

Policy Department External Policies

THE FUTURE OF EU–RUSSIA RELATIONS

A VIEW FROM RUSSIA

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The Future of EU-Russia Relations – A View from Russia

*Fyodor Lukyanov*¹

Summary

Negotiations on a new agreement between Russia and the European Union will proceed in the new international situation. The global economic crisis is creating a new balance of powers, but the contours of the future world order are not clear yet. Russia and the EU themselves are in the process of constant change, so the conclusion of a universal long-term agreement between them is hardly possible now. Yet their negotiations may lay the foundation for a future strategic rapprochement, which will be inevitable if Europe and Russia want to play key roles in international development in the 21st century.

Russia and the European Union have rich experience of interaction with each other, but the former model of their mutual relations has been exhausted. It was based on the idea that Russia would gradually move towards the “European model,” adopting EU rules and standards. In the 1990s, this goal was shared by both parties.

Later, however, it became clear that Russia had other benchmarks, while the European Union entered a difficult period of internal transformation –deepening integration and geographical expansion. By the second half of the 2000s, the shared goal of developing mutual relations had been completely lost, and real headway in these relations was replaced with various kinds of bureaucratic substitutes intended to imitate progress.

Russia’s attempts to build its relations with the EU on the ‘asset swap’ basis and on the integration of the two economies through cross-ownership of enterprises in strategic industries failed. The reason for the failure was the absence of a common conceptual basis and common values, which exacerbated mutual distrust.

The inseparable intertwining of economic and security problems is the main obstacle to Russian-EU rapprochement. By the end of the first decade of the 21st century, it has become clear that the lack of a European security system that all actors in European politics and economy would equally trust inevitably brings about politicization of economic relations, above all in the energy sector. This, in turn, makes the further development of economic integration, which is advantageous and imperative for both parties, impossible.

A comprehensive agreement on mutual relations in the field of security, which would reiterate all the Helsinki Principles in the new environment, would pave the way for a brand

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new Europe. The pooling of the Russian and EU capabilities would create a potential for development and create a powerful center of influence in the multipolar world that is taking shape today.

The Year 2008 as a Turning Point

The year 2008 was the turning point in the history of Russian foreign policy.

Two crises – the Russian-Georgian war in August and the beginning of a global economic recession in the autumn – have brought about a basically new situation for Moscow. The epoch of its relatively easy, “automatic” growth is over. It was made possible by a highly favorable situation on global markets and, partly, by the consolidation of Russia’s geopolitical positions due to mistakes and setbacks of other foreign-policy actors.

Now the general constellation has changed. At the same time, problems of the preceding period, which brought about the crises of 2008, have not been solved, although now there are chances that new approaches will be applied.

The continuous growth in world hydrocarbon prices, which acquired the nature of an oil boom since 2003, was a distinguishing feature of the period between 1999 and 2008. It largely determined the atmosphere of world politics. The politicization of relations in the energy sector was an inevitable consequence of the universal obsession with the energy security problem. Consumer countries used all means, including political ones, to ensure guaranteed supply for themselves.² Producing countries, especially those that have geopolitical ambitions of their own, sought not only commercial but also geopolitical benefits.

The tense atmosphere over energy issues exacerbated the general degradation of the system of global governance. After the end of the Cold War, the former model of international relations, based on a bipolar balance of forces, ceased to exist, while no new institutional model has been created. Instead of establishing new institutions or, at least, radically rethinking and renovating the existing ones, the choice has been made in favor of making universal those structures and institutions that served as the basis of the Western world in the era of ideological confrontation. However, these institutions are unable to cope with the challenges of the new reality.

² In some cases, even military force was used. For example, one of the reasons for the U.S. invasion of Iraq, although it was not the only reason, was a desire to consolidate Washington’s positions in that crucial energy-rich region.

The obvious growth of all forms of competition – economic, ideological, military and geopolitical, coupled with the increasing interdependence of the participants in this competition, is a characteristic feature of the present international situation.

Russia's policy is a typical reflection of this conceptual contradiction.

On the one hand, Moscow seeks to strengthen its competitive positions amidst the growing pressure of the surrounding global environment. Globalization is changing conditions in which states exist, forcing them to respond to various external challenges. The Russian state, which has not yet restored its potential after the collapse of the 1990s, is trying to consolidate its capabilities and, simultaneously, use opportunities emerging as a result of constant changes in the international situation. In practice, this leads to conflicts with other actors in international relations.

On the other hand, Russia's goal is to get integrated into the existing system of relations between the leading nations of the world and to find a worthy place in it. Even in the conditions of the global financial and economic crisis, which has strongly affected Russia, Moscow has not made any official statements about its willingness to isolate itself from the outside world. In other words, Moscow is seeking not to play a game of its own but to join the common game – as one of leading players, though.

The importance of the situation on the global oil market for Russia's conduct on the international stage should not be underestimated. At the same time, it should not be overestimated because the riches that have befallen Russia thanks to the oil price boom have not changed the essence of the Russian policy and the aspirations and notions inherent in it. Yet the oil lever has become a strong stimulus for Russia's acquiring new self-confidence in the world. Most likely, this process could have taken place in a different economic situation on the oil and gas markets, as well; but now it has become rapid. The Russian leaders have received a chance to implement – quickly and efficiently – the ideas that would otherwise have taken much more time and effort.

The changes in the global economic situation will certainly affect the content of Russia's foreign policy. Moscow will have to match its desires and expectations with its reduced capabilities and to build a system of clear-cut priorities. In particular, it will have to decide what geopolitical projects must be implemented, what projects are of minor importance, and what projects can be given up. Obviously, Europe and Eurasia will remain Russia' priority areas of interest in any situation, and the desire to play a leading roll in international affairs will not disappear, even if the resources shrink.

Russian-EU Ties as a Mirror of the International Situation

The relations between Russia and the European Union are a most graphic illustration of the current state of affairs in the world.

On the one hand, Russia and the EU are inextricably linked by mutual dependence. This interdependence rests on a common religious and cultural heritage and on centuries of a shared history, when Russia was an indispensable factor and a player in European politics.

In a narrower, practical sense, the interdependence stems from the late Soviet period, when Europe became the main market for Siberian hydrocarbons. The infrastructure built in the period from the late 1960s through to the mid-1980s (particularly, the system of gas-main pipelines), predetermined the geo-economic interdependence of Europe and Eurasia for decades ahead. There is no reason to believe that energy flows in this part of the world will basically change their direction in the foreseeable future, so Russia and the EU are destined for a close partnership. The recent crisis over the Ukrainian transit is just another proof of shared interest in common solutions, but there is still lack of readiness to find them.

On the other hand, the ideological division of Europe, which persisted during the larger part of the 20th century, strongly affected relations between various European countries. The end of the Cold War has removed the formal division of the continent, yet it has not brought about a common political and security space.

The main objective of the Russian foreign policy on the European track, as stated in *The Foreign Policy Concept of the Russian Federation*, approved July 12, 2008, is “to create a truly open, democratic system of regional collective security and cooperation... in such a way as not to allow its new fragmentation and reproduction of bloc-based approaches which still persist in the European architecture that took shape during the Cold War period... This would strengthen the positions of the Euro-Atlantic states in global competition.”³

President Dmitry Medvedev has repeatedly stressed Russia’s responsibility in building a new Europe: “We could also start discussing together the future of our common European continent. By this I mean Europe’s role in the global economy and the establishment of a just world order. Historically, Russia is part of European civilization and for us, as Europeans, it matters a lot what values will shape the future world.”⁴

The accession to the European Union and NATO of Central and Eastern European countries, which have their own historical experience of relations with Russia, has considerably complicated contacts between the entire European Union and the Russian

³ <http://www.mid.ru/ns-osndoc.nsf/0e9272befa34209743256c630042d1aa/cef95560654d4ca5c32574960036cddb?OpenDocument>

⁴ http://www.kremlin.ru/eng/speeches/2008/06/05/2203_type82912type82914type84779_202153.shtml

Federation. Western institutions have extended the sphere of their influence eastwards, but they have not become universal for the whole of the Old World.

The New Eastern Europe, located between Russia and the EU, remains a zone of uncertainty.

The European Union is unable – for internal reasons – to offer any clear membership prospects to countries embraced by the European Neighborhood Policy, even in a distant future, although they could be a guiding light for their transformation. With regard to Ukraine, Moldova and some other countries, the EU invents various kinds of substitute solutions in order to avoid clear and binding promises. Instead, it offers them NATO membership as a goal – that is, membership in a military-political alliance, which triggers a fairly predictable reaction from Russia.

Moscow is unable to control those countries, yet it views them as the most sensitive area of its interests, especially in the security field. The artificial nature of internal borders, along which the Soviet Union broke up, adds tension to the situation. Psychologically, Moscow views a large part of the post-Soviet space as unfairly lost territories; this refers, in the first place, to Ukraine, because Kyiv was the cradle of Russian statehood.

In addition, the political and economic development of Russia after the collapse of the Soviet Union only partly resembles the path taken by the other post-Communist countries. The West's expectations that Russia would develop approximately like Estonia, Hungary or Poland, did not come true, because Russia differs from the other states in all basic parameters. History has not seen an integrational transformation of a country that, while going through the difficult process of formation as a nation-state, would remain a great power owing to its mentality, geographical location, size and historical responsibility.⁵

Anyway, the principles that served as the foundation for the Russian-European rapprochement in the early 1990s have been exhausted as the circumstances have changed. In those years, it was believed that Russia would integrate into the existing system of Greater Europe, accepting its norms and rules without claiming membership in the European Union. The goal of a rapprochement with Europe by all means was shared by the Russian elite and enjoyed public sympathy then. Later, Russia's priorities changed, and the EU found itself in an awkward position from the conceptual point of view.

“There is something schizophrenic about the Russian-European relations, because neither party wishes to openly admit that they represent absolutely different political and

⁵ Analogies with France and Britain would not be quite correct here because, first, these two countries had existed as nation-states even before they became empires and, even though they lost their colonial possessions, they retained their national core intact; and, second, they had actually lost their great-power roles before they joined integration associations.

economic systems. Therefore, their integration is unfeasible, at least in the mid-term. And if there is no chance for Russia's membership in the EU, why should Moscow adopt its political and legal standards?" Timofei Bordachev and Arkady Moshes asked in 2004.⁶

The EU viewed Russia as a civilizationally close partner and an immediate neighbor. The format of the European Union's relations with such countries provides for an integration paradigm – in other words, their smooth involvement into the political, legal and economic space of the European Union, with a prospect of full membership (for candidate countries) or close dependence and special preferences.

Moscow has declined these options, while the EU has been unable to offer anything else. Russia itself does not understand what specifically it wants. Moscow also does not want to have purely mercantile relations with the EU, like those between the EU and China, for instance, because it claims a unique status – and not without grounds, considering the cultural closeness and economic intertwining of Russia and Europe.

As a result, by the time of the expiry of the Partnership and Cooperation Agreement, which was signed in 1994 and ratified in 1997 – that is, in a different historical period, both parties lost the understanding of the strategic goals of their relations.

At the same time, it became obvious that the parties differed over what is called values, that is, basic ideas about principles that should underlie modern statehood. The differences between Russia and the European Union are now exacerbated by an internal polarization in the EU between “New” and “Old” Europe over the Russia issue.

Security as an Economic Factor

The events in Georgia in August 2008 served as an instrument that exposed latent problems and made it possible to better assess how things really stand.

First of all, there is a close interconnection between all aspects of European life: for example, talk about economic integration is impossible in isolation from the security issues. Fears come out anyway, which is graphically manifest in the energy sector. The politicization of any discussion about Russian gas supplies stems from the fact that the pan-European security architecture does not instill confidence in some countries. It is not accidental that during discussions of purely economic issues non-economic issues arise all the time. This means that an economic breakthrough is most likely impossible without creating a security system that all the participants would trust. By the way, economic

⁶ Bordachev T., Moshes A. Is the Europeanization of Russia Over? *Russia in Global Affairs*, April-June, 2004, <http://eng.globalaffairs.ru/numbers/7/526.html>

interdependence which is usually seen as a guarantee of stable relations turns into the opposite, if interdependent partners don't trust each other.

In this context, the idea of Russian President Dmitry Medvedev, first expressed during his visit to Berlin in June 2008 and later reiterated in presidential speeches, above all in Evian in November 2008, is a step in the right direction. But Russia's plans need to be explained, as deep mistrust of Moscow brings about negative interpretations of any of its moves.

After the collapse of the Soviet Union, Russia's main task was to preserve the international status quo by holding on to at least some of its former geopolitical assets. Russia is perceived to have made a sharp turn towards revisionism over the past two years, changing the rules that had been generally accepted up until that time. Despite these bold moves, however, Moscow remains an advocate of preserving the status quo. (Abkhazia and South Ossetia are major exceptions, although they, too, illustrate that a breakdown of the status quo sparks many problems.)

The problem is that Moscow wants to uphold the status quo that, in reality, no longer exists. Russia is trying to return to the principles of international order that were agreed upon in the past. However, these principles have undergone profound changes following the end of the Cold War, even if they ostensibly remain intact.

A distinguishing feature of the recent years has been the deepening contradiction between international rules that nobody questions and the actual principles governing states' actions. International organizations and legal standards have remained relatively unchanged since the end of the Cold War. But the basic understandings of what constitutes state sovereignty and territorial integrity, as well as the criteria for the use of force in resolving conflicts, have been washed away.

New concepts such as 'humanitarian intervention' or 'soft power' emerged in the 1990s to serve the political purposes of the leading states, even though there was no provision for them in international law. Most states have refused to review the rules of the game. That is why there has been no official change in these rules, even though the gap between the letter and the spirit of the law and how it is applied continue to widen. The United States, as a de facto dominating international actor, has refused to follow the rules of the Cold War era.

It has been aptly noted that President Dmitry Medvedev's call for a pact on European security is basically a repeat of the final act of the Helsinki Accords signed in 1975. However, these ideas require a new legitimacy now because of the above-mentioned divergence between the rules and their actual implementation by states. Today's Europe

bears little resemblance to the Europe of just a few decades ago. The outstanding spirit that animated the Helsinki Accords should be fully restored with regard to the military-political, economic and humanitarian aspects of international policy. Europe needs an authoritative confirmation of the principles reached more than 30 years ago, especially because the challenges facing the continent today are almost identical to those that confronted it then.

First, there is an issue of the military-political balance and the establishment of mutual trust in matters of security. Russia was unsuccessful in its attempt last year to discuss problems concerning the Treaty on Conventional Armed Forces in Europe within the framework of the Organization for Security and Cooperation in Europe. Moscow's negotiating partners showed no interest because the OSCE has long ceased to effectively address such issues.

Another pressing problem is that state borders need to be reaffirmed. Since the time they were last agreed upon, the map of Europe has been redrawn several times so that not a single post-Soviet state – including Russia – can confidently assert that its borders are a hundred percent guaranteed and can be justified, both naturally and historically.

Second, the economic situation in Greater Europe requires serious consideration. Europe is a complex mix of political and economic interests. It is impossible to separate economic cooperation – especially in the field of energy – from security issues. The economy is becoming increasingly politicized by every participant, and this reflects the generally low level of mutual trust.

Third, humanitarian concerns should be addressed. The protection of democratic principles and human rights are Europe's crowning achievements, and it would be beneficial for OSCE member states – Russia included – to reaffirm their commitment to these principles. But democracy must be protected not only from encroachments by authoritarian regimes, but also from attempts to transform the idea of democracy into a tool to serve geopolitical ambitions. That is exactly what happened when the United States used military and other types of power to “promote democracy” abroad.

Nonetheless, we should not expect to see any quick progress in the formation of a new European political architecture. Apart from Russia, nobody has any enthusiasm for such a plan. Both the European Union and the United States are satisfied with the current arrangement. Given the changed economic situation, it would be difficult for Moscow to insist upon any fundamental reappraisal of the existing system. The reserve fund that Russia has accumulated does not seem to be as large now as it was just a short time ago, and the political weight of Russia's main bargaining tool – hydrocarbons – has subsided. High oil

and gas prices may return one day, providing Moscow with a renewed political influence, but Russia must find a way to survive until then.

In all likelihood, Moscow will have to content itself with some “minor maintenance and fine tuning” in place of a major overhaul of EU-Russia relations. Some form of temporary compromise might be found for the Treaty on Conventional Armed Forces in Europe and the strategic plans of the United States. Substantial negotiations on any new European setup will take place only after the current crisis has subsided and its results become clear, because the future balance of powers depends on which states will suffer the least from the current economic downturn. Russia should make serious efforts now if it wants to maintain its position as an influential actor in the future world order.

Russia and EU in the Future World

From Russia’s point of view, transformation of trans-Atlantic relations is inevitable. The united West, the way it was during the Cold War years, cannot be restored, because the whole situation in the world has drastically changed. Europe and America are linked by extensive economic ties, a common cultural tradition, and a propensity for strategic unity.

At the same time, economic flows are increasingly shifting towards Asia and the Pacific Rim. Differences between the political cultures of the European Union and the United States are becoming more and more noticeable. In the present world, Europe and America are implementing – each in its own way – values that are historically rooted in the common system of notions. Finally, the strategic horizons of the Old and the New World are markedly diverging. During the next few decades, the United States, as the most powerful nation in the world, will seek to consolidate its leading positions worldwide, using all means, including military force. In contrast, Europe is focused on self-development and the security of adjacent regions, using soft power instruments.

This means that fundamental shifts in interests in the Euro-Atlantic space are inevitable, even without Russia’s involvement.

An important factor of European developments is that the processes of geopolitical self-identification are continuing both in Russia and the European Union.

Moscow is groping for its role in world politics. It would like to be a powerful independent center of influence, but it does not have enough strength for that. At the same time, Russia cannot integrate anywhere, as it is too large and independent.

Two crises that took place in 2008 – the Caucasian and financial crises – have helped shape the framework of Russia’s national interests.

In responding to Georgia's attack on South Ossetia, Russia – probably for the first time since the Soviet collapse – took major action without worrying about the international community's possible reaction. The Kremlin concluded that the course of action favored by its international partners would come at too high a price for Russia's vital interests. This is a necessary stage for the formation of a state identity.

However, it is also necessary to identify which national interests are so vital that they must be upheld at any cost. The second crisis played a role here. The global financial crisis showed, first of all, that all countries are interdependent. It also established economic – and, consequently, geopolitical – limits to Russia's ambitions. Hard reality always forces one to focus on one's priorities and to discard matters of secondary importance.

There is no clarity about the European Union, either. The institutional reforms, intended as one more step towards making the EU into a consolidated political alliance, have once again stalled. Even if the Treaty of Lisbon is ratified, nothing will basically change. Meanwhile, at least some of the EU members seek to enhance its political role and independence.

The contradiction faced by the EU is the contrast between the Union's economic might and its relatively modest political role not only in the world, but even in Europe. The role that France played in the political settlement of the Caucasian crisis on behalf of the European Union has encouraged many people in Europe. At the same time, this became possible first of all because it was Paris that held the EU presidency at the time of the crisis. Otherwise, the effectiveness of the EU as a mediator would have been different.

For the European Union as a political actor, there are various possibilities. Such issues as the deployment of U.S. strategic facilities in Europe, the solution of problems with transit countries (above all Ukraine), or peacekeeping and observer missions in local conflicts should be resolved first and foremost with the participation of the EU, because all these issues directly affect the interests of the European Union. For the time being, with a rare exception, the EU avoids interfering in conflict situations, leaving it for the United States, Russia or its individual member states to settle them.

In the foreseeable future, Russia and the European Union may find themselves in non-traditional situations.

Russia – even under the incumbent president, if we assume that he will serve the maximum two terms allowed by the Constitution – may face an unpleasant problem: how to retain political parity with China. So far, Beijing has been restrained – for various reasons – on the international stage. But if its growth continues, changes in China's political status will

be inevitable. The prospect of finding oneself a junior partner to Beijing would be a much more unpleasant surprise for Moscow than the same status with regard to the United States.

At the same time, Europe may gradually lose the status of the main and privileged partner of America. This status will move to Asia, above all China. Europe will hardly be happy to play a secondary role, helping the United States to secure its strategic positions in the Asia-Pacific region.

The long-term consequences of the present crisis for the global alignment of forces have yet to be assessed. One possibility is the enhancement of the process of regionalization in the global economy, and the emergence of powerful centers of economic development and influence, which will interact with each other. Russia and the EU are a natural center, and combining the potentials of Europe and Eurasia can create a competitive core of development.

Values and the Russian Understanding of Integration

The period from the summer of 2005 to the autumn of 2006 was the most interesting time for understanding Russian aspirations concerning the EU. At that time, Russia and the European Union launched an experiment designed to put aside the values issue – a matter of heated debates over a long time – and start building their mutual relations on the basis of interests only, especially as the complementarity and interdependence of their economies were becoming more obvious.

In fact, Russia proposed a new interpretation of the word ‘integration.’ The former meaning – harmonization of legislations, as well as economic, political and legal practices – gave way to ‘asset swap.’ Sometime in mid-2005 salutary pragmatism came to rescue: “Since we need each other, let us leave our views about the values aside and focus on mutual benefits.” Russia had long insisted on such a model, and now the European Union, which had traditionally attached great importance to the value rhetoric, thought it best to depart from it.

The beginning of the new era was fixed in an agreement for the construction of a North European gas pipeline, signed in September 2005 with the leaders of Russia and Germany present. Since then and approximately until the end of last year, all visits by the Russian leader to EU countries were focused on energy issues. The EU, in turn, made almost no mention of the “democracy in Russia” issue, which was particularly striking against the background of the growing criticism from Washington. In other words, the provocative humanitarian overhang was removed so that there would be no obstacles to mutually advantageous commerce.

It has turned out that the non-economic component of Russia-EU relations played the role of a cushion that absorbed the conflict potential. This shock absorber alleviated the general negative picture and balanced the relations. When it was gone, all the differences shifted into the economic domain, which was already plagued by objectively inevitable differences of its own. So, instead of pragmatically separating apples from oranges, it brought a resonance effect where grounds for discontent overlapped and multiplied. The deliberate exclusion of the value component nullified the parties' effort to achieve mutual understanding. The only common conceptual basis that helped them maintain communication on abstract subjects thus ceased to exist.

The idea to exchange assets (the participation of European companies in Russia's extraction industry in exchange for Gazprom's access to the EU's marketing outlets) is a serious integration proposal that can lay the foundation for a basically new future.

In his famous speech in Munich in February 2007, Vladimir Putin explained this approach in the following way: "I shall remind you of the transaction that took place between Gazprom and BASF. As a matter of fact, this was an asset swap. We are ready to continue to work this way. We are ready. But in each concrete instance we must understand what we give, what our partners give, calculate, have an independent international expert evaluation, and then make a decision... We have actually just recently done something similar with our Italian partners, with the company ENI."⁷

A year later, in February 2008, Vladimir Putin said at his annual press conference: "Give us the corresponding assets, money is not what is needed – in today's economy paper is not what we need – we need assets. This is an honest, open position."⁸

For Russia and the European Union, it can play the same role as the European Coal and Steel Community played for West European nations (France, Germany, Italy and the Benelux countries) in the early 1950s. That is, it can serve as a prototype of deep integration based on stable mutual dependence and a mechanism for joint development in the strategic industry, which earlier generated conflicts.

To this end, however, the parties need mutual understanding or, rather, rationally agreed rules of conduct necessary for effective interaction. But it is exactly those "common values" from which Moscow so resolutely dissociates itself. Common values emerge in the course of dialogue – even though it may be very difficult – on a wide range of issues, rather than as a result of bitter bargaining on specific commercial aspects. Without this, a promising

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http://www.kremlin.ru/eng/speeches/2007/02/10/0138_type82912type82914type82917type84779_118123.shtml

⁸ http://www.kremlin.ru/eng/speeches/2008/02/14/1011_type82915_160266.shtml

economic idea turns from an impetus for rapprochement into a source of conflicts and competition. The pragmatization experiment has produced an unambiguous result – three consecutive summits of Russia and the EU came to nothing.

It takes mutual understanding to translate a position into life. Russia and the EU lack such an understanding. This means that they are unable to agree on any interests, as they speak different languages. Even when they use the same words, they mean different things.

It is not very useful to spend time on fruitless discussion about values as such. Especially given the fact that European values is something which everybody knows what they are about, but nobody can identify and name them exactly. It is necessary to try to work out a setup of basic principles of behavior based on concrete interests of both parties. This will be the first approach to something which in the future could evolve in common values.

Value differences are a very interesting problem indeed.

Russian society and the Russian state abide by the traditional European values – the way they were in the 19th and the first half of the 20th century. The EU, however, is building a “post-European” society, trying to overcome the principles and notions that used to be fundamental: the inviolability of sovereignty, reliance on nationalism, the use of force in foreign policy, and others. (It should be noted, however, that many “New Europeans” tend to abide by traditional values and have mistrust of the very peculiar social and political culture of today’s united Europe.)

Is the value disharmony an insurmountable obstacle to gradual unification of the whole of Europe?

On the one hand, it complicates communication because values, mentioned so often nowadays, are in fact a common conceptual basis accepted by the countries participating in the European project. The European Union has never achieved complete unification of values in the classical sense – as a combination of cultural and psychological perceptions rooted in national traditions and historical peculiarities of the mentality. The European Union is an association of successfully co-existing countries with an absolutely different cultural, religious and historical experience (Orthodox Greece and Bulgaria; Roman Catholic Italy; Protestant Sweden and Finland; France, Britain and Spain which have imperial great-power traditions; Germany which not long ago sought military hegemony; Poland and the Baltic States which used to be under constant outside pressure; etc.). The set of ideas that now underlie pan-European politics is a compromise that is instrumental rather than conceptual. It provides for acceptance of the basic principles of modern statehood, which are now recognized as the most effective.

This does not mean that this model is a final destination. The European experience includes various elements that can supplement the current set of values, if need be.

As for Russia, its value benchmarks are not clearly defined yet. The historical heritage, from which the nation will extract “material” for the development of its identity, differs little from that of the EU member states. It is also obvious that, due to the peculiarities of its formation, Russia is at an earlier stage of development as a state and society than the larger part of the European Union. This means that Russian ideological precepts will continue to be adjusted, most likely in the same way that it happened in Western Europe before.

At the same time, the ideological foundation of the European Union can hardly be viewed as a point of destination for Europe, either; the set of values will change under the impact of challenges of the new times. In other words, a further movement is inevitable, and it will likely be reciprocal and towards a common conceptual basis of a Union of Europe.

A New Agreement as the First Step

The formation of a new philosophy and a strategy of relations requires a pause for rethinking the future and, simultaneously, working out new forms of interaction that would be innovative for the established practice. Key issues for discussion could include the following: the roles of Russia and the EU in the world; common strategic interests and a common base for their joint implementation; and the working out of confidence-building mechanisms.

It is necessary to reinforce dialogue at the levels of governments, experts, businesses and civil society in order to jointly develop an understanding of what we want from each other and what relations – apart from the vague “strategic partnership” – we should build in the future. We need to bring more democracy into our dialogue and broaden its base.

The discussions on a new strategic agreement between Russia and the EU will be long and painful, and in any case the matter at hand is an interim document that will fix a situational compromise and will make current interaction between the two parties more effective. One should not expect the emergence of a historic document that would regulate the relations between Russia and the EU for decades ahead, because both negotiating parties – just as the entire international environment – are in a state of transition. Therefore, the parties should proceed from the actual possibilities of today.

First, preparation of an all-embracing document that would regulate all aspects of Russian-EU relations in detail is most likely impossible. Things are changing too fast, especially in the conditions of the global economic crisis. The new agreement should be a flexible framework document that would establish basic principles for cooperation and

provide for the possibility of supplementing it as the parties develop their cooperation in specific sectors. In this way, the parties would lay the foundation for their mutual relations and would be able to respond to rapid changes in the situation.

Second, the new agreement cannot ignore general security issues in Europe. The European Union and Russia must declare their joint responsibility for a peaceful and harmonious development of Europe. This requires that Russia conduct a more cooperative policy toward its European partners, and that the EU be more active and independent in matters of European security. The Cold War era, when European security issues were addressed without actual active participation of the Europeans themselves and were mostly tackled by the U.S., is over.

And **third**, it is obvious that energy is a matter of paramount importance, and that truly resolute joint efforts must be taken in this sphere. The events of January 2009 have shown that unresolved transit problems can be a source of deep crises that affect everyone – both suppliers and consumers. We need clear-cut rules for interaction, and they must be codified in the new agreement. For Moscow, this means giving up attempts to solve all energy problems on its own. For the EU, this means coming to the understanding that there is no alternative to Russia as the main source of energy for the foreseeable future, as well as EU readiness for joint action with regard to transit states.

It is becoming increasingly clear that the European energy sector is a single community that embraces producer, transit and consumer countries. It is only natural that a new model of relations must be built precisely on the basis of their intertwining of interests, because it is difficult to conceive of a more essential community to emerge in the forthcoming decades.

At the same time, it would be a mistake to think that Russian-European relations can be limited to energy only. Energy is the key to full-scale strategic cooperation between Russia and the EU. If we put aside problems caused by tensions in our common periphery and look at global approaches to security and the world order, we would see very that there is much in common between the European Union and Russia. The potential for cooperation in combating cross-border threats, settling conflicts in regions of joint interests and reforming the international governance architecture is very large. One of the reasons is that, unlike the European Union, Russia – despite its decline – is still a mighty military power capable of making a significant contribution to addressing various security issues.

Russia and the European Union are destined for close integrational interaction for the decades to come, if they both want to play key roles in the 21st century. However, working out a model for this interaction requires novel intellectual approaches and renouncing

numerous stereotypes inherited from the past century. One can hardly expect this to happen at the negotiations on a new strategic agreement between Russia and the EU that were recently resumed in Brussels where the parties are negotiating an interim document, which, at best, will facilitate their current interaction.

The construction of a new Greater Europe on the basis of Russia and the EU is a task comparable in scale to that which the architects of European integration set themselves after World War II. In those years, almost no one believed in its success, either. The present generation of Europeans also cannot imagine a Europe as it was some 70 years ago.