

# EU-RUSSIA: BEYOND RIVALRIES?

Cyrille Bret | *lecturer at Sciences-Po Paris*

Florent Parmentier | *lecturer at Sciences-Po Paris and senior researcher at the HEC Paris Centre for Geopolitics*

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## SUMMARY

In order to promote its interests to the east of the continent, **the European Union must set up and promote a genuine “Russian policy”**. In other words, it should articulate a doctrine through which it may ensure and strengthen Member States’ cohesion in relation to Russia and promote its interests in Russia. Bolstered by its many advantages yet hampered by internal discord and the necessary slowness of its decision-making, Europe must not aim for an appeasing *Ostpolitik*, an illusory reset or a conflict with its main rival and partner on the continent.

**European doctrine must be based on a precise, dispassionate and realistic identification of the structural rivalries** between the two geopolitical entities: for the European Union, in connection with NATO, it is a necessity to avoid, prevent and reject policies of fait accompli which add to “frozen” or “festering” conflicts in the Soviet branded “near abroad”. In this respect, it must avoid compromising on the principles of Helsinki. Yet European doctrine must also take into account Russia’s historical, economic and geopolitical proximity. It must identify genuinely compatible (if not convergent) interests between Russia and Europe (agricultural exports, energy interdependence, foreign direct investments, the fight against international jihadism). From this standpoint, **it is essential that Europe settle its past with Russia, by looking beyond the condescendence, stand up to the power struggle with Russia when it provokes and propose a credible and realistic work programme so that the inevitable rivalries do not drive out necessary partnerships.**

The task ahead of the Europeans is threefold: to combat actively the risks of destabilisation of Mitteleuropa and the neighbouring Eastern states, to step up spaces for dialogue and consultation and to prepare economic convergences.

- Europeans would be in a position to prevent the destabilisation of their neighbours by:
- Adopting a carefully thought-out sanctions policy
- Combining NATO’s instruments and its own levers for action in its relations with Russia
- Exploring actions to be launched in the Baltic and the Arctic
- Creating an extended “Friends of Ukraine club”
- Founding a forum for the EU - Russia - Neighbouring States
- Including the Russian Federation in the objective to stabilise the Turkey - Syria - Iran arc
- Cooperating to combat terrorism and organised crime

At the same time, Europeans must step up spaces for dialogue and consultation by:

- Incorporating European values in the EU’s key interests
- Facilitating the current visa policy, similar to the policy obtained by other partners
- Developing a strategy of European soft power with regard to Russia

Lastly, Europeans and Russians will have to work together to prepare economic convergences by:

- Finding common ground with regard to the various trade wars
  - Considering the terms and benefits of a free trade agreement between the EU and the Eurasian Economic Union, prior to implementing a broader agreement in the long run
  - Cooperating in the fields of energy and climate with a view to mutually beneficial rapprochements
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## INTRODUCTION:

# RUSSIA HAS A EUROPEAN POLICY, EUROPE MUST THEREFORE ADOPT A RUSSIAN POLICY

In its relations with the Russian Federation, the European Union sometimes seems to struggle to defend its interests fully. In Ukraine and in the Baltic, even within the European Union and in the Middle East, in cyberspace and militarily, Russia seems to take the lead, at least in recent years<sup>1</sup>. Europeans seem confined to reactive behaviour or defensive action. The European sanctions against Russia (adopted on 31 July 2014<sup>2</sup>, reinforced in September 2014 and prolonged in December 2015 until July 2016) due to the situation in Crimea and eastern Ukraine attest to this: Europe reacts to Russian initiatives- in a clearly vigorous manner. Yet, it is Russia that sets the pace and the agenda. The same can be said for the crises in Syria: following President Putin's address to the UN General Assembly on 28 September, Russia once again took action by launching a military operation in Syria, while it is Europe that is exposed to the influx of migrants from the region and is coping with the consequences in its relations with Turkey.

Russian activism and speed contrast with European hesitations and disputes: the EU's interests are not most effectively promoted when Member States hold talks with Russia in a dispersed manner, be they in a position of power (Germany) or in a position of extreme vulnerability, whether financial (Greece, Cyprus), economic (Slovakia, Hungary) or military and cyber (Sweden, the Baltic States). In short, paradoxically, Europe seems to weaken when it comes up against Russia, despite its strong position in many fields, in particular finance, trade, technology and diplomacy.

“EUROPEANS MUST  
SEEK MEANS TO RETAKE  
THE INITIATIVE”

Europe must stop being taken aback by Russia. In this regard, Europeans must seek means to retake the initiative. The transmission of the democratic values it has upheld for decades is at stake. The principles of security and peace on the continent are also at stake.

To develop a more effective and more proactive strategic posture in its relations with Russia, the European Union must adopt a comprehensive doctrine towards this country. This “Russian policy of the European Union” must pursue several objectives:

- **Ensure and strengthen cohesion between Member States:** sometimes tempted by a bilateral and sector-based approach to relations with Russia, whether in terms of combatting terrorism, energy supply, industrial and agricultural exports, community security and public institutions, Europeans often present a divided front against Russian initiatives. In other words, if the European Union has a doctrine with regard to Russia, it will be less dependent on Member States' different “Russian policies”;
- **Promote the economic and political interests of the European Union as a whole:** in Russia and the areas in its sphere of influence, in the north (the Arctic and the Baltic), in the east (the Neighbourhood Policy countries<sup>3</sup>) and in the south (the Caucasus, the Eastern Mediterranean, the Black Sea and Syria) the EU has interests to promote which are neither reducible to Russia's interests, nor systematically opposed

1. Vernet Daniel, “Poutine : demi-échec en Ukraine, succès en Syrie” (in French), *Telos*, 28 February 2016

2. [https://europa.eu/newsroom/highlights/special-coverage/eu\\_sanctions\\_en](https://europa.eu/newsroom/highlights/special-coverage/eu_sanctions_en)

3. Parmentier Florent, “L'Ukraine entre l'Europe et Poutine” (in French), *Telos*, 13 November 2013.

to them. In other words, defending European States' sovereignty from Russian encroachments requires an official geopolitical action plan aimed at preventing Russian initiatives.

- Let us be sure that there are no misunderstandings about the meaning of this proposed strategic doctrine. All too often, Russian policies simply involve moving from tensions to partnerships with Russia, sometimes in a very Gaullist nostalgia that fantasises about the great alliance between the French Republic and the Tsarist Empire against Kaiser Wilhelm's 2nd Reich. Sometimes a political agenda is even fascinated by the virtues of the "Putin model", based on the cult of the leader, traditional values or Europe's Christian identity<sup>4</sup>. Yet the conditions are far from being met to create a Paris-Moscow axis and even less a Brussels-Moscow axis: the rapprochements are limited and are often only window dressing<sup>5</sup>. Just because Russia alleges to be determined to act against Salafist terrorism and international jihadism does not mean that Europe must unconditionally rally around Russian strategies in Europe. There may be cooperation to combat terrorism without endorsing Russia's European agenda. Furthermore, the outcome of the Russian operation in Syria shows that the fight against ISIS has not been the Kremlin's priority.

The Union's Russian policy must not be confused with an *Ostpolitik*, or a policy of appeasement, or with a "European reset". Willy Brandt's *Ostpolitik* resulted from the Federal Republic of Germany's vulnerability in the 1960s against the USSR's peak of power in Europe. Today, the power relationship has been rebalanced if not reversed between the power of Europe and Russia's status. A policy of appeasement would confirm a situation of equal power which is not objective on the continent: the Russian GDP is only a fraction of that of the EU. As for the "European reset", it may have been possible for the USA at the start of President Obama's first term of office, but is now impossible as Russia continues to constantly overplay its role in the various fields in which it is active: should Europe request to go back to the starting gate, it would be interpreted as a sign of weakness on Brussels's part.

**“ A REORGANISATION OF THE LINES OF NEGOTIATION AND ACTION IS REQUIRED IN ORDER TO STRUCTURE AND MAINTAIN A POWER RELATIONSHIP THAT IS MORE FAVOURABLE TO EUROPEANS ”**

On balance, a reorganisation of the lines of negotiation and action is required in order to structure and maintain a power relationship that is more favourable to Europeans.

With a view to ensuring the defence and effective promotion of the Union's interests in its relations with its main neighbour on the continent, this doctrine may be broken down into three objectives:

1. "Settling the past", or in other words neutralising the negative effects of the two "lost decades" of the years 1991-2010 (section 1). During this turning point in relations between Europe and Russia, condescendence gave way to incomprehension, then to a characteristic tension between the two neighbouring geopolitical entities<sup>6</sup>. Several errors of assessment were made in the new Russian Federation's approach. They fuelled Russian's distrust of Europeans. While it is impossible to correct these errors, it is necessary to limit their negative effects on European interests in Russia. This would prevent the waves of underestimation and overestimation of Russia's place in intra-European relations.
2. Developing a realistic approach, without any complexes or illusions with regard to Russia (section 2). To be more proactive in relation to President Putin's external action, it is absolutely necessary to identify the converging interests of both entities, though without minimising the structural rivalries between the two major geopolitical entities of the European continent. In other words, stabilising energy, financial and security partnerships (particularly in the south) with Russia does not require a reduction in European ambition on the continent.

4. Bret Cyrille, "Le président Poutine et le patriarche Cyrille disciples de Samuel Huntington ?" (in French), *Telos*, 9 March 2016

5. Bret Cyrille, "Alliance franco-russe : un retour en trompe-l'œil" (in French), *Les Echos*, 19 November 2015.

6. Sokoloff Georges, *Métamorphose de la Russie 1984-2004*, Paris: Fayard, 2004, chapter 36 "Tentations et périls du retour à l'ordre", p. 625: "Une certaine idée de la Russie. Et une autre..." (in French)

3. Proposing a three-point work programme on Russia and, in part, with Russia in the short term (2016-2017). Putting forward concrete proposals on the major points of friction between Brussels and Moscow will allow Europeans to retake the initiative in relations with Russia.

Today, more than ever, Europe needs a genuine Russian policy, one that is neither pro- nor anti-Russia, but one that is lucid with regard to the differences and disputes with Moscow and based on the clear identification of compatible interests and structural disagreements with Russia. In other words, the European Union must have the courage and take the time to draft an official geopolitical doctrine that sets out the ambivalent place of the other power on the continent: for Europe, Russia is set to be a long-term active rival to the east and an uncertain partner to the south.

## 1. Objective 1: settling the past - “two lost decades” between Europe and Russia

### 1.1. Learning lessons from a period of incomprehension between Europe and Russia by taking into account new geopolitical risks

The period that commenced with the Ukraine crisis in 2013 has been a peak of escalating tensions between the EU and Russia since the end of the USSR, going even further than the previous crisis in Georgia. In addition to the immediate causes which urged Europeans to adopt sanctions, namely the annexation of Crimea into Russia and Russia’s Ukraine policy, the structural reasons for this deterioration in relations must also be found in the two decades following the end of the USSR in 1991<sup>7</sup>.

#### 1.1.1. A new Cold War is not on the agenda: possible local wars and probable sector-based peace

##### LEARNING LESSONS FROM THE SUCCESSIVE FAILURES MAY CONTRIBUTE TO RELAUNCHING A EUROPEAN STRATEGY CONCERNING RUSSIA”

The West thinks that it won the Cold War. Yet it also lost its peace<sup>8</sup>. During the transition from the USSR to Putin’s Russia, the European Community and then the Union fluctuated between indifference, negligence, condescendence and incomprehension towards Russia. In return, Russia stiffened into a feeling of humiliation, distrust and then a revanchism in its relations with its “immediate western neighbours”, suspected of wishing to destabilise and even occupy the “near abroad”, as stated the Russian national security strategies of 2009 and 2015<sup>9</sup>. In short, the condescendence and ill-feeling have spread, resulting in a situation of misunderstanding and tensions. Learning lessons from the successive failures during this critical period may contribute to relaunching a European strategy concerning Russia.

It is no longer time to go back to 1991 as if it was a digression. Europe and Russia alike must accept the new realities on the continent: the expansion of international terrorism, the rise in asymmetric warfare, increase in migration, etc. There is therefore no scope to theoretically cancel out this period, by claiming to resume a bloc-based policy against a Russia deemed to be a new avatar of the USSR.

The situation is very different to that of the Cold War, for the various protagonists. With the end of the communist bloc, the EU has expanded, increased integration and has grown stronger. It has established itself as a third party in the face-off between NATO and the now deceased Warsaw Pact. In the Pacific, China has

7. Marie-Pierre Rey, “La Russie et l’Europe Occidentale : retour sur une relation complexe” (in French), *Note de l’observatoire franco-russe*, issue 10, February 2015.

8. Sergei Karaganov, “Europe: A Defeat at the Hands of Victory?”, *Russia in Global Affairs*, n°1, 2015.

9. <http://www.ieee.es/Galerias/fichero/OtrasPublicaciones/Internacional/2016/Russian-National-Security-Strategy-31Dec2015.pdf>

risen as a new superpower in the same way. At the same time, Russia experienced over this period a state of marked economic and international decline followed by a phase of reconstitution with regard to its economic and geopolitical power, from the low point of the 1998 financial crisis. Its network of alliances resulting from the Warsaw Pact was considerably weakened. Its military parity with the USA deteriorated in the field of conventional forces. Lastly, one of the key elements of the Cold War, the rivalry between two political systems and two visions of the world, was over. Russia in the 1990s was no longer a power able to export its political system, either by military means or soft power.

As regards Europe's eastern neighbours, most of them former Soviet republics, they are also facing contradictory forces, at a time when Europe's ability to act as a model is in question.

### 1.1.2. A "European reset" is now illusory

“LIFE ON THE  
CONTINENT HAS CHANGED  
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Life on the continent has changed so much that a return to the starting gate has become impossible between a Europe which has gained power in the international arena and a Russia with a doubtful status of global power. This European reset, i.e. Europe and Russia (re)starting from scratch, is highly unlikely for three reasons:

**Russia, an "adventurist power"<sup>10</sup>:** Russia in 2016 is definitely not the Russia of 1991. It is no longer mainly feared for its nuclear strike force, for its obstructions in international fora (UN, OSCE). It is no longer cause for concern with regard to its internal collapse, due to organised crime and a weak State. Today, it is able to intervene and take economic, political and military initiatives, more or less successfully. Its impotence in Kosovo, Iraq and Libya has been replaced by an aggressive policy in Georgia, the Baltic, the Arctic, the Black Sea, Syria and Ukraine. Its results have, however, been mixed; Russian policy often seems tactically skilful but proves disappointing in terms of strategy: President Putin's external action is a succession of more or less successful "coups" (in Ossetia, in Georgia, in Moldova, in the Donbass, in Ukraine, in the Baltic area, etc.). Russia aims to promote its national interests and its power policy by establishing "de facto situations". It is not systematically and methodically reconstructing international power based on a solid economic model<sup>11</sup>, on an ideological power of attraction and on the organisation of an international alliance. Often, "fragility"<sup>12</sup> is betrayed rather than the reconstruction of a global power, even if a headlong rush of its political elite is feared.

**From a half-hearted Neighbourhood Policy to Russian revanchism:** from 2003-2004, with a view to expanding membership to Central and Eastern European States, the EU designed a European Neighbourhood Policy<sup>13</sup> in order to dialogue with Southern and Eastern countries without giving them a guaranteed membership prospect in the short term but without closing the door on the possibility of integration. As the watchword was the deepening of the EU and not its widening, the initial aim of this policy was to share "everything but institutions", bringing together a "ring of well-governed countries". The ambition was therefore to transform the neighbouring countries by exporting European order, with a view to prevent any imports of instability from peripheral regions. The modest results of this policy led to the creation of the Eastern Partnership in 2009, drawn up for six post-Soviet countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine), acting as a functional equivalent of the Union for the Mediterranean adopted the previous year for the EU's southern neighbours. Hindered by a lack of resources and imagination, the Eastern Partnership policy has not reached its objectives. This policy was often perceived by Moscow as an encroachment on Russian space and as the political component of NATO's military expansion project. Indeed, NATO expanded eastwards at a similar pace: it absorbed the former Warsaw Pact allies of the USSR in 1999 (Poland, Hungary, Czech Republic), in 2004 (Slovakia, Romania, Bulgaria) and even extended to former Soviet Republics (Estonia, Latvia and Lithuania).

10. Hill Fiona, "Russian adventurism and the U.S. long game", Brookings, 3 March 2016.

11. Bret Cyrille, "De l'URSS de Brejnev à la Russie de Poutine : la politique de puissance avant le développement économique" (in French), *Telus*, 20 January 2016.

12. Bret Cyrille, "La Russie et l'Ukraine : la fragilité de l'empire" (in French), *State.fr*, 8 March 2014.

13. Landaburu Eneko, "Neighbourhood policy: more or no more?", *Tribune*, Jacques Delors Institute, 27 May 2015.

**From four “common spaces” to real tensions:** Europe’s neighbours are also undergoing far-reaching changes<sup>14</sup>. The financial crisis (2008-), the Arab Spring (2011-) and the war in the Donbass (2014-) are all developments and crises that are still ongoing today and which have greatly contributed to changing the situation between Europe and Russia. Europe’s neighbours are now marked by low-quality governance and acute security issues. Out of the sixteen countries which were initially part of the European Neighbourhood Policy, twelve are currently in situations of unresolved conflict, territorial occupation or war. Out of the six post-Soviet countries which are members of the Eastern Partnership, and following the Donbass conflict, only Belarus has no border or territorial disputes. This rapid and deep-rooted change of Eastern Europe has changed these countries’ geopolitical status: they are no longer considered only as the near abroad by Russia, in other words, they are no longer dominated by Russian influence alone and the area is no longer within Russia’s exclusive and undisputed sphere of influence. Today, these countries have clearly entered the orbit of the European Union while remaining linked to Russia, unwillingly or willingly. Areas of Central and Eastern Europe have become pawns in a power struggle between the continent’s two major entities. The four common spaces identified by Russia and Europe to structure their sector-based cooperation (in terms of trade, visas and the fight against organised crime, external security and culture) have been to a great extent pushed into the background. All has happened as if the rivalry between the geographical areas has gained currency over the negotiation of thematic areas.

“EUROPEANS CANNOT FIND A COMMON POSITION IN EITHER AN ANTI-RUSSIAN FRONT OR IN A POLICY OF APPEASEMENT”

Following these three geopolitical tipping points, Europeans cannot find a common position in either an anti-Russian front, which would be rapidly ineffective due to it being unbearable for several Member States (Baltic States, Hungary, Slovakia, Bulgaria) or in a policy of appeasement which would not take into account the power relationship created by the Kremlin and which would run counter to public opinion. Even though some think it desirable, a European reset with Russia is impossible as mutual distrust has stepped up a gear. There is no coming back.

### 1.1.3. The three pitfalls of the post-Soviet period

In practice, Europe must now overcome three major pitfalls over which it faltered in its relations with Russia in the recent past. This does not mean putting Russia’s hostility solely down to European mistakes as some pro-Russian commentators do<sup>15</sup>. The country’s internal dynamics is a major factor, in keeping with the traditional conflict in the Russian elite between Western sympathisers and “slavophiles” and the rise in spiteful and militaristic nationalist ideals<sup>16</sup>. For the future, mistakes that have already been well identified must be avoided:

1. **Economic condescendence and geopolitical indifference** which marked the years 1991-1999; Russia was then seen as a problem to be solved (management of nuclear weapon stocks, crime related to the economic collapse) rather than a system to be transformed according to European rules.
2. **Disenchantment and distrust** with regard to the construction of the new regime during the Putin decade (1999-2008); the moderate Occidentalism of the early Medvedev years gave way to a project to reaffirm Russia’s power in the post-Soviet area and beyond. From mutual distrust, the partners moved onto incomprehension and even hostility.
3. **The ideologisation and deterioration of relations** with Russia, particularly strong since the return of Vladimir Putin as President of the Federation (2012, and even more since 2014 with the Ukraine crisis). Authoritarian, showing little concern for human rights, the Putin regime seems both to want to stand out from Europeans but also to regret its marginalisation by these very same Europeans. The issue of values separates Russians and Europeans to an increasing extent.

14. Parmentier Florent, “A l’Est, la crise du messianisme démocratique européen” (in French), *Telos*, 3 February 2016.

15. Blot Ivan, *La Russie de Poutine* (in French); Paris: Bernard Giovanangeli publishing house, 2016.

16. Eltchaninoff Michel, *Dans la tête de Vladimir Poutine* (in French), Arles: Actes sud, 2014, chapter 6 “Le rêve eurasiste”, p. 101.

From the end of the USSR in 1991 until the arrival in office of Vladimir Putin in 1999, several structuring factors dominated relations between Europe and Russia.

“THE FALL OF THE USSR LED EUROPEANS TO LOSE INTEREST IN RUSSIA AT THE VERY MOMENT WHEN IT WAS MOST LIKELY TO BE OPEN TO ITS INFLUENCE”

Following the euphoria of Perestroika, some Europeans thought that they were among the winners of the Cold War in their relations with Russians deemed to be the losers in this multifaceted conflict. The extension of NATO to some former members of the Warsaw Pact (Poland, the Baltic States, Romania, Bulgaria, Hungary, Slovakia) in Central and Eastern Europe has demonstrated this trend. The spirit of the Helsinki Accords (1975) and the actions of the OSCE were held back, resulting in a weakening of the common management of defence, security and human rights issues with Russia. The rise of the USA as a hyperpower, the development of China, the crises in the Middle East, to name but a few, resulted in Russia being sidelined in Europe's spaces and representations. **The fall of the USSR led Europeans to lose interest in Russia at the very moment when it was most likely to be open to its influence.** Today, it is necessary to reinvest this area of study and to consider Russia as the European area's main rival and partner, under all circumstances as a major player in the European area.

In short, Europe must now become aware that it is helpless in terms of Russia's actions because it often considers the country as it was during the 1985-1999 period when it was close to a failed State or as it was during the 1970s when the USSR was a global power active over the entire continent. It is now time to consider Russia as it is, with its structural weaknesses and aggressive external action, as a power undergoing reconstruction that is still seriously hampered by its internal imbalances.

## 1.2. The “Putin decade” and rising tensions

In power since 1999 as Prime Minister or President of the Federation, Vladimir Putin will have been in office for as long as Brezhnev at the end of this term. His achievements, brutality and popularity are recurring issues for Europeans. Some praise his talents in reconstructing a crippled Russia at the end of the 1990s. Others criticise the creation of an authoritarian and corrupt regime in the 2000s.

### 1.2.1. Vladimir Putin's European policy: limited cooperation and default distrust

His successive terms of office have been marked by alternate periods of tension and appeasement with Europe. This tactical merry-go-round paralysed the drafting of a unified and consistent long-term European policy.

The institutions and Member States of the European Union developed cooperation and partnership policies which met its traditional vocation to promote democratic principles, but which gave rise to concerns in Russia. Europe was blinded to the impact of its policies on Russians' perceptions: it emerged as a rival that was at least as dangerous as NATO for Russia's revival. In this respect, the EU's enlargement policy and Neighbourhood policy most likely underestimated Russian reactions.

Russia rolled out a range of policies to combat the phenomena it deemed hostile: the colour revolutions (in Eastern Europe and Central Asia), post-Soviet states' applications to join NATO (the Baltic States and, today, Georgia, Ukraine), American anti-missile devices, acknowledgement of Kosovo's independence from Serbia, war in the Caucasus, etc.

In short, the very figure of the Russian president successfully absorbed a large portion of debates between Europeans on the attitude to adopt with regard to Russia. By alternating periods of tension with periods of political détente, focusing debates on himself and making the internal European debate sing to his tune (by organising occasional rapprochements with Italy, Cyprus, Hungary, Greece, etc.), the Russian president has successfully dictated the pace in EU-Russian relations.



### 1.2.2. Seeing beyond the “for or against Putin?” debate

It would, however, be mistaken to put the incomprehension between Russia and Europe down to Vladimir Putin alone. The European Union’s Russian policy cannot be summed up as a clash between those hostile to Putin and those in favour of him. Dividing Europeans is indeed a traditional lever used by Russian leaders and overshadows the search for the EU’s real interests.

While the 1990s was a decade of new capitalists and oligarchs, the 2000s saw the rise of the “*siloviki*”, i.e. politicians from the security services. Against this backdrop, Vladimir Putin’s role is less about imposing an order on society as a whole and more about arbitrating between different powers, more or less well disposed towards the West, in order to ensure political stability.

Vladimir Putin’s arrival also coincided with real yet imbalanced economic prosperity based on exports of oil and gas to Europe, but also on a reiteration of the geopolitical rivalry with Euro-Atlantic projects. Both the Brussels-based institutions and the Member States neglected Russia’s rising concerns, which resulted in a gradual worsening of tensions. Mostly unaware of the deterioration of the situation, the European Union struggled to adopt a clear and understandable line of action.

At the end of the two lost decades, the tensions in Russian-European relations reached a peak at which the definition of Europe’s actual interests became blurred.

### 1.2.3. Are Europe and Russia heading towards a conflict of values? European liberal democracy vs. Russian sovereign democracy

“ BETWEEN RUSSIA  
AND EUROPE, THERE IS (NO  
LONGER) A LONG-TERM  
OBJECTIVE OR OUTLOOK,  
EVEN IN IDEALISED FORM ”

This extreme focus comes together with an ever clearer inability to understand developments in contemporary Russia. Between Russia and Europe, there is (no longer) a long-term objective or outlook, even in idealised form. For example, Gorbachev’s idea of a “common home” or the “Greater Europe” idea only receive a very limited echo today. Without any significant practical scope, these ideas even seem incongruous. Since 2004, Russia has been above all preoccupied with achieving parity with Europe. As for Europe, it considers Russia as a body which is almost foreign to the continent. Furthermore, the communication channels do not allow for any serious dialogue, reinforcing the perception of the other entity as aggressive.

The evaporation of prospects – even far in the future and theoretical – of a regrouping between Europe and Russia under a shared roof stresses that the gap between Europe and Russia tends to be axiological. Between Europe’s rule of law and Putin’s Russia of “sovereign democracy” or “illiberal democracy”, the ideological gap is to blame. Liberal democratic values are the foundations of Europe’s unity and influence. Pacifism and the importance of the law, respect for fundamental freedoms and the rule of law, pluralism and the protection of citizens, all these moral, legal and institutional principles are the European mainstays that cemented solidarity between the founding Member States and attracted new Member States, in particular in the major enlargement wave of 2004.

Meanwhile, Russia tends to see itself as a model of “sovereign democracy”, or in other words a State in which the regular organisation of elections does not come with any protection for minorities (whether political, sexual, religious or ethnic) or a pluralism made possible by effective counterweights to power. It wishes to combine this counter-model with a reactionary ideology in terms of customs and a Christian vocation with regard to international relations.

Some political forces within the European Union (the Polish PiS, French FN, Austrian FPÖ, Hungarian Fidesz and Jobik, etc.) are openly in favour of the objectives of sovereign democracy, meaning that the conflict of

values not only divides Europe and Russia but also Europe within itself. At least on the surface and due to electoral propaganda, the Russian question has become an internal question in the European Union.

Today, the choice for Europeans is not between appeasement with Putin or a policy of ostracism towards Russia; progress must be made with new partnerships, at a time when the old formulae such as enlargement no longer work, and when European policies seem to lack innovation and resources. It is therefore urgent that Europe stops considering Russia from a Manichean and ideological stance. An ideological approach towards Russia artificially threatens Europe's unity.

“A NUMBER OF  
ELEMENTS CALL FOR A  
REALISTIC RELATION  
WITH RUSSIA”

In order to curb the negative effects of the two lost decades, the idea that Russia is no longer naturally coming towards the EU as hoped must be accepted, as the country is increasingly attracted by China and Eurasia. However, a number of elements call for a realistic relation with Russia: Europeans will remain the first outlet and investors in the medium and long term. According to Eurostat, the European Union's FDI in Russia account for €154.8 billion in stock terms<sup>17</sup>. While Moscow intends to defend its own interests, values and terms of reference, this should not prevent Europeans and Russians from at least agreeing on the areas of their disagreements<sup>18</sup>, rather than hoping to solve all problems in one go. This therefore calls for increased dialogue, on several levels (including politicians, the military, experts and representatives of civil society).

## 2. Identifying the European Union's real interests with regard to Russia: limited convergences and structural rivalries

### 2.1. For a European *Realpolitik* towards Russia

To renew the approach to relations with Russia, Europe must consider these relations in a new light. In order to anticipate more effectively the risks posed by Russia, to prevent intra-European divisions arising from the “Russian question” and to secure its influence on the continent, Europe could base its pacifist and democratic messianism on a more realistic and dispassionate approach to Russia.

#### 2.1.1. The balance of power as a starting point of negotiation and not as an obstacle to interests-based cooperation

Going beyond the ideological controversy that the Putin model strives to instil in Europe, European debates could focus on identifying the Union's tangible interests to the east and to the south. The conciliatory approach and the Human Rights militant analysis are both blinded to some extent with regard to the strategy of resolve towards Russia. Far from being a source of deadlock in relations with the Kremlin, firmness (sanctions are a component of this) may be considered to be the precondition for any negotiations with Russia. Far from ruining partial cooperation in advance, the establishment of a balance of power with Russia facilitates convergence.

In the crises in Georgia, Ukraine, the Baltic and Syria, Moscow has tended to pursue its advantage on the ground as long as it does not encounter any real material resistance. This is also the case in the bilateral relations with older Member States such as Sweden: cyberattacks and submarine incursions aim to test the Kingdom of Sweden's resistance. To get Russia to negotiate, its rivals must confront it with resolve. NATO's initiatives in the

17. <http://ec.europa.eu/eurostat/documents/2995521/6623246/2-11022015-AP-EN.pdf/7ab0b0a0-b2d1-496f-ac65-8764ecbeedae>

18. On the two partners' mutual incomprehension, see Kadri Liik, “How to Talk to Russia”, *European Council on Foreign Relations*, 18 December 2015.

Baltic area which rotating between bases at the edge of Soviet territory are less a guarantee of an endless escalation and more an upward shift in the traditional tug of war. However, as pointed out by Minister Steinmeier<sup>19</sup> a balance between confrontation and propositions of negotiations are to be associated in relation with Russia.

The alternating periods of tensions and cooperation are an integral part of the partnership/rivalry with Russia. If Europeans refuse the power relationship, they will send a fatal signal of weakness to Russian public authorities. Yet, if they confine themselves to this power struggle, they also risk running counter to their own interests. Alternating between cooperation and tension is essential to leverage influence over Russia as negotiators familiar with Russia often state<sup>20</sup>.

“ A GRADUAL AND  
SECTOR-BASED APPROACH  
TO EXITING SANCTIONS  
MUST BE FAVOURED  
RATHER THAN A BINARY  
APPROACH ”

The lifting of sanctions must be primarily considered with a view to maintaining the balance of power over the long term. A gradual and sector-based approach to exiting sanctions must be favoured rather than a binary approach (sanctions or full lifting of sanctions).

One precaution must be noted to ensure cohesion in the EU: the lifting of sanctions must not be seen as compensation for Russia's action in the Middle East. This would establish a disastrous link between the Syrian situation and the Ukrainian situation that would equate to believing that the principles of national sovereignty and territorial integrity may be concessions in a broader negotiation. The Russian authorities and economy are currently particularly sensitive to sanctions because the overall macroeconomic situation is poor at the moment.

Russia's main economic indicators, as measured by the World Bank and the IMF, show a structural weakness that must not blot out the accumulation of foreign exchange reserves (estimated at 380,544 million US\$ by the Bretton Woods institutions in February 2016<sup>21</sup>). According to IMF data from January 2016, the path of Russian GDP is not favourable: after stagnating in 2014 at +0.6% of growth, GDP contracted by -3.7% in 2015 and is predicted to contract further by -1% in 2016 under the twofold influence of a drop in oil and gas prices and European sanctions<sup>22</sup>. The World Bank's projections show a comparable path for Russia's GDP: after a contraction of GDP estimated at -3.8% in 2015, it predicts a contraction of -0.7% in 2016 and a return to sluggish growth in 2017 at 1.3%<sup>23</sup>. As regards inflation, the recurring evil of the post-Soviet economy, it is taking an upward path: while it seemed contained at 5.1% in 2012, it rose to 7.8% in 2014 and to 15.5% in 2015.

Development indicators also highlight an overall deterioration of Russia's socio-economic situation. The World Bank notes that GDP per capita is in decline from its peak in 2013 of 13,810 US\$.

However, a turnaround in the economic situation is possible. This would make the Russian economy less vulnerable to European sanctions. In addition, the creation of a rear alliance, in particular with China, following the signature of an important gas agreement in March 2014, means that sanctions may ultimately lose their effectiveness.

The prospect of lifting sanctions must be used with regard to Russia in order to encourage the country to halt its action in the Donbass and the Baltic while its deteriorating economy makes it particularly sensitive to this. One option for the lifting of sanctions would be as follows: maintaining and even tightening sanctions at the next deadline clause, at the end of January 2017, then a gradual exit from a system that will generate increasingly fewer effects, following the example of the agreement signed with the Islamic Republic of Iran on 14 July 2015.

19. Bild, 7h June 2016 "Steinmeier warnt vor starrem Abschreckungskurs gegenüber Russland".

20. Lefebvre Maxime, "Russia and the West: ten disputes and an inevitable escalation?", *European issues*, n°379, 26 January 2016, Fondation Robert Schuman. Maxime Lefebvre concludes his paper as follows: "Setting the cursor on the right spot between dialogue (cooperation) and firmness (EU sanctions, reassurance measures by NATO), working towards de-escalation - this is the core of a strategy that needs time and deliberation, combining a balance of power and diplomacy."

21. <https://www.imf.org/external/np/sta/ir/IRProcessWeb/data/rus/eng/currus.htm#1>

22. <http://www.imf.org/external/pubs/ft/weo/2016/update/01/>

23. <http://www.worldbank.org/en/publication/global-economic-prospects#data>

### 2.1.2. A de-ideologised, comprehensive and multilateral approach is necessary

A comprehensive approach to the European Union's interests in the east and the south is essential. Discord between Europeans has often concerned differences in exposure to the geopolitical risks raised by Russia. Limiting relations with Russia to oil and gas supply, the fight against terrorism and the resolution of the Syrian crisis would, most definitely, give rise to dissension between Europeans. As the Communication from the Commission dated 16 October 2014 on the short term resilience of the European gas system<sup>24</sup> shows, as Member States are not all exposed to risks in gas supply shortages from Russia in the same way, they do not have spontaneously convergent interests in their relations with this country. Similarly, the varying degrees of exposure to the current risks of migration from the Middle East may not definitely give rise to a general European interest spontaneously. Grouping together different sector-based interests within a single European policy is therefore an essential way of preventing uncoordinated national initiatives towards Russia.

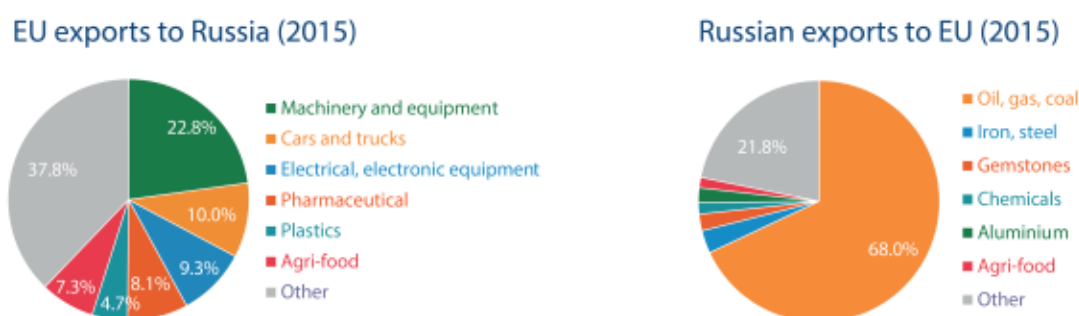
“THE EUROPEAN UNION'S RUSSIAN POLICY CAN GIVE ITSELF THE OPTION OF OVERCOMING NAÏVE IRENICISM AND HOSTILITY IN PRINCIPLE”

Partially de-ideologised, firmly comprehensive (and not sector-based) and continental (and not bilateral), the European Union's Russian policy can give itself the option of overcoming naïve irenicism and hostility in principle. This is how it can make clear identifications: the interests that it can share with Russia (in terms of economic, energy and security interdependence) and the interests that are structurally different, and even divergent between the two entities.

## 2.2. Putting economic interdependence to the European Union's advantage

In its relations with Russia, the European Union tends to underestimate, in the haste of its reactions, the series of advantages that put it in a relatively strong position with regard to Russia. In particular, the relations of economic, energy and financial interdependence are not necessarily structurally to Russia's advantage. In order to pursue an active Russian policy, the European Union must become aware of its favourable position and use it to its advantage.

FIGURE 1 ► EU-Russia trade relations



Source : [European Parliamentary Research Service Blog](#)

### 2.2.1. The European Union, Russia's main geopolitical rival on the continent

Naturally, for the EU, relations with Russia offer a series of important challenges to its cohesion and influence. The Russian Federation is currently Europe's main geopolitical rival on the continent. Yet the opposite is also

24. COM (2014) 654 final, COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT on the short term resilience of the European gas system. Preparedness for a possible disruption of supplies from the East during the fall and winter of 2014/2015.

true: Europe is the main limit for Russia on the continent due to the USA's relative withdrawal from foreign affairs at the end of Obama's term of office. While Europe perceives Russia as a risk to its own stability, reciprocally, Russia also considers Europe as cause for concern; the EU offers an institutional and political model different to its own, strives to develop its external action and conducts an active policy in areas of direct interest to Russia: in addition to Central and Eastern Europe, the Baltic, the Black Sea and the Caucasus. As it often underestimates its own power, Europe forgets that it may be perceived as a risk to Russian national interests. As a result, it fails to promote its own interests in the tensions existing in areas of conflict.

From a historical standpoint, the extension of Europe's liberal area to the east is at stake. Relations with Russia are both an opportunity and a limit for the export of European values (rule of law, peace through law, respect for people and goods, the opening of societies and economies) to its counterpart, the Slavic, orthodox and post-Soviet area.

### “RELATIONS WITH EUROPE ARE ESSENTIAL FOR MOSCOW”

From a geostrategic standpoint, the Russian Federation appears to be a challenge to European cohesion. The various Member States have neither the same interests, nor the same fears with regard to Russia. Geographical proximity and distance play a clear part. For some Member States (Bulgaria, Romania, the Baltic States, etc.), energy dependence, geographical proximity and cultural similarities are radically different to the geographical distance and economic imperviousness of some others. Thus, neither Portugal nor Spain can perceive Russia as a direct threat, contrary to what the Baltic or Polish authorities regularly remind us. Yet the emergence of authorities in favour of “sovereign democracy” in Central Europe and the reinforcement of authoritarian populist and sovereignist movements in the EU as a whole also have an effect. Relations with Russia are now internal challenges within the European political arena.

While general European interest is affected by relations with Russia, it must also be borne in mind that relations with Europe are essential for Moscow.

#### 2.2.2. Not overestimating Russia's position and playing on its structural requirements

The uncompromising position deliberately displayed by Moscow in its relations with Brussels must not be taken at face value: Russia is well aware that Europe has considerable levers for action in its regard. For Moscow, relations with the European Union are important and even existential. From a trade point of view, the EU is Russia's primary client while Russia does not enjoy such an important position in the EU's trade balance. According to Eurostat<sup>25</sup>, from 2008 to 2013, Russian exports to the EU accounted for 50%-52% of the country's total exports, placing the European Union in the top position among Russia's trade partners. In terms of the European Union's interests, the trade relationship with Russia is important but not as critical: admittedly Russia is the EU's third-largest trade partner, since the 2000s the trend is of rapid growth which peaked in 2012 and was temporarily stopped in 2008-2009; the trade balance was in deficit for Europe in 2013, 2014 and 2015. However, the amounts at stake to the respective GDPs of the two entities (US\$18,412 billion in 2014 for the European Union and US\$1,861 billion at the same date for Russia according to the World Bank<sup>26</sup>) highlight the differential in terms of the importance of trade relations. The composition of exports also stresses to which extent Russia is dependent on the European Union in many sectors, while the European Union is dependent, on the whole, on Russian oil, gas and metals. As the Commission states, the European Union's exports to Russia were dominated by machine tools, agricultural goods, medicines and chemical substances. The terms of trade are quite broadly favourable to the European Union<sup>27</sup>: an economy focused on the export of raw materials for which it has little say over the price is more dependent on its major client than a diversified economy with a substantial internal market.

25. <http://ec.europa.eu/trade/policy/countries-and-regions/countries/russia/>

26. <http://data.worldbank.org/country/russian-federation>

27. [http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc\\_111720.pdf](http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_111720.pdf)

“RUSSIA NEEDS THE EUROPEAN UNION SIGNIFICANTLY MORE THAN THE EUROPEAN UNION NEEDS RUSSIA”

In other words, Russia needs the European Union significantly more than the European Union needs Russia. The degree of openness of the Russian economy demonstrates that the economic self-sufficiency officially celebrated since 2013 is impossible. Russia is also dependent on European foreign direct investment as this accounted for 75% of total FDI in Russia in 2013 in stock terms, i.e. prior to the crisis<sup>28</sup>.

In terms of goods (€173.2 billion) or services (€11.5 billion) exported to Europe, the share of trade in Russia's total GDP (€1,900 billion in 2014) is essential, whereas this is clearly less the case for Europe.

While the brief decade from 1999 to 2008 was marked by annual GDP growth rates greater than 5%<sup>29</sup>, Russian prosperity was not leveraged to rebalance the country's development model. Today, as at the start of the “Putin period”, the Russian economy has the same structural shortcomings, putting it in a position of weakness with regard to Europe. These shortcomings have been well identified.

**Over-dependence on oil and gas** exposes Russia to exogenous shocks: price volatility and global cyclical downturns. According to the World Bank, natural resources (oil, gas, coal, minerals and forests) accounted for 16.2% of Russian GDP<sup>30</sup> and 70% of its total exports<sup>31</sup> over the period from 2011 to 2015. The Russian economic model is therefore highly dependent on global energy and raw material demand.

The global crisis that hit in 2007 did not immediately halt global energy demand growth. It did, however, result in a fall in demand and ultimately led to a contraction of GDP of approximately -7.8% in Russia in 2009 according to the IMF<sup>32</sup>.

In addition, for gas, this dependence exposes Russia to transport risks, in particular via the Ukrainian corridor, as the recurring crises demonstrate (2005, 2009, 2014). Lastly, combined with an opaque economic and administrative apparatus, this dependence fuels inequality and corruption due to the influence of oligarchs.

**Corruption**, traditional in the tsarist and then Soviet economy, is due to the involvement of the State and the Kremlin's entourage in the economy. Russia ranks 136th (out of 174) in Transparency international's 2015 league table. In conjunction with legal insecurity with regard to private property, this discourages foreign investment and favours capital flight to financial markets abroad (London, Dubai).

**The under-development of its banking infrastructure:** domestic payment and savings systems depend on major foreign banks and are often secured by energy groups.

While the trade balance is positive (8.4% of GDP on average from 1990 to 2013) due to the exports of energy, minerals and weapons, the weight of imports of everyday consumer goods (foodstuffs, furniture) exposes Russia to high levels of dependence, as evidenced by the supply difficulties following the embargos enforced on certain European commodities. In 2013, Russia imported agricultural produce representing €11.86 billion from the European Union<sup>33</sup>.

**High levels of poverty and inequality**, due to the concentration of income and assets. The poverty rate (as defined by the World Bank) has also increased from 10.7% of the population in 2012 to 13.4% of the population in 2015<sup>34</sup>. The Gini index is high (41.6 in 2013).

28. [http://ec.europa.eu/eurostat/statistics-explained/index.php/Foreign\\_direct\\_investment\\_between\\_the\\_European\\_Union\\_and\\_BRIC](http://ec.europa.eu/eurostat/statistics-explained/index.php/Foreign_direct_investment_between_the_European_Union_and_BRIC)

29. The following data is taken from the World Bank's statistics on Russia: <http://data.worldbank.org/country/russian-federation>

30. <http://data.worldbank.org/indicator/NY.GDP.TOTL.RT.ZS>

31. <http://data.worldbank.org/indicator/TX.VAL.FUEL.ZS.UN>

32. <http://data.imf.org/?sk=b5cda530-07b8-46c6-b829-1827df8b49c7&ss=1390030109571>

33. [http://ec.europa.eu/agriculture/russian-import-ban/pdf/eu-exports-to-russia\\_en.pdf](http://ec.europa.eu/agriculture/russian-import-ban/pdf/eu-exports-to-russia_en.pdf)

34. <http://databank.worldbank.org/data/reports.aspx?source=2&country=RUS&series=&period=>

In its power relationship with Europe, Russia embellishes its economic power to conceal the fact that it is hampered due to a lack of structural reforms. Admittedly, in PPP terms, Russia's GDP is high: prior to the crisis with the West, in 2013, Russia ranked 6th globally by the IMF ahead of Brazil and France. However, due to the internal imbalances of its model, Russia was, in 2015 as in 1998 and 2009, at the mercy of exogenous shocks, raw material price downturns and the contraction of global demand. Europe would be able to use this to its advantage, as it is currently doing by maintaining the sanctions at a time when the price of oil and gas are unfavourable for Russia.

## 2.3. 2015: maximum tensions and structural rivalries

At the end of 2015, relations between the European Union and the Russian Federation were caught between two diverging trends. Firstly, the prolonged tension to the east with regard to Ukraine (annexation of Crimea, destabilisation of the Donbass). This resulted in the European Union adopting sanctions on 31 July 2014<sup>35</sup>, and in counter-sanctions from Russia. In a broader sense, the tension has clearly taken a latent negative turn for at least a decade. Secondly, common concerns emerged to the south.

### “THE TWO GEOPOLITICAL ENTITIES SEEM TO FLUCTUATE BETWEEN INCOMPREHENSION AND FORCED COHABITATION”

Russia emerged as a useful partner in the fight against Sunni terrorism based in Syria. However, after a period of relative rapprochement advocated by the public authorities<sup>36</sup> and opposition forces in France<sup>37</sup>, differences in approach quickly became clear. Firstly, Russia and Europe do not have the same enemies in Syria: for Russia, the aim of the military operation was to combat all adversaries of the al-Assad regime, regardless of whether it was the Al-Nusra Front, the Free Syrian Army or, to a lesser extent, ISIS. For the European Union, the main enemy is ISIS, which has hit European cities and is spreading south of Europe (Libya, Tunisia). Secondly, Russia and Europe do not have the same allies in the region: while Russia is, for the moment, aligned with the Shiite axis made up of the governments of Teheran, Baghdad, Damascus and the Hezbollah in Lebanon, Europe has strengthened its alliance network in the Gulf with the Sunni monarchies (Saudi Arabia, UAE, Qatar). Lastly, the objectives are very different in the conflict: while Russia strives to maintain its interests in the eastern Mediterranean through the survival of the al-Assad regime<sup>38</sup>, Europe is looking for a political solution that would bring about a change in regime. In short, the Russian proposal of a united front against international jihadism as a common enemy is considerably artificial under the current circumstances.

The two geopolitical entities seem to fluctuate between incomprehension (and subsequent hostility) and forced cohabitation dictated by geography and economic complementarities.

### 2.3.1. Euromaidan, Crimea and the Donbass: tensions coming to a head

The crises in Ukraine brought all the underlying and sector-based tensions between the European Union and the Russian Federation to a head. The Euromaidan movement renewed the ambiguities of the Orange Revolution: was this about pro-European reform, a geographical and cultural split at the heart of Ukraine's identity or a confrontation between oligarchs by proxy, etc.? The illegal annexation of Crimea by Russia on 18 March 2014 emerged as a questioning of the collective security measures on the continent and as a furthering of Russian revanchism. In the “frozen conflicts” in areas of Georgia and Moldova, Russian military operations started to attempt to reverse the momentum of Russian withdrawal at the outer edges of the former empire. However, with Ukraine, Russian activism changed in intensity: this was the annexation of an area belonging to a sovereign state that is important in terms of its population size and its place in the European continent. It was also to maintain a real but low-level conflict over a large eastern section of its territory, portraying it as an almost “failed state”. The conflicts in the Donbass emerged as a confirmation of Russia's drive (displayed

35. These *sanctions*, initially adopted for one year, were extended until 31 July 2016, in a decision dated 21 December 2015.

36. Bret Cyrille and Parmentier Florent, “Nicolas Sarkozy à Moscou : un futur axe franco-russe ?” (in French)

37. Bret Cyrille and Parmentier Florent, “La synthèse russe du président Hollande” (in French)

38. Bret Cyrille, “Ce que Vladimir Poutine veut vraiment faire en Syrie” (in French)

in Greece, Hungary, Cyprus and in the Baltic diplomatically) to undermine European cohesion and the principles for building up an area of peace. The cycle of European sanctions and Russian counter-sanctions seems sustainable. It is as yet difficult to assess which entity is suffering the most from the sanctions. It is also difficult to know whether the rear economic alliances established by Russia in recent years will suffice to revitalise a sluggish economy. The deal made with China in March 2015 to supply gas from eastern Siberia was not signed under favourable conditions for Russian interests: in addition to the fact that this deal furthers Russian dependence on oil and gas, the agreed price was much lower than the market place and required significant Russian investment.

“TENSIONS SURROUNDING THE UKRAINE ISSUE HAVE HIGHLIGHTED THE NEED FOR FIRMNESS AND COHESION, BUT ALSO THE NEED TO FIND A REALISTIC AND SUSTAINABLE WAY FORWARD”

Without a doubt, 2015 marked a low point in relations between the EU and the Federation but it also brought to light the limits of open conflict for European interests, considerably different to American interests. In March 2014, the USA adopted a series of sanctions that ran alongside those of the European Union. Yet their strategic and economic distance from Russia meant that it never experienced the cost of these sanctions. On the contrary, several sectors of the European economy, in particular in stock farming and dairy products, were significantly hit. The result is that Europeans seem to be the only ones to pay the price for these sanctions decided jointly with the USA. The prospect of a

Trump administration may result in differences flaring up between the European Union and the USA in their relations with Russia<sup>39</sup>. While the clear goal of a potential President Trump is to bring about a rapprochement with Russia and make Europeans provide their own security, the EU may bear the brunt of classic republican isolationism combined with the billionaire's open personal admiration for the Kremlin's leading man.

Tensions surrounding the Ukraine issue have highlighted the need for firmness and cohesion with regard to Russia, but also the need to find a realistic and sustainable way forward in relations with the main rival on the continent.

### 2.3.2. Long-term regional rivalries that cannot be reduced to a new Cold War

Going beyond the recent tension and despite the structural economic cooperation, the EU and Russia are positioned as competitors in several areas and in several sectors.

This cannot be called a “new Cold War” in light of several differences.

The first difference is that opposition between the two entities is not that of unified military blocs cemented by a Schmittian ideological opposition: while Putin's “sovereign democracy” is very different to European liberal democracy, it does not enjoy the same status: communism was an ideology with a universal reach while the (highly composite) doctrine lineaments of Putin's regime have a strictly national vocation. In other words, Russia does not offer a political and economic model to the world<sup>40</sup> while the European Union strives to export its ideals of peace, good governance, respect for the law, social market economy, etc. beyond the borders of its Member States.

“WAR IS POSSIBLE BETWEEN RUSSIA AND EUROPE, PEACE IS PROBABLE, BUT BOTH ARE CONFINED TO SECTORS AND ARE LIMITED IN SCOPE”

The second difference is that the conflictual relationship between Europe and Russia is not overshadowed by a “balance of terror”, summarised by Raymond Aron's formula “peace is impossible, war is improbable”. At least since the war in Georgia in 2008, Russia's war with its neighbours is more than probable: it is in motion. The encroachment on Estonia's digital sovereignty, in particular in 2007<sup>41</sup>, the breaches of Sweden's territorial waters and of course the operations in the east of Ukraine clearly demonstrated that armed conflict, while limited, is possible between Russia and its neighbours. However, peace,

or at least cooperation is also possible and even true. The opening of the Russian economy and its

39. Bret Cyrille, Lagane Guillaume, Parmentier Florent, “La politique étrangère du candidat Trump : vers le principe de réalité ? ” (in French)

40. Eltchaninoff Michel, *Dans la tête de Vladimir Poutine* (in French), Arles: Actes sud, 2014, chapitre 5 “La voie russe”, p. 81.

41. Renaissance numérique, “Estonie. Se reconstruire par le numérique” (in French), February 2015.



interpenetrations with the European economy is a prime example of this. In short, war is possible between Russia and Europe, peace is probable, but both are confined to sectors and are limited in scope.

The third difference is that Europe is no longer the location for a full-fledged arms race. Of course, Russia has been conducting a broad modernisation programme of its armed forces since 2009, increasing numbers serving their country to more than 850,000 and defence spending to more than 4% of GDP in 2015. NATO has reinforced its military presence in Poland and the Baltic States. While there is still an arms race, there is no contender in Europe: all military powers on the continent with the exception of Poland are committed to reducing their military spending.

The areas of likely conflict are as follows:

- **The Caucasus and the Black Sea:** these areas are torn between geographical and historical proximity to Russia and a drive for legal and political rapprochement with Europe. Some Caucasian States display loyalty to Moscow, such as Armenia, which joined the Eurasian Economic Union. Other States, with Georgia foremost among them, decided to position themselves in a preferred relationship with the European Union. Trade policies are subject to rivalries in their very design. While the European Union's trade policy basically serves economic development, Russia's policy is wielded like an instrument of power<sup>42</sup>. This difference in approach requires Europe to be acutely vigilant with regard to the way it conducts partnership agreements with Caucasian States. The geopolitical dimension can no longer be absent from Europe's Neighbourhood Policy.
- **The Baltic:** Russia's investment in the Baltic area has resulted in extra vigilance from the Baltic States, Finland and Sweden. In the Baltic, Russia is committed to a policy aimed at testing the limits of NATO and EU internal solidarity. It therefore regularly conducts incursions into territorial waters, airspaces and cyberspace, pushing traditionally neutral countries such as Sweden and Finland into openly considering a rapprochement with NATO in coming months. Over NATO's operations in the area, Russian armed forces have conducted military manoeuvres, particularly by air, that test the responsiveness, solidarity and resistance of NATO's allies.
- **The Arctic:** this area has also been significantly reinvested by Russia without any reaction or counter-strategy by Europeans in the broadest sense. Russian armed forces are setting up a new permanent force of more than 6000 soldiers, tightening the network of military bases on island chains in the Arctic Ocean (Kotelny and Wrangel island), deploying arctic brigades, creating drone units, in particular on the Chukchi Peninsula. The Russian Arctic area is being remilitarized. In addition, Russia submitted a new request to extend its territorial waters and exclusive economic area along the Lomonosov and Mendeleev Ridges to the UN Commission on the Limits of the Continental Shelf. Occupying and gaining ground are the guiding principles. This is, however, a unique window of opportunity for Europeans<sup>43</sup>: Russia's activism across the board gives Europeans the means to extend their interests in this strategic area in which they are present though Denmark, Iceland and Finland.
- **East Ukraine:** the Ukraine issues (Crimea and the Donbass) run the risk of becoming a long-term frozen conflict: the annexation of Crimea seems enacted in practice but remains unacceptable by law; the situation of the Donbass requires a necessarily long development of the entire institutional, party and economic system in Ukraine.
- **The respective energy positions** of the various Member States complicate a supplier-client relationship made tense through geopolitical considerations on the transport routes, as demonstrated by the Nord Stream pipeline transporting Russian gas to the German market via the Baltic Sea<sup>44</sup>.

42. Guittou Jocelyn, "Union européenne et Union économique eurasiennne : concurrence ou coopération ?" (in French), *Telus*, 21 January 2016.

43. Baev Pavel K and Boersma Tim, "With Russia overextended elsewhere, Arctic cooperation gets a new chance", *Brookings*, 18 February 2016.

44. Pellerin-Carlin Thomas, Vinois Jean-Arnold, "Nord Stream 2: A Decisive Test for EU Energy Diplomacy", *Natural Gas Europe*, 16 December 2015.

- **Cyberspace:** EU Member States' national information security agencies regularly state that threats related to cybercrime and cyber-espionage are deeply rooted in the Russian area. In line with the European Union's digital agenda of 6 May 2015, the EU must incorporate the defence of its "digital sovereignty" against Russian threats as a priority.

## 3. Scenarios for the European Union's Russian policy

### 3.1. Scenarios for 2017, a decisive year in the European Union's relations with the Russian Federation

“IN JANUARY 2017, MEMBER STATES WILL EXAMINE THE OPTION OF EXTENDING, TIGHTENING, EASING OR LIFTING SOME OF THE SANCTIONS”

In January 2017, Member States will examine the option of extending, tightening, easing or lifting some of the sanctions adopted against the Russian Federation. Beyond this short-term deadline, general elections in France and Germany will give rise to a potential turning point in the EU's relations with Russia. Three scenarios emerge from the course of these relations since the end of the USSR: the heightening of various tensions resulting in a more obvious conflict, a change in course leading to appeasement and the subsequent drafting of a continental partnership, or – this scenario is described in most

detail below – the continuation of an ambivalent relationship combining inevitable cooperation and structural disputes.

#### 3.1.1. The scenario of heightened tension

This scenario is based on the continuation and worsening of current difficulties: hampered by the Brexit, by the continued Greek crisis, opposition from part of *Mittleuropa* (Austria, Hungary, Slovakia, Poland) to common hosting policies for migrants and refugees, the EU would be more vulnerable, due to a lack of solidarity between Member States, in its responses to Russian initiatives. If this internal weakening were to coincide with a rise in oil and gas prices, an explicit failure on the implementation of the Minsk II Agreements, on the reform of Ukrainian institutions and continued instability in Moldova, the European Union would present a divided front to Russia and would most likely be subjected to formidable initiatives to the east: Russia would probably leverage this unfavourable situation to continue to press its advantage and promote its interests in its "near abroad" (Caucasus, Ukraine, the Baltic) where the EU has several Member States and Partner States. In that case, only NATO could be the tool to protect the Northern and Eastern Member States.

#### 3.1.2 The scenario of appeasement of tensions leading to a new partnership

This scenario would be symmetrical to the previous scenario: continued Russian weaknesses would coincide with the resolution of European crises. If the European Union manages to come out of the upcoming elections in several major Member States unscathed, if the sanctions policy continues to produce effects on Russia, particularly if oil and gas prices remain low, Russian authorities will be more willing to work with European demands. However, this hypothesis is marred by the ideological factor of the persecution complex fuelled by the buoyant nationalism of the current regime.

#### 3.1.3. Beyond war and peace: Putin is not Tolstoy

“PUTIN HAS DEVELOPED WITH NEIGHBOURS AND PARTNERS A SORT OF POWER BALANCE THAT COMBINES ELEMENTS OF CONFLICT AND AREAS OF COOPERATION”

In any event, these two scenarios, however stimulating they may seem, do not consider the metamorphosis of relations within the continent. The types of action used by Russia for its external policy (cyberattacks, resistance tests

forced onto neighbouring countries, soft power aimed at instilling divisions within the European Union, creation of de facto situations, the extension of “frozen conflicts” into “festering conflicts”) aim to put the relations of Russia and its neighbours beyond the clear line between conflict and partnership, beyond the divide between war and peace. Vladimir Putin is no Tolstoy. He has developed with neighbours and partners a sort of power balance that combines elements of conflict and areas of cooperation. His strength lies in leveraging the opportunities created by the situation rather than carefully planning an imperial strategy for which he is lacking resources. The European Union must act on the persistence of this **hybrid and highly changeable scenario** in the short term in order to maintain sanctions while clearly stating the conditions for their gradual lifting and, in the longer term, to renew sector-based partnerships favourable to its own prosperity.

This scenario is hybrid in two ways. It is mixed, as is Russia’s action towards Europe. Yet it must include the EU’s complex position. Firstly, the antagonism between Europe and Russia stretches back to a period before the Donbass war, and it is probable that it will continue, as there are still a dozen ongoing disputes between Russians and Europeans<sup>45</sup>. Secondly, geographical, economic and cultural proximity means that there are a number of areas of common interest.

### 3.1.4. Elements for the European Union’s Russian policy

Against this backdrop, European policy in the medium and long term may take three directions: a change in regime, a weakening of Russia’s position or a limited but useful partnership.

The first course is ideological, involving exporting the European model: it has been rolled out since 1991, without yielding any conclusive results. Rather than imposing a comprehensive model, it appears preferable to give priority to ‘achievable’ values (promotion of the rule of law, the fight against corruption and trafficking) pending the promotion of values which are called into question in Russia and in several countries tempted by “illiberal democracy” (Poland, Hungary, Slovakia)<sup>46</sup>. As Ms Mogherini recently declared, promoting European values is an integral part of the EU’s interests. However, exporting these principles within the framework of a genuine conflict of values with Russia would be harmful in several ways: firstly, it would grant Russia the status of counter-model which it does not currently enjoy, despite its protests. Militarised nationalism, moral conservatism and anti-pluralist identity-related tension are not currently a magnet able to compete with the European model. Secondly, it would transform EU internal political debate into an international question (for or against Russia?) which would only heighten centrifugal forces. In the promotion of European values, it is essential that Putinism is not elevated to a status of alternative ideology.

The second direction involves starting with the principle that a weak Russia would automatically serve European interests. Yet this assumption is potentially false: chaos in Russia would most likely damage European interests. In addition, it may also be counter-productive as it may urge the population to back the regime, and encourage the regime to conduct a policy hostile to European construction by financing opposing parties. The first two directions are sometimes blurred in representations, which leads Russia to believe that democracy is a weapon aimed at weakening Russia. Yet Russia is not monolithic and contains pushed up liberalist trends.

The third direction is based on the need for a pragmatic policy: a limited yet useful partnership is better than hostility across the board. The useful partnership could be leveraged to promote our values without the other party conceiving this as a weakness.

This realistic direction avoids denying the de facto interdependence of the two partners.

The European Union’s Russian policy must be based on three main thrusts:

45. Lefebvre Maxime, “Russia and the West: ten disputes and an inevitable escalation?”. *European issues*, n°379, 26 January 2016, Fondation Robert Schuman. Maxime Lefebvre lists the ten main points of contention between the European Union and the Russian Federation from the 1990s to today: Chechnya, NATO’s enlargement, Kosovo, Vladimir Putin, the politico-military power struggle, the Colour Revolutions, the role of the European Union and the energy weapon, the Georgian conflict, the Ukrainian conflict and the Syrian conflict.

46. Bret Cyrille and Parmentier Florent, “L’avenir de l’Union européenne se joue aussi en Mitteleuropa !” (in French).

- Active resistance to risks of destabilisation in neighbouring States, where Europe must display firmness and unity in the balance of power,
- The reinforcement of sector-based consultation areas between Europe and Russia,
- The preparation of new economic convergences, in order to provide a long-term outlook to the European Union's influence to the east.

The first point focuses on questions of security and its scope of action in the short term. The second and third points concern diplomacy and economy, for which the timeframe is the medium and long term. Making progress in these three areas at the same time would allow Europeans to assert their positions and give rise to common positions.

### 3.2. Actively fighting against the risks of destabilisation in *Mittleuropa* and eastern neighbouring states

“EUROPEANS AND RUSSIANS NOW KNOW THAT THEY ARE BOTH INCAPABLE OF RADICALLY CHANGING THEIR SHARED NEIGHBOURHOOD WITHOUT CONFLICT BETWEEN THEM”

Europeans and Russians now know that they are both incapable of radically changing their shared neighbourhood without conflict between them. Swift Europeanisation or renewed Russification are impossible without mounting tensions.

It is, however, in Europeans' interest to enhance stability in this area in order to prevent the risks of internal and peripheral destabilisation.

Europe must leverage the following points in order to control the risk of destabilisation in neighbouring states more effectively.

**Adopt a rational sanctions policy.** The debate on European sanctions against Russia could increasingly divide Europeans, both for economic and internal political reasons. On one hand, sanctions cannot be lifted without significant progress in the application of the Minsk Agreements. A unilateral lifting of sanctions would only radicalise part of the Ukrainian population, in Central Europe or in the Donbass. On the other hand, conversely, it must also be noted that the effect of the sanctions lessens over time, leading to a situation of deadlock. Under these conditions, the option of modulating part of the sanctions in line with progress made, gradually in terms of energy and finance, is an option that calls for discussion in Europe.

“WHILE FIRMFNESS IS THE WATCHWORD WHENEVER THE EU'S INTERESTS AND VALUES COME UNDER THREAT, IT IS ALSO IMPORTANT TO UNDERSTAND MOSCOW'S RED LINES”

**Combine NATO's instruments and the EU's own levers for action in relations with Russia.** The current Russian government is without a doubt the most authoritarian and aggressive of the last 25 years. While firmness is the watchword whenever the EU's interests and values come under threat, it is also important to understand Moscow's red lines. Attempts to extend the Atlantic Alliance to Georgia and Ukraine resulted in two conflicts; NATO's role must therefore involve reassuring its Member States, yet any enlargement to a post-Soviet country seems to be *casus belli* with Moscow for the time being. When the EU relies on NATO to defend its interests in relations with

Russia, it fails to see that NATO itself is a body that worries Russia. Of course, the European Union must play ball with NATO when an encroachment on sovereignty is critical. Yet it must also leverage its own resources (sanctions, negotiations) for its economic interests. In the Baltic area, the European Union must ensure that NATO's policy - above all with a view to the military operations planned for this summer - clearly shows the West's determination. It should also use its own mechanisms based on solidarity with the Baltic States, Sweden and Finland to show that it does not rely on another body for its own security. Lastly, the OSCE is a forum for negotiation that is currently abused and blocked but which may be utilised to make Russia feel the full brunt of its isolation. It is in Europe's interest to reinforce its common positions to get Russia to face up to its

responsibilities for continued security and stability in Europe. In any event, Europeans' firmness in response to encroachments, sovereignty tests and de facto situations caused by Russia's external action cannot be restricted to NATO's channel. At the OSCE and the UN, in bilateral relations and in multilateral fora, Europeans must make sure they adopt the same firmness of principle.

**Explore actions to be rolled out in the Baltic and the Arctic.** Firmness is welcome when reassuring the Baltic States, Poland or Sweden, but it cannot be the only policy. Elsewhere, the difficulties that Russia is experiencing in its various external actions (in Ukraine or in the Middle East) clearly open up new prospects for cooperation with regard to the Arctic, where the stakes in terms of resources and the environment are high.

**Create an extended "Friends of the Ukraine" club** to finance reconstruction would be a specifically European measure. This international conference of donors must be made to distribute funds in line with the principle of strict compliance, by demanding the adoption of political and economic reforms (on corruption, rule of law, etc.), as the IMF has done, but by diversifying the creditors.

As a counterpoint to this initiative, **an EU - Russia - Neighbouring States forum could be founded**, to define the legitimate and unfounded interests of the various partners and to consider the creation of a dedicated secretariat. Separate from the Eastern Partnership Summit due to the addition of southern neighbours (Maghreb and Mashreq) and Russia, it could be used to strike a balance between what Russia can hope for - no exclusion from developments concerning neighbouring states - and what it cannot do - threats to neighbouring states' sovereignty. The creation of a secretariat would monitor specific developments in the neighbouring states between Russia and the EU.

The European Union - and the Franco-German tandem in particular - must continue to put pressure on the application of the Minsk II Agreements. This pressure should be felt by Russian authorities in terms of the actions that must be rolled out to demilitarise Eastern Ukraine and facilitate OSCE operations. It should also be directed at Ukrainian public authorities with a view to conducting institutional reforms. Changes to Europe's borders (in Kosovo, Georgia and Ukraine) have created dangerous precedents. However, it is important to consider a lifting of sanctions in return for the application of the Minsk II Agreements and negotiations on a political solution in the Donbass, and subsequently in Crimea.

**The European Union must successfully include the Russian Federation in the objective of stabilisation for the Turkey - Syria - Iran arc.** Russia is once again becoming a power in the Middle East, through the links it has been developing over the last few years with Iran, and its relations with the Syrian army. The sudden (and now reduncing) escalation of tensions between Russia and Turkey has put Europe at odds. France wishes to cooperate with the Russian forces to combat ISIS, while Germany and other Member States give priority to Turkey to absorb the influx of migrants from Syria. Europeans, Americans and Russians must therefore work together diplomatically and militarily, in order to manage the consequences of the collapse of the Syrian State. Enlisting Russia in the objective of stabilising the region would overcome the incompatibility of approaches in the negotiations underway in Geneva.

**Cooperate to combat terrorism and organised crime.** Cooperation with regard to the fight against terror already exists in the form of the EU - Russia agreement on the protection of classified information of September 2010<sup>47</sup>, or the joint EU-Russia statement on combatting terrorism<sup>48</sup>. However, the various advances achieved (reinforced cooperation in terms of exchanges of information, best practices in anti-terrorism initiatives, further cooperation in a multilateral framework) have been undermined by the sanctions. Going beyond short-term political calculations, priority must be given to this cooperation concerning developments in Eurasia and the Middle East, for example through the secretariat of the EU - Russia - Neighbouring States Forum.

47. Olga Potemkina, "The EU - Russia cooperation in fighting terrorism", *РОССИЙСКАЯ АКАДЕМИЯ НАУК ИНСТИТУТ ЕВРОПЫ РАН YESI*, Working Paper n°1, 2015.

48. Council of the European Union, "Joint EU-Russia statement on combatting terrorism", Brussels, 28 January 2014.

### 3.3. Stepping up spaces for dialogue and consultation

While Europeans must act with firmness with regard to security, they must also increase the channels for discussions with Russians, in order to reach civil society, the armed forces and students more effectively. In order to meet this requirement, Europeans can leverage a wide range of tools that are currently under-used or neglected. Once again, this approach must be realistic: the goal is to make every effort to bind Russia to European interests.

**Incorporating European values in the EU's key interests** is certainly an important signal to be sent to Russia and its current claim to offer a counter-model. Yet this value-based approach does not rule out a realistic approach. Between achievable values (rule of law) and less achievable principles for the time being (LGBT rights, pluralism), this is not an alternative but rather a phasing in of values. Championing some in the short term and others in the longer term allows the EU to set a slower pace with Russia and send a signal to its internal movements without resuming the idiosyncrasy of messianic condescendence perceived as aggressive.

**Facilitating the visa policy, similar to the policy obtained by other partners.** A facilitation of the visa policy is one of the key elements of the Neighbourhood Policy, one of the EU's real levers of influence (5.8 million applications for Schengen visas in 2014, but only 3.5 million in 2015), and a vehicle for change on a societal level. This policy clearly arouses distrust from Ministers of the Interior in various Member States, but it leads to pragmatic and often useful cooperation. In addition, it would meet a long-standing Russian request and would place Russia squarely among the EU's neighbours.

#### **Developing a strategy of European soft power with regard to Russia.**

“THE EUROPEAN UNION'S OUTREACH CAPACITY IN RUSSIA IS SIGNIFICANT BUT STILL UNDERDEVELOPED”

The European Union's outreach capacity in Russia is significant but still underdeveloped. However, the Union enjoys, despite the official discourse, great prestige among the Russian population. Rolling out European soft power against the difficult backdrop experienced by NGOs in Russia is of an absolute necessity for the promotion of European interests in Russia. Several conventional tools could be put back on the agenda:

- Cultural and linguistic cooperation: cultural, scientific and educational exchange programmes must be developed on various levels, on the part of the EU, which has a poorer understanding of Russia than in the past, and on the part of Russia, which is gradually moving away from the European way of thinking.
- A practical encouragement of progress with regard to the rule of law, and less emphasis on the rhetoric of human rights and democracy. American and European rhetoric on the promotion of democracy and human rights has been broadly counter-productive for Russia in recent years. More pragmatic cooperation on issues of justice, decentralised cooperation and combatting corruption would most likely be more effective than lessons in democracy. To support this initiative, the European Union must make very significant efforts with regard to communication towards Russia. Reshaping Europe's image in Russia can greatly benefit the European interests there...
- Setting new common goals, building up from the four common spaces defined at the 2003 Saint-Petersburg Summit. These four common spaces (economic space, space of freedom, security and justice, space of external security and space of research and education) at least had the merit of providing pragmatic and technical elements allowing the administrations to work together on a set of subjects. The lack of a common goal means no exit from the current situation of deadlock.

“A LIMITED PARTNERSHIP  
WOULD DEFINE THE SCOPE  
OF RELATIONS ON THE  
FOUNDATION OF OUR  
INTERESTS AND OUR VALUES”

The last Russia-EU partnership dates back to 2011 and was recused in 2015 by the European Parliament due to Russia’s policy in Ukraine. Committing to a new partnership in areas strictly limited to the aforementioned issues currently seems to be a means of anchoring Russian society in the European area: a limited partnership would define the scope of relations on the foundation of our interests and our values<sup>49</sup>.

### 3.4. Furthering long term economic convergences

Russia’s economic rebound in the 2000s developed trade and increased investment. However, in 2016, for different reasons, both the Russian and European economies are undergoing a long recession and limited development prospects. Russian-European relations must involve a stronger economic rapprochement, while this does not mean that both partners must follow exactly the same changes.

The Euromaidan movement was triggered by the Ukrainian government’s refusal to sign the EU-Ukraine Association Agreement, of which one of the stakes was the signature of the deep and comprehensive free trade agreement. The economic cooperation between the EU and the fledgling Eurasian Union may be a promising outlet for the region’s stabilisation.

New economic convergences may result in de facto cooperation:

- *Finding common ground with regard to the various current sanctions/embargo cycle.* The limited partnership would imply the lifting of some sanctions, but also the settlements of economic disputes between Russia and Ukraine, and other Eastern partners. The drive to put an end to trade wars would mean that Russia’s application to join the OECD could be studied in a new light, thus constituting a symbolic challenge.
- *Considering the terms and benefits of a free trade agreement between the EU and the Eurasian Economic Union, prior to implementing a broader agreement.* It is certain that Russia shows compliance of variable geometry with the WTO’s decisions since its accession in 2012, and that the non-membership of some Member States of the Eurasian Economic Union is a political (making the normative framework of the WTO more vulnerable) and technical problem (resulting in a renegotiation of the organisation’s rules). However, it is in the interest of Europeans that the Eurasian Economic Union is consolidated with it, and not only as part of the Chinese project for a “New Silk Road”. The solidarity which comes with economic cooperation may result in a broader EU-Russian agreement.
- *Cooperating in the fields of energy and climate with a view to mutually beneficial rapprochements.* The energy relations between the EU and Russia are often reduced to the competition of gas and oil infrastructure projects, from the standpoint of diversified supply or Gazprom’s status. In order to broaden the outlook, it is necessary to work with institutions on which a cooperation may be based and developed – the Energy Dialogues (2000), the Early Warning Mechanism Agreement (2009), the EU-Russia Permanent Partnership Council (as part of the Energy Dialogues, with an energy roadmap by 2050). Cooperation may aim to sign an EU-Russian energy and climate treaty. In terms of gas, Europeans could provide capital, technology and outlets to Russians, in return for a competitive and reliable supply. The financing of the development of hybrid-electric and biomass energy to heat Russia, combined with a dynamic energy saving policy, could enable this country to export more, while coming closer to its objectives related to its signature of the Paris Climate Agreement. The completion of regional energy projects would also enhance local powers and trust in the democratic experiment.

49. Timofey Bordachev, “Russia and Europe: A New Round?”, *Russia in Global Affairs*, 17 December 2015.

## CONCLUSION: TOWARDS A “LIMITED PARTNERSHIP”

In order to act effectively with Russia, it is of the utmost importance that Europe lucidly examines the missed opportunities in its relations to the east and dispassionately assesses the risks posed by Russian activism. Yet it is also essential that the risks related to Russia’s external actions are precisely identified in terms of threats to internal cohesion and long-term EU interests.

As part of a forward-looking approach, it should be noted that the strategic environment is unpredictable, but even more dangerously volatile is the combination of Russia’s internal problems and its highly active external policy resulting in the existing tension<sup>50</sup>. As regards economic relations, the EU should remain Russia’s main trade partner for the next ten years, while in the field of energy both partners have started to launch diversification policies in order to reduce the current level of interdependence. It is probable that Russia and the EU will continue, for this timeframe, to embody differing world visions, both on global issues and their common neighbours.

These various developments call for the implementation of a “limited partnership” based on three key areas:

- Active resistance to the risks of destabilisation in neighbouring states. Europe must display firmness and therefore unity in the balance of power;
- The reinforcement of sector-based spaces for consultation and dialogue between Europe and Russia;
- Lastly, the preparation of new economic convergences, in order to give a long-term outlook to the European Union’s influence to the east once again.

50. Haukkala Hiski, Popescu Nicu (dir.), “Russian Futures: Horizon 2025”, European Union Institute for Security Studies, Report n°26, March 2016.



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