EU-Russia Relations: Towards an Increasingly Geopolitical Paradigm
Jul 03, 2017 by Tania Marocchi

In 2014, Russia’s annexation of Crimea and its military intervention in eastern Ukraine following Ukraine’s intention to sign an Association Agreement (AA) with the European Union caught the EU by surprise. The EU strongly condemned Russia’s ‘clear violation of Ukrainian sovereignty and territorial integrity by acts of aggression’, while Putin unwaveringly defended Russia’s actions, stating that ‘with Ukraine, our western partners have crossed the line [...] They must have really lacked political instinct and common sense not to foresee all the consequences of their actions. Russia found itself in a position it could not retreat from. If you compress the spring all the way to its limit, it will snap back hard.’ Yet, it is safe to say that the EU did not foresee a Russian territorial invasion as a consequence of signing an Association Agreement with Ukraine. For many in Europe, potential disadvantages deriving to Russia from Ukraine’s AA with the EU certainly did not justify an invasion doomed to poison EU-Russia relations and to jeopardise their benefits. Yet, Russia’s assessment of the situation and of what was at stake in Ukraine was different.

Since relations were established in the 1990s, Russia’s actions caught the EU by surprise several times. The 2006 Russia-Ukraine energy crisis or Russia’s 2008 war in Georgia, are just some of the most prominent examples. Ultimately, the EU’s failure to anticipate Russia’s moves is rooted in its failure to understand how Russia sees the world and the EU and how it understands its actions. Similarly, Russia’s perception of the EU’s intentions is distorted by its own way of interpreting relations in the international arena. In the relations between two players, in fact, four elements must be considered to understand and predict their actions: the image each of them have of themselves and the image that each of them holds of the other. In the case of Russia and the EU, understanding these four elements – the EU’s image of itself and of Russia and Russia’s image of itself and of the EU – is an essential pre-condition to pre-empt possible problems in the relation and devise effective strategies on how to solve them.

Neorealist Russia versus liberal EU

When it comes to Russia’s image of itself, Russia inherited from its Soviet and pre-Soviet history its great power mentality. As the successor state of the Soviet Union, Russia has not stopped perceiving itself as a super power and since the end of the Cold War – ‘the greatest geopolitical catastrophe of the 20th century’ in the words of Russian President Vladimir Putin – it has been trying to recover its lost status. To Russia, any position in European and international affairs other than a primary one is unacceptable: it wants to actively shape the European order, not to be a passive consumer of European norms.

The EU, to the contrary, considers itself a community based on a key set of common values – among them, peace, freedom, democracy, supranational rule of law, and human rights –, which are at the basis of EU’s relations with third parties. The EU considers these values non-negotiable and has established itself as a normative power, able to diffuse its norms in relations with third countries, basing interactions with them on the values enshrined in its own acquis communautaire.

Together with their different self-images, the EU and Russia’s images of each other are largely shaped by two different paradigms, a liberal and a neorealist one. Russia follows a neorealist paradigm, in which balance of power and zero-sum game thinking are at the basis of states’ interactions and a narrow definition of national interest is what motivates states’ decisions. In this model, interest also equals survival and survival is assured when an actor has a relative power over another. Moscow approaches international relations with a nineteenth-century logic, considering them a tête-à-tête

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between great powers, a struggle between nation states in which military strength and strategy play a fundamental role. In this paradigm, Russia considers states, with clearly defined national interests, the legitimate actors of the international arena. The EU, with its supranational nature, escapes this narrow definition, and Russia’s European strategy is largely based on the expectation that its sovereign member states are the ones determining Europe’s future. For these reasons, Russia prefers bilateral relations with EU member states to relations with the EU institutions. As for the EU – being a liberal product born from the cooperation that arose from the ashes of World War II – it acts following a liberal paradigm, in which power politics is rejected, the mutual benefits of international cooperation are emphasised and increased economic and cultural interdependence is considered the way to reduce conflict. In this framework, Russia is both an important partner, being the EU’s largest neighbour and third trading partner, and a problematic interlocutor, given its poor track record for what concerns rule of law, democracy and human rights, which is in tension with the EU’s funding values and idea of democratic peace. On this premises, the EU has tried to promote advancements in Russia’s democratic development and has been critical of the country’s human right abuses.

The EU and Russia’s different image of themselves and of each other formed their views and influenced their policies, playing a significant role in their interactions. Yet, the influence of these four images has not always been obvious or explicit. This is due to different reasons, some inherent to the nature of the two ways of looking at the world, some due to historical circumstances. Regardless, these differences have not been properly factored in policy-making, leading to EU-Russia relations being framed into formats that frustrated both Brussels’ value-based approach and Moscow’s great power image.

A frustrating partnership

When Russia emerged as the successor state of the deceased Soviet Union, there was in Europe a sense of end of history, a perception that Cold War-like geopolitics was over: the European continent was now free from authoritarianism and the countries of Central and Eastern Europe, Russia included, could now walk a natural and expected path towards democracy, rule of law and market economy. During the Yeltsin years, a clear pattern emerged in EU-Russia relations: the EU considered itself the model for Russia’s future and – at least in the very first years – Russia looked at the EU as a model for its development. Russia’s first Foreign Minister Andrei Kozyrev believed that Russia should develop its ‘natural partnership’ with Western countries by investing in the market economy and recognising individual freedoms. Yeltsin was also a strong advocate of this foreign policy approach and considered the West an ‘ally in the common struggle against the Soviet system’.

In those years of relative Russian weakness, the EU carried the leadership in advancing EU-Russia relations and offered normative frameworks for the development of relations. In 1994, EU and Russia signed the Partnership and Cooperation Agreement (PCA), a framework that still serves as the legal basis of their relations. The PCA establishes provisions for the development of relations in the political, legal and humanitarian spheres in addition to the economic dimension. The PCA is based on the ‘respect for democratic principles and human rights as an essential element of the partnership’ and includes provisions to ‘support Russian efforts to consolidate its democracy, develop its economy and complete the transition into a market economy’. In the EU’s principle-based policy, the PCA was conceived as a tool meant to provide an appropriate framework for the gradual integration between Russia and a wider area of cooperation in Europe and assist Russia in becoming a fully-fledged democracy. Similar agreements were offered to the other states emerging from the collapse of Soviet Union. Yet, although signed in 1994, the agreement did not enter into force until 1997, as the European Union halted its implementation in response to Russia’s war in Chechnya. Already at the early stages of their relations, the EU used normative responses to sanction Russian’s use of power politics, which was incompatible with the EU’s own values, while Russia considered this an illegitimate intrusion in its internal affairs. By 1997, when the PCA entered into force, Russia had already begun to move away from its early days infatuation with Europe and had entered a process of consolidation of its own separate Eurasian identity. This identity, which was significantly shaped by Putin during the

2000s, is sui generis, with Russia identifying as a ‘sovereign democracy’ based on a separate set of values that are not in line with the PCA’s value-based foundations and intention of supporting Russia’s path towards Western-style democracy.

The PCA had several merits, including the establishment of a stable communication channel, which offered the possibility of a steady dialogue, allowing the EU and Russia to develop a relationship based on mutual trust. At the same time, because it was created in times of Russia’s extreme weakness, it crystallised EU-Russia relations in a power configuration which reflected their power-relations and intentions as they were in 1994. This situation was worsened by Russia’s inability to make good use of the platforms provided by the agreement. For years, Russia did not invest in training personnel that would be able to make the most of EU-Russia relations through this platform. Russians themselves recognised that Russia’s ‘number of qualified personnel is insufficient to carry out real productive work with the powerful bureaucratic machinery of Brussels’.\(^7\) This ‘catastrophic lack of skilled experts’,\(^8\) led to circumstances in which the Commission had to draft single-handedly joint resolutions as Russian negotiators claimed they had ‘neither the time nor enough staff to write them’.\(^9\) Russia’s inadequacy to make use of this framework worsened its position vis‐à‐vis the EU, relegating Moscow to a reactive role, where it limited itself to responding to initiatives put forward by Brussels. This ended up frustrating both the EU and Russia, although for different reasons: the EU because Russia was not delivering and Russia because it enhanced its frustration with being treated as a subordinate interlocutor instead of an equal partner. Before 2007, when the PCA reached the end of its initial ten-year period, Russian analysts and officials called for an upgraded agreement, lamenting Russia’s subordinate role. According to them, the PCA was an old mechanism, established in times of Russian weakness, which would have to be reformed recognising to Russia a prominent role in European affairs.

The EU was not completely deaf to Russia’s requests. In May 2005, following an agreement in principle at the 2003 Saint Petersburg summit, the EU and Russia started working towards the establishment of four ‘Common Spaces’ to provide a more detailed framework for mutual cooperation. These four spaces are in the areas of economic relations; freedom, security and justice; external security; and research and education. The EU granted Russia a different agreement than the one offered to other countries in Eastern Europe through the European Neighbourhood Policy, hereby recognising its special status. Yet, the EU’s approach was still very much shaped by its normative view of relations. This was particularly visible in the area of external security, which among the four common spaces, turned out to be the most problematic. Despite there being plenty of areas for cooperation – such as the Balkans, conflict prevention and crisis management – not all Member States were ready to consider Russia as a partner in the common neighbourhood, where major differences of approach were evident, especially towards the so-called frozen conflicts. Russia objected to what it regarded as EU interference in its backyard while the EU refused to concede that Moscow had any special rights in the common neighbourhood.\(^10\)

Like the PCA, the Common Spaces had numerous benefits, facilitating cooperation on a number of issues. Yet, they failed to integrate Russia’s increasing demands to be treated differently. As put by Carl Bildt, ‘When Moscow asks to be treated as “an equal”, it effectively means that it does not want to join Europe by accepting EU principles of behaviour, but that it wants to be an equal partner with whom Europe should negotiate these principles in the first place[,]… the West often tried to bend over backwards to integrate its former adversary along with its former allies into Western networks of institutions. But it is also true that the West never considered doing this on the basis of principles other than those of liberal democracy.’\(^11\) At the same time, the EU’s efforts to facilitate democratic reforms in Russia were treated as interferences in Russia’s internal affairs because Moscow was never interested in becoming a European-style democracy.

\(^{7}\) Sergei Karaganov, *Russia-EU Relations: The Contemporary Situation and Prospects for the Future*, Russia in Global Affairs, January 2005


\(^{10}\) Cameron F. and Matta A. (2008), *Prospects for EU-Russia relations*, Electronic Publications of Pan-European Institute

The Common Neighbourhood – the litmus test of a dysfunctional relation

When the European Neighbourhood Policy (ENP) was launched in 2004 in light of the perspective big bang enlargement of 2004, Russia showed little interest in the initiative. The policy was conceptualised following the EU’s liberal ideas of democratic and commercial peace, on the assumption that enhanced political and economic interdependence can promote stability, security and sustainable development both within and without the EU.12

Russia’s position changed dramatically when in 2009 the EU launched the Eastern Partnership, a policy in the framework of the ENP aimed to six countries in the post-Soviet space – Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine – with the goal of bringing them closer to the EU through deepened cooperation and integration on the basis of EU values, norms and standards.

First, with its increased focus on the countries comprised between the EU’s eastern border and Russia’s western one, the Eastern Partnership covered an area that Russia, since the early nineties, had embedded in its official foreign policy documents under the concept of ‘near abroad’. This concept can only find space in Russia’s neorealist world as it implies a hierarchical relation among states, where the ‘weaker’ countries of Eastern Europe are defined as a strategic area of interest of the Russian ‘great power’. This concept is so central to Russia’s look towards Eastern Europe that it was reiterated by President Vladimir Putin at the beginning of his first mandate in the early 2000s (when he called Eastern Europe Russia’s ‘sphere of influence’, and strategically vital for Russia), and then by president Dmitry Medvedev in 2008 when he talked about Russia’s neighbourhood as a sphere of Russia’s ‘privileged interests’.13 Secondly, the fact that the EU strongly pushed the EaP initiative after the outbreak of the Russo-Georgian war of August 2008 sent an equivocal message. The fact that the European Council conclusions of September 2008 linked the EU’s condemnation of Russia’s actions in Georgia to its intention to move ahead with the EaP strengthened Moscow’s impression that the initiative was directed against Russia.

Following its neorealist prism, Moscow framed the EU’s Neighbourhood Policy in a zero-sum fashion, accusing the EU of trying to establish a sphere of influence in the shared neighbourhood. Russia felt it was losing ground in its ‘sphere of influence’. In 2011, not long after the launch of the EaP and as a reaction to it, Russia launched its own alternative integration project, the Eurasian Custom Union (ECU), inviting other post-Soviet states to join, and factually forcing some of them to choose Russia’s integration project. The creation of the ECU during this period expressed Moscow’s aspiration to be recognised as a great power, but also signalled that Russia viewed maintaining its spheres of economic relations in the post-Soviet space as part of its vital security interests.

From that moment, the EU started sliding against its intention into a geopolitical competition with Russia, which Russia insisted the EU had started. The EU refused this framing and was unequipped to substantially challenge it. In a statement on the pressure exercised by Russia on countries of the Eastern Partnership, the former European Commissioner for Enlargement and Neighbourhood Policy, Štefan Füle stated that ‘It is true that the Customs Union membership is not compatible with the DCFTAs which we have negotiated with Ukraine, the Republic of Moldova, Georgia, and Armenia. This is not because of ideological differences; this is not about a clash of economic blocs, or a zero-sum game. This is due to legal impossibilities: for instance, you cannot at the same time lower your customs tariffs as per the DCFTA and increase them as a result of the customs union membership.’14 While this answer is correct from a trade policy and legal perspective, it reinforced Russia’s perception of the EaP as a geopolitical project. This impression was further confirmed by then European Commission President Jose Manuel Barroso, who did not agree to have trilateral discussions with Russian on the EU-Ukraine AA, saying that ‘what we cannot accept is a condition on a bilateral

agreement to have a kind of a possible veto of a third country. This is contrary to all principles of international law.\textsuperscript{15}

In its balance of power mentality, the Eastern Partnership strengthened Russia’s feeling of encirclement on its western front, already triggered by NATO’s enlargement in the Baltic States and talks of NATO enlargement in the post-soviet territory. In the words of Russian Foreign Minister Lavrov, ‘our Western partners chose […] to expand] NATO eastward and [to move] the geopolitical space under their control closer to Russia’s border. This is the root cause of the systemic problems that afflict Russia’s relations with the United States and Europe.’\textsuperscript{16} In its zero-sum game mentality, when the time came for Ukraine to sign the Association Agreement, a Ukraine closer to the EU meant necessarily a Ukraine farther from Russia. From Russia’s perspective, its territorial invasion of Ukraine was done to protect its ‘privileged interests’ in an area it considered vital importance. It wiped away the feared possibility that Ukraine could at some point join NATO and defended its sphere of interest in the neighbourhood. Russian leaders made a choice to act, perhaps both underestimating the Western response and considering inaction the riskiest bet. Russia believed that its interests where at such a stake that it was worth jeopardising relations with Ukraine, the European Union and the West.

The crisis in Ukraine highlighted several important tensions in the EU’s policy towards the neighbourhood and Russia. First, the EU’s normative approach, with its emphasis on shared values and democratisation, disregarded the fact that the EU policy of transfer and sharing of norms also carries with itself power implications. In its liberal mind-set, the EU systematically ignored geopolitical considerations. The European Neighbourhood Policy was Eurocentric in its conception and didn’t fully take into consideration the role that external actors play in the EU’s neighbourhood. The EaP has and had geopolitical and geo-economic implications: it tied countries to the EU, intertwining their markets with the European Union.

Secondly, the normative toolbox that the EU carries with itself appears inadequate to deal with geopolitical confrontations. Using economic and legal arguments, the EU insisted that its policy towards its Eastern neighbourhood had to be evaluated on the basis of its intents which were not geopolitical or zero-sum. Yet, once Russia set up the ECU as a competing project, the Eastern Partnership became a competitor of Russia’s sponsored Eurasian Custom Union, even if this was not the initial intention of the EU. Finally, the EU’s rejection of power politics and its value-based approach lock it in a weaker and reactive position when faced with a spoiler power like Russia. Although on many fronts Russia is less powerful that the EU, it can be more disruptive because unlike the EU, it is much more willing to use disruptive tools.

The readjustment of the EU’s policy in the neighbourhood

The crisis in Ukraine was among other things the result of a collision between two visions: the first based on rights, rules, such as the basic rules of international law and the values of democracy and human rights; the second based on spheres of influence and power politics. These different views will endure. In many ways, Ukraine marked a point of no return in EU-Russia relations, highlighting the fragility of their partnership.

The EU has stated multiple times that it will not be possible to return to business as usual. Russia agrees that a fundamental change is needed: ‘[the EU and Russia] should not aim at returning to business as usual. Simply resetting the relationship […] will not remove its underlying systemic flaw,’ said the Russian Ambassador to the EU, Vladimir Chizhov.\textsuperscript{17}

While both agree that relations should be profoundly re-thought, the Ukraine crisis triggered different realisations in the EU and Russia.

\textsuperscript{15} Andrew Marszal, EU will not accept Russian veto, says Barroso, The Telegraph, 29 November 2013, http://www.telegraph.co.uk/news/worldnews/europe/ukraine/10482580/EU-will-not-accept-Russian-veto-says-Barroso.html

\textsuperscript{16} Sergey Lavrov, Russia’s Foreign Policy in a Historical Perspective, Russia in Global Affairs, 30 March 2016 http://rga.mg.gulfaffairs.ru/number/Russia-Foreign-Policy-in-a-Historical-Perspective-18667

For the EU, Ukraine forced a reality-check about the EU’s Russia policy, as it highlighted the limits of the EU’s principle based approach in the neighbourhood and brought the understanding that its integration efforts in the post-Soviet states had been perceived by Russia as a geopolitical threat and competition. This realisation had concrete policy implications that are already visible and which suggest that the EU has recognised the role of geopolitics and is more prone to consider geopolitical considerations. Firstly, the EU seems to have become more cautious in proposing new initiatives towards the region and in implementing existing ones – e.g. it temporarily halted the implementation of the economic part of AA with Ukraine and tried to understand and respond to Russia’s concerns about the agreement. Secondly, the EU has understood that geopolitical considerations are becoming increasingly salient in the regional and global arenas and both the 2015 ENP revision and the 2016 EU Global Strategy seem to carry signs of this awareness. The revision of the 2015 ENP for the first time in EU official documents, argues that the EU will provide support and assistance in the area of conflict resolution to the countries in the eastern neighbourhood, and acknowledges the fact that the southern and eastern neighbourhoods are very different and require tailor-made approaches. The Security Strategy, instead, while rejecting ‘the illusion that international politics can be a zero-sum game’ acknowledges that ‘managing the relationship with Russia represents a key strategic challenge’ and the EU and Russia are interdependent. We will therefore engage Russia to discuss disagreements and cooperate if and when our interests overlap.

As for Russia, the EU’s united response in the adoption of sanctions caught Moscow by surprise and has significantly raised the price of its actions in Ukraine. Moscow tries to promote its interests at the lowest possible costs. From the Russian side, more and more voices are asking for the articulation from both sides of clear red lines. In the words of Lukyanov and Miller: ‘The triumph of political correctness in international relations has resulted in an unheard-of triumph of doublethink. The parties have lost a common language altogether, because their pictures of the world are incompatible. One can postulate that the Russian-Western dialogue today lacks sound and open cynicism and a clear expression of one’s own interests. Russia should firmly draw certain red lines and make it clear that trespassing will cause imminent retaliation. Those in the West who are capable of analysing their own mistakes have already realized that the practices of 2013-2014, when Moscow was told that Ukraine-EU relations were not its business, were in fact tantamount to stepping over such a red line’. This might suggests that Russia has grown more confident about its approach but also more appreciative of the consequences of its actions.

Conclusions and future prospects

The EU and Russia are fundamentally different actors: a supranational organisation with a normative agenda and a Westphalian state following power politics. These underlying differences have shaped their actions and relations since the beginning, influencing the framework of their official relations and shaping their cooperation. However, awareness about these differences was not always present.

The crisis in Ukraine brought a realisation about this differences and evidence in the EU response suggests a higher degree of awareness of Russia’s geopolitical attitude towards the neighbourhood along with the embracement of an increasingly geopolitical approach towards the region. While lowering the level of tension in Ukraine will remain a priority, both Russia and the EU will have to reflect on a long-term strategy for their future relations. These strategies should take into account mutual differences, and some signs suggest that the EU is already doing so.

As for practical cooperation, in the short term, no fundamental change is to be expected. With Putin widely expected to be re-elected in March 2018 presidential elections for another six-year term and given Russia’s highly centralised foreign policy, a high degree of continuity in Russia’s EU policy is to be expected. Moscow will continue to try to have EU sanctions relaxed or lifted without having to fulfil the Minsk obligations. It will continue to do so by trying to weaken EU solidarity, wedging cleavages

among member states, also through its propaganda machine. Nevertheless, with the EU's sanctions clearly linked to the complete implementation of the Minsk agreements and the current lack of progress, the conflict in Ukraine is likely to remain stalled. Crimea has de facto joined the club of the frozen conflicts of the common neighbourhood, and will most likely be increasingly compartmentalised, with the EU not recognising it as part of Russia while cooperating with the Kremlin on other dossiers.

Relations between the EU and Russia are likely to proceed on parallel channels, with sectorial cooperation coexisting with confrontation, as it was the case before Ukraine. The maintenance of sectoral cooperation is of paramount importance as it is only through cooperation that the EU and Russia will be able to rebuild the confidence that would benefit both sides. Overcoming the lack of trust is the essential basis of new EU-Russia relations. This should be done through baby-steps and in sectors where EU and Russian interests overlap, such as the fight against terrorism, the non-proliferation of weapons of mass destruction and arms control.