 1994, the United States, Great Britain and Russia pledged to Kazakhstan, Belarus and Ukraine to respect their sovereignty and existing borders (Art. 1), as well as their political and economic independence (Art. 2 f.) in return for their renunciation of nuclear weapons.

- Successful political and economic reforms in Ukraine are the most effective tool in the conflict with Russia. These reforms can only succeed if guarantees are made over the security of the remaining, non-occupied Ukrainian territory. The West must advocate for those guarantees.

## CONCLUSION

The European and the Eurasian integration models are fundamentally different: by seeking rapprochement with the EU, states are provided with support for modernisation, good governance and economic reforms. The Copenhagen Criteria codifies the standards for European rapprochement in a way that is both transparent and applies equally to all countries. European integration is based on the self-determination and sovereignty of states, which have entered freely into the decision to engage in European rapprochement (or to reject this; see Iceland).

States choosing to integrate into the Eurasian Economic Union are promised cheap energy, loans, state budget subsidies and military assistance. The Eurasian Economic Union is designed as a rival project to that of the European Union for rapid geographical growth, which is to be achieved through economic and military pressure. Russia is the dominant state, and no guarantees are given regarding the sovereignty and integrity of potential acceding countries.

Despite these differences, the compatibility of the two integration models must be scrutinised: ahead of the meeting in Minsk on curbing the violence in Ukraine in February 2015, Angela Merkel once again raised the idea of a free trade area from Lisbon to Vladivostok.<sup>24</sup> At the same time, relationships with Russia will have to be redefined. The policy of integration and partnership for modernisation has failed. However, continuing this dialogue with Russia is essential despite the fact that it is currently unclear who in the country's political leadership this can be discussed with.

24 | Cf. Hans-Jürgen Maurus, "Merkels Handels-Angebot. Das laute Schweigen der Russen", *tagesschau.de*, 23 Jan 2015, <http://tagesschau.de/wirtschaft/merkel-freihandel-russland-105.html> (accessed 4 Jun 2015).

In addition, the policy towards eastern neighbourhood states must be fundamentally reworked. According to Bundestag President Norbert Lammert, the continuation and modification of the Eastern Partnership is one of the priority tasks of the EU. However, this process cannot follow a standard format since each partner country is subject to its own unique conditions and requirements and the principle of self-determination must be applied.<sup>25</sup>

25 | German Bundestag, "Lammert: Östliche Partnerschaft der EU weiterentwickeln", 1 Oct 2014, [http://bundestag.de/presse/pressemitteilungen/2014/pm\\_141001/332912](http://bundestag.de/presse/pressemitteilungen/2014/pm_141001/332912) (accessed 4 Jun 2015).