

# # 49 VALDAI PAPERS

June 2016



## **WITHOUT A “COMMON SPACE”: A NEW AGENDA FOR RUSSIA-EU RELATIONS**

**Dmitry Suslov**

## About the author:

---

### ***Dmitry Suslov***

*Programme Director of the Foundation for Development and Support of the Valdai Discussion Club,  
Deputy Director of the Centre for Comprehensive European and International Studies at the National  
Research University – Higher School of Economics, Russia*

*The views and opinions expressed in this Paper are those of the author  
and do not represent the views of the Valdai Discussion Club, unless explicitly stated otherwise.*

## The Logic and Structure of the New Agenda

---

For the first time in their relations, Russia and the EU must now formulate a model of interaction that focuses not on the strategic goal of building a common space. A new model presumes that Moscow and Brussels *de facto* belong to different political and economic communities.

It is unlikely that the current impasse in Russia-EU relations will be resolved within the next few years. It appeared long before the Ukrainian crisis. It is so deeply rooted that it will persist even if the conflict in Donbass deescalates and the Minsk agreements are fully implemented. Both sides advocate fundamentally incompatible models for Russia-EU relations and for the economic and political order that should prevail in both “Wider Europe” and Eurasia.

Certain EU states and parts of the European bureaucracy hold a constructive attitude toward Russia, but nonetheless advocate an EU-centric model of “Wider Europe” and Eurasia. According to this model, all European countries, including Russia, are associated with the EU to varying degrees, wholly or partially accept its normative and regulatory framework and are essentially becoming parts of the EU’s “international community.” Brussels and the constructively-minded EU member states are prepared to hold a strategic dialogue with Russia on only a single question: how quickly, and to what extent will Moscow return to that model of relations? The more critically-minded member states are unwilling to engage in even that dialogue. They insist that the EU freeze relations with Moscow and push for fundamental changes in both Russia itself and its foreign policy as a whole.

Russia is not ready to return to an EU-centric model. At the official level, Moscow speaks of establishing an equal partnership and equitable integration between the two poles of the EU – “Wider Europe” and the EAEU – while taking into account the ongoing dialogue concerning ties between the EAEU and the Silk Road Economic Belt (SREB), and also preserving the positive developments of the previous stage of Russia-EU relations that included the following: visa and sectoral dialogues, non-discrimination against Russian citizens in the EU, an energy dialogue with an “early warning mechanism,” and so on. In other words, instead of a common economic and human space “from Lisbon to Vladivostok” that is wholly based on EU rules and standards, Moscow is proposing talks on integrating the European Union on equal terms with the space “from Shanghai to Kaliningrad” that is already forming as part of the EAEU-SREB dialogue of coordinated development, and also on a new role of the Shanghai Cooperation Organization. However, the EU considers this approach unacceptable.

At the same time, Russia and the EU have shown no inclination to alter their strategies in the foreseeable future. They lack both the desire, and to a large extent, the possibility for this change. It is impossible in principle for Moscow to return to an EU-centric model in the context of a multipolar world, the emergence of the Asia-Pacific Region as the economic and political global center of gravity and Russia’s pivot toward Asia.

Despite the lessons of the last 20 years of Russia-EU relations and the changing global landscape, the European Union maintains that Russia simply has no other path toward successful development than to associate with and integrate into “the international community of the European Union.” It maintains that Russia’s current policies are ruinous for the country and that Moscow must inevitably return to the very same model of relations that already broke down once

in 2014. Brussels also likes to repeat that for Ukraine, Georgia and Moldova, the European Union remains a more attractive option than Russia and the EAEU – despite the fact that the EU has been struggling with a serious crisis for a full decade now. For all these reasons, the EU has no interest in pursuing a serious dialogue with Russia on creating an economic and political order in “Wider Europe” that would satisfy all the parties, and not just one of them.

Uncertainty over the path of the EU’s future development complicates efforts by Moscow and Brussels to develop a common vision for a “Wider Europe” and Eurasia. Which countries will remain members of the EU, and which will not? Which institutional and legal format, and which set of values will it adopt? What will be the distribution of power between its member states, and between the member-states states and institutions? Who will hold real power in the EU? Will the integration process suffer a reversal? Answers to these and similar questions remain elusive. Until the European Union sorts out its own situation, it will have difficulty conducting a dialogue on such fundamental questions as the future of Europe and Eurasia – whether with Russia or other foreign partners. The current crisis makes it difficult for the EU to see beyond its customary habits, forces it to tread well-worn paths and pushes it toward still closer cooperation with the U.S., albeit in the role of a junior partner.

Russia’s foreign policy course is more predictable. It carried out a painful but revitalizing renewal of relations with the West, rejecting a model of relations that it had found dissatisfying for two decades, began the struggle to establish new rules of the game with the U.S. and EU and, finally, completed a long-needed pivot to Asia, thereby establishing a more balanced system of foreign political and foreign economic ties and creating a new pole of development and security in Eurasia. Of course, the struggle for new rules of the game with the West and the work of creating a “community of Wider Europe” has only begun. However, global trends and the early results of those efforts make it illogical for Russia to return to a Western-centric, and essentially Eurocentric policy.

Prospects for Russia’s economic development look less promising. Structural reforms have yet to begin. Two years of shock-inducing external factors – that should have persuaded the ruling elite to implement serious domestic reforms – have passed without result. Instead, the elite is either waiting for oil prices to rise, or else hoping that the conflict with the West will simply “go away” and that everything will return to normal. Neither will happen. As a result, with the exception of the military-industrial complex and the agriculture industry, all sectors of the economy other than raw materials continue to decline and Russia’s place in the world economy moves continually lower. That decreases the motivation of Western partners to discuss the systemic problems of European and Eurasian geopolitics and geo-economics with Russia, and prompts them to generally view it as a player with an uncertain future.

Meanwhile, the idea of a common economic, human and security space stretching from Lisbon to Vladivostok – that Russia and Europe (now the EU) have proclaimed since the late 1980s – is losing political relevance and becoming increasingly infeasible with each passing day. Each party is now engaged in processes that preclude the possibility of creating such a space with the same form and borders as it was envisioned over the past 20-25 years.

Russia is focused on strengthening the EAEU, implementing its ties with the SREB and

generally working to make Eurasia one more global pole of development and security. The European Union is negotiating the Transatlantic Trade and Investment Partnership (TTIP) with the United States. Once established, it will cut the countries, which are not members of the EU or associated with it. The implementation of the TTIP without Russia's participation only deepens the rift in “Wider Europe” and makes it impossible to form an integrated geopolitical and geo-economic space spanning its territory – just as the Trans-Pacific Partnership (TPP), without Chinese participation, deepens the rift in the Asia-Pacific Region.

What's more, it is unlikely that in the coming decades Eurasia and the community of states linked to the U.S. will work toward a closer association, much less convergence. In fact, they are moving in opposite directions, just as in the Asia-Pacific Region where Russia and China – that are both critical of the TPP – are putting forward an alternative model for economic order, and in Europe, where Russia is pivoting toward Eurasia and China and the EU toward the United States. In addition, the increasingly confrontational relations between the U.S., Russia and China will only complicate any attempt to bring these groupings into closer association. It is unlikely that Russia and the U.S. will overcome their systemic confrontation before the end of the next presidential cycle in both countries – that is, before 2024. The confrontation between the U.S. and China is likely to deepen even beyond that date, primarily in the military-political sphere. Their economic independence will probably begin to wane in the coming decades.

What agenda could Russia and the EU discuss under these conditions? Obviously, their agenda must address strictly pragmatic issues and steer clear of all strategic questions related to bilateral relations and the structuring of “Wider Europe.” Formulating a mutually acceptable strategic goal for these relations will remain impracticable for the next several years. At the same time, Russia and the EU face many challenges originating both within and beyond Europe that, if left unresolved, threaten to significantly worsen the security and economic status of all concerned – and therefore require effective cooperation between Russia, the EU and individual EU member states.

First, this is a problem of European security and the need to contain the current level of tensions so that they do not escalate into a full-scale “Cold War” or, God forbid, open warfare. Toward that end, it is necessary to prevent a further escalation of hostilities in Ukraine and to facilitate a settlement of the crisis on the basis of the “Minsk agreements,” strengthen the mechanisms for preventing and resolving conflicts in Europe as a whole, promote the development and stability of the “common neighborhood” states, prevent the complete breakdown of the process for arms control – including nuclear arms – and limit the build-up of NATO's military infrastructure in CEE and the Baltic states.

Second is the problem of the overall long-term destabilization of Near Eastern, Middle Eastern and North African countries that, over the next few decades, will become sources of terrorism, Islamic radicalism, migration flows, the spread of weapons of mass destruction, organized crime, civil war and general instability for Russia and the EU. The migration crisis plaguing the EU is impossible to resolve through migration policy alone. It will end only when the situation in the region becomes relatively stable and when regional players (especially Turkey in this case) pursue a more responsible policy. That is impossible to achieve without more active participation by the European Union itself and Russian-EU cooperation.

Third, the world is splitting into two political and economic camps, and the strategic rivalry between the U.S. on one side, and Russia and China on the other, is heating up. It is fraught with the danger of not only a new “curtain” appearing in Europe – not “iron” perhaps, but equally impenetrable – but ultimately, of the marginalization of Russia and the EU such that they transform into junior partners to China and the U.S. respectively. That reality is already near at hand for the European Union. The same could happen to Russia if it does not carry out structural reforms to its economy and administration. It is probably impossible to somehow end or smooth over the divisions in the Asia Pacific: the region is steadily turning into the main arena of global confrontation in the 21st century. Europe remains the only region where such a smoothing could take place – but that requires more robust Russia-EU cooperation.

It is particularly important that Russia needs not a weak and fragmented, but rather a strong and cohesive EU for effective cooperation on these issues. Given the above challenges, Russia does not want the EU to disintegrate, much less collapse. That would only exacerbate the drift of European countries toward the United States, compel them to inflate the conflict with Moscow and to label Russia a threat to European security, and weaken their ability to contribute to the gradual establishment of stability in the Middle East. To the contrary, a strong, self-confident and capable European Union would exert a moderating influence on the United States and more responsibly approach both domestic and foreign security concerns.

## European Security: Managing the Confrontation

---

Neither Russia nor the European Union has any interest in seeing the current level of confrontation in Europe escalate into a full-scale arms race or, worse, a large-scale regional war involving a direct military clash between Russia and NATO. However, despite some de-escalation of the conflict in Donbass in 2015, that danger remains and could gain added urgency when a new U.S. president takes office in 2017. That administration will likely pursue a more ideologically-based, aggressive and forceful foreign policy than the Obama administration has, and it will have a more hard-line and intolerant attitude toward Russia – at least in rhetoric.

If the “Minsk agreements” are not at least partially fulfilled by that time, Washington will have difficulty resisting the call to begin supplying Kiev with lethal weapons, arrival of which will spark a new wave of escalation in Donbass. Moreover, Kiev might use the more militant attitude of the US administration to resume hostilities in Donbass, to renege on its obligations under the “Minsk agreements” and to attempt to regain control over the Donbass with the aid of new Western sanctions against Russia and a general deepening of the Russian-Western confrontation, rather than through constitutional reform. This is apparently the plan of the current Ukrainian leadership, which has shown little desire to implement its part of the “Minsk agreements” and announces with increasing stridency that it is impossible to do so in principle under current circumstances.

The only way that Russia and the EU can prevent a new round of escalation is by cooperating both at the Russia-EU level and through the Normandy dialogue format involving Moscow, Berlin and Paris. Europe must apply serious pressure on Kiev and Washington to fulfill those points of the “Minsk agreements” that apply to Ukraine. It would also prove useful to begin discussions on partially implementing the “Minsk agreements” and on partially lifting EU sectoral sanctions against Russia by the end of this year so as to emphasize some progress in the settlement process and thereby reduce the risk of its derailment with the arrival of the new U.S. administration.

In addition to the Ukrainian crisis, Russia and the EU should work to improve and strengthen mechanisms for preventing and resolving conflicts and crises in Europe as a whole. They should strengthen those mechanisms as part of both the OSCE framework and the Russia-EU dialogue on security – the need for which has grown much higher with the current confrontation. It is also important to intensify the dialogue on strengthening the anti-crisis capabilities of the OSCE, on monitoring mechanisms in conflict areas as well as on such mechanisms for crisis prevention and resolution as mediation, organization of the negotiation process, fact-finding missions, and so on. And it is important to focus the activities of these mechanisms on those countries that are directly involved in the conflict, including (and especially) Ukraine. The fact that Germany chairs the OSCE this year and that Austria will chair it in 2017 creates favorable preconditions for this.

The freezing of the military dialogue between Russia on the one hand and the U.S. and NATO on the other – and the unlikelihood that it will resume after 2017 – make it increasingly important that Russia either strengthen or, in a number of cases, establish a dialogue on “hard security” issues with individual EU member states and EU institutions. Such dialogues are essential during periods of confrontation. The downing by Turkey of a Russian bomber in November 2015 and the frequent accusations that Russia has both violated the airspace of northern European countries and carried out “hybrid attacks” against Baltic states show how quickly the parties can come to the verge of direct military confrontation.

A military dialogue between Russia and the EU, and between Russia and individual EU member states should be focused, first, on developing new measures to prevent direct military clashes on the ground and in the air, sea and cyberspace, on creating constant channels of communication between defense ministries and military headquarters, and on developing new rules of conduct that would prevent incidents such as the downing by Turkey of a Russian bomber over Syrian air space, and especially such incidents in the region of the Baltic states and Black Sea.

Second, although Brussels has actively avoided it until now, it is preferable that EU states and institutions engage in discussions over the control of conventional and nuclear arms, as well as the potential arms race in Europe. A critical situation has developed in this area. Modernization of the US tactical nuclear weapons and continues deployment of its missile defense system in Europe – and the fact that the new U.S. administration might intensify and even enhance this policy – could trigger a new arms race involving nuclear weapons and high-precision conventional weapons in Europe on a scale reminiscent of the arms race of the early 1980s.

The INF Treaty is at stake. Washington’s decision to build up its missile defenses in Europe and the NATO military infrastructure in Central and Eastern Europe and the Baltic states might

leave Russia no choice but to withdraw from that treaty. That would immediately turn Europe into a potential military front and raise the likelihood of military escalation to the limit. Moreover, the modern threats of cyber attack and others make it even riskier than during the Cold War that tensions will erupt into open hostilities. And finally, the lack of resolution on questions concerning missile defense, tactical nuclear weapons, the INF Treaty and military infrastructure in the CEE and Baltic states exclude the possibility of a serious dialogue on the future of the control of conventional weapons in Europe. It would be highly irresponsible for European countries to fail to discuss these issues with Russia and the United States.

Third, it is in the interests of the EU to restore the military and military-political dialogue between Russia and NATO for the sake of preventing further military escalation. Many Western experts and politicians now acknowledge that it was a mistake to freeze the Russia-NATO Council during a time of crisis. The U.S. will show no political desire to restore such activity, but Europe could take that initiative itself. In fact, it was Great Britain that formally put forward the proposal to create the NATO-Russia Council back in 2002.

Finally, it would go a long way toward preventing new Ukraine-like crises in Europe if Brussels and Moscow could scale back the geopolitical rivalry over countries of the “common neighborhood” such as Belarus and Armenia that have already joined the Eurasian Economic Union or Azerbaijan, that has already ruled out the possibility of signing an Association Agreement with the EU. Any support by the EU or EU member states for trends disruptive to the EAEU or anti-Russian political forces in Belarus, Armenia and Azerbaijan would undoubtedly lead to new crises like that in Ukraine. Efforts by the EU to hold Moldova and Georgia in its orbit at any cost – regardless of their economic and political difficulties and needs – will no doubt meet a similar end.

Of course, the expectation is not that the EU hands over those countries to Russia’s “sphere of influence,” but that it respect Russia’s practical economic and humanitarian interests as well as a Eurasian integration process that is proceeding naturally and bringing benefit to the participating states. It was Brussels’ refusal to take Russia’s interests into account and its decision to completely bar Moscow from discussions regarding Ukraine’s Association Agreement with the EU that unleashed the processes that eventually led to the unrest in Kiev in the fall of 2013, Euromaidan and the coup. The subsequent hasty signing of the EU Association Agreement with the new Ukrainian authorities significantly complicated the resolution of the conflict in Donbass. A tripartite dialogue between Russia, the EU and Ukraine would have prevented these disasters. It is important not to repeat that mistake with regard to Moldova and Georgia, especially given their internal instability and unresolved territorial conflicts.

Against the current backdrop of confrontation, it makes more sense for Russia and the EU to focus not so much on bringing “common neighborhood” countries into their respective integration orbits as on finding ways to ensure their stability and security. Destabilizing those countries could carry a higher price tag than anticipated. In this context, the EU and Russia should agree on rules for tripartite cooperation with Moldova, Georgia, and in the future, Ukraine. And the best way to prevent conflicts with EAEU member states is for the EU to grant formal recognition to the EAEU and to establish a direct dialogue with it on issues of their respective competences.



## The Middle East: Creating Conditions for a New Political Order

---

The Middle East has entered a long period of sweeping instability, one that will only deepen and gather strength over the coming decades. Its character and probable duration are reminiscent of the Thirty Years' War in Europe of 1618-1648 that put an end to the political system of the Middle Ages and led to the creation of an international order of sovereign states. Of course, the result of the current “Thirty Years' War” might be just the opposite: the destruction of the system of “national” sovereign states and the establishment of a largely medieval system.

The former political and international-political orders in the region – based in the great majority of cases on non-monarchical secular authoritarian regimes and the hegemony of the United States – have collapsed. (Algiers, the only exception as of this writing, is unlikely to escape the same fate.) The contours of the new order remain unclear, and it will apparently require more than one decade for them to fully form. Until they do, the region will remain a source of terrorism, radical Islam, illegal migration, civil and interstate war and conflict, organized crime and the proliferation of weapons of mass destruction affecting all of its neighbors – but primarily the EU and Russia.

Radical Islamists and regional power centres are violently filling the resultant political and international-political vacuum in the region. Those power centres simultaneously recognized an opportunity to strengthen their positions in the Middle East and the risk that their rivals might also take advantage of the situation. As a result, rivalry has escalated sharply between regional powers Iran and Saudi Arabia, with both using Islamists and terrorists in an attempt to establish hegemony in the Middle East. In fact, they are already fighting two proxy wars against each other – in Syria and Yemen. Turkey, the third regional power, is pursuing a similar policy of regional hegemony, having seen an opportunity to create a “neo-Ottoman” sphere of influence in the wake of the “Arab Spring” and Washington’s weaker position in the region.

Such actions are fraught with the risk of sparking major military conflicts between, for example, Iran and Saudi Arabia. That would have disastrous consequences for the security of Europe, Russia and the world as a whole and only exacerbate the chaos in the Arab world, fuel civil wars and create major obstacles to developing a new political order. As an example, Saudi Arabia, Turkey and Iran are literally tearing Syria to pieces. Again, the root cause is the crisis of political and international-political order in the Middle East. Until that is resolved, it is unlikely that outside players will manage to achieve a significant or enduring improvement in the behaviors of regional powers.

Is it possible to speed up this process and make it more acceptable to neighbors in the Middle East? Yes. But to do so, the outside players must follow at least four important principles.

First: the Arab countries themselves must work out the new political order for their region. Any attempt to impose one from outside might spark a new wave of destabilization and the breakdown of states.

Second: outside players must accept the fact that the new political order in the Middle East is unlikely to consist of Western-style liberal democratic regimes. Of course, a return to the status quo ante – that is, secular dictatorships – is also impossible. It is therefore misguided and counterproductive to support self-styled “democratic” revolutionary forces in the Arab states, just as it is futile for their ruling elite to imagine they can restore their former regimes.

Third: outside players should make the preservation of statehood their top priority with regard to countries caught up in the “Thirty Years’ Middle Eastern war.” It is the exclusive prerogative of the people and ruling elites of those countries to develop whichever political regimes will best ensure strong states.

Fourth: the new international political order in the region should grant special prestigious status to all of the major local powers without giving them hegemony or hopes of building their own regional empires. Also, as the United States will play a less dominant role in the region, other global powers such as Russia, China, India and the EU should step up to contribute to regional affairs.

These are the principles that should guide Russia-EU policy and cooperation on the Middle East. No party can effectively cope single-handedly with the challenges in the region: the growing terrorist threat and migration crisis provide ample proof of this. Clearly, cooperation between Moscow and Brussels alone is not enough to properly address these issues, just as the U.S., China and India should cooperate with Russia and the EU in a collective effort to put the Middle East on a positive trajectory. However, without strong Russia-EU cooperation, any broader cooperative effort is unlikely to succeed.

This is first because Russia and the EU hold great influence over the regional power centres of Turkey, Iran and, to a lesser extent Saudi Arabia – especially when they work together, as they did on negotiations on Iran’s nuclear program. Second, they carry significant weight with the ruling elite in Arab countries – the EU by dint of its economic resources and general attractiveness, and Russia due to its military and diplomatic power, its leading role in the settlement of the Syrian crisis and the desire of Arab countries to diversify their foreign relations. Third, Russia and the EU remain the most influential centres of power in geographic proximity to the Middle East: they are by far the most vulnerable to the risks emanating from the region, but also possess the most powerful tools for influencing it.

In the short term, Russia and the EU – along with the U.S. and other players – should focus on achieving a political settlement in Syria within the framework of the UN-backed Geneva talks and maintaining the ceasefire between Damascus and the opposition. Although Moscow and Washington are the main co-sponsors of the process, Russia-EU cooperation is also important because of the influence Russia and the EU states have over the sides involved in and around negotiations. The EU and EU member states can also contribute their political experience in helping to achieve a balance between the various ethnic and religious groups in Syria.

Russia and the EU should also strengthen cooperation in the fight against Islamist terrorism as practiced by ISIL<sup>1</sup> and other radical organizations. As with the process in Syria, such cooperation should be a crucial part of broader multilateral efforts. It is important that Russian and EU special services work together, that they share intelligence, stage joint counter-terrorism operations and simplify procedures for extraditing suspected terrorists. All of this requires ongoing mechanisms of cooperation: sporadic efforts are clearly insufficient.

---

<sup>1</sup> *Organization is banned in Russia.* – **Editor’s Note.**

One promising idea in this connection is to build on the Meseberg initiative that in 2010 proposed creating a Russia-EU Committee on security issues – and to now create a permanent Russia-EU Committee or Working Group for the struggle against international terrorism that would deal with not only political and diplomatic, but also military issues.

Finally, Moscow and Brussels could immediately launch a comprehensive dialogue on migration and begin coordinating efforts on migration policy and the integration of migrant Muslim populations. Russia and the EU face similar challenges in these areas and sharing experiences and coordinating their migration and integration policies should prove very useful.

In the long term, Russia and the EU should focus on creating a favorable external environment in which the Arab states could themselves hammer out a new political order – without falling into extremes. That requires, on one hand, an end to the rhetoric of democracy, support for opposition groups in countries such as Syria, Egypt and Algeria and the undermining of existing regimes, and on the other hand support for authoritarian regimes that leads their ruling elite to believe they can return to the pre-2011 status quo. Russia and the EU should hold ongoing bilateral and multilateral talks with a range of political groups in the Arab states in order to help them reach compromises and establish regimes premised upon political competition and inclusion of political Islam – but that also reject radicalism and guarantee the safety and rights of their religious and ethnic minorities.

It is even more important that Russia and the EU cooperate with other global powers to formulate a new international political order in the Middle East. This new order should assign a worthy role to the regional power centres of Saudi Arabia, Turkey and Iran without permitting them to establish regional hegemonies or use radical Islam and terrorism to spread their influence. It should also seek to minimize their intense rivalries. Establishing such an order would make it possible to provide security guarantees and prestigious foreign policy status to each of the major powers of the Middle East, and it is therefore the only means by which they might reasonably agree to abandon policies that are literally devastating the region from within and turning the Arab states into an arena of virulent rivalries and war. Attempting to force them to give up such policies through duress or other means – without at least partially addressing their interests and security concerns – will ultimately prove futile.

## Mending the Global Rift

---

One of the main trends in the current stage of international development is division of the world into two political and economic communities – the Euro-Atlantic-Pacific centered on the U.S., and the Eurasian centered on Russia, China and, in the future, India and Iran. The dividing line between them has become more distinct with the formation of the TTP and TTIP without Chinese and Russian participation, the linking of the EAEU and the SREB without U.S.

allies or partners and, more importantly, Washington’s continuing confrontations with China on the one hand and Russia on the other. This has led to deepening divisions in Europe and continued political and economic polarization in the Asia-Pacific Region that will only worsen as the economic development model of China and other regional powers evolves.

This split has a negative impact not only on global governance and security, but also on the international standing of the EU and, possibly down the line, of Russia. The European Union has already de facto abandoned its role as a global centre of power and increasingly defers to Washington on security and economic issues. For its part, Russia risks becoming a junior partner to China if it does not implement structural reforms or change its development model. The split limits the ability of the world power centres to deal with their common challenges – including problems in the Middle East – and hinders the stable development of the global economy. Cooperation on such challenges as international terrorism, nuclear security and the non-proliferation of weapons of mass destruction is fragmented and sporadic at best. There is a growing bifurcation between Western and non-Western, global and regional institutions of governance.

Given the fact that the Asia-Pacific Region is becoming the primary arena of global competition and rivalry, Europe is the only place where this divide can be bridged. Today that might seem like a remote possibility considering the conflict over Ukrainian and the severity of the confrontation between Russia and the West. However, it is worth noting that in the global context, disagreements over constitutional reform in Ukraine and the expansion of NATO infrastructure into Eastern Europe are essentially provincial disputes, and their global significance will diminish with time. This explains why China already occupies a much larger place in the U.S. pre-election debates than Russia and Ukraine combined. The world’s most intense arms race will unfold not here, but in the Asia-Pacific Region. The latter will also be the site of the most bitter trade disputes.

How can Russia and the EU, while belonging to different and increasingly divergent political and economic communities, help mend this rift? First, they can normalize economic relations and step up their human interactions. That would require lifting economic sanctions and counter-sanctions, restoring normal business relations, renewing the dialogues on visas and specific economic sectors, and also strengthening cooperation in the areas of culture, education, science and tourism. Doing so requires that the EU reconsider earlier decisions such as the decision to link a continuation of the visa dialogue with Russia returning Crimea to Ukraine.

Implementing these measures does not necessarily mean that Russia and the EU will return to the idea of a “common space from Lisbon to Vladivostok” or indicate that one side has “capitulated.” Russia-EU relations will remain on hold with regard to strategic issues. It is not possible or even necessary to resume the dialogue on developing a new strategic agreement, the practice of holding summits, meetings of the Permanent Partnership Council and most economic dialogues. Reestablishing normal business relations and cultural and human cooperation will not provoke any of the parties into adopting more aggressive policies in the “common neighborhood” region or toward each other, just as the rupture in those relations did not force them to compromise their positions. Russia and the EU need improved relations not only for the sake of their respective business and public interests, but also as a means for bridging the global political and economic divide.

In order to minimize that rift over the long term, it would be helpful for the EU and EAEU to offer official recognition to each other and to begin negotiations on trade and economic issues with the goal of concluding a trade agreement. While such a step would not change the fact that the EU and Russia belong to different political and economic communities, it would lay the groundwork for establishing normal working relations and moving their economic cooperation upwards. Although prospects for this appear unlikely in the short term, it is a goal worthy of continued effort from all concerned.

## What Type of EU Does Russia Need?

---

There is a strong conviction in Brussels and many EU member-states that Russia favors a weak and fractured European Union, and is doing everything it can to achieve it. As evidence, advocates of this theory point to Moscow’s desire to solve some issues through bilateral talks with individual EU member states, its financing of right-wing European political parties and its supposed unwillingness to engage in dialogue with the leadership of supranational EU institutions – particularly the European Commission.

This charge does not hold water. First, Russia conducts bilateral talks with individual EU member states on such issues as energy and security not because it wants to create divisions within the Union, but because European law stipulates that member states, not Brussels, have the right and responsibility to build such relationships. Individual states are unwilling to delegate that authority to the supranational level: they prefer deciding for themselves where to buy energy and how to provide for national security. It is no more “subversive” for Moscow to hold bilateral talks with interested states than it is for those states to hold bilateral talks with Washington on the import of LNG from the U.S.

Also, there is nothing improper in Russia supporting political forces in the European Union that favor closer relations with Moscow and that are willing to adopt or at least acknowledge Russia’s point of view concerning, for example, Syria or Ukraine. The EU does that much or more concerning pro-Western politicians and organizations within Russia and other Post-Soviet states.

Finally, Moscow is not to blame for the fact that the EU has based its Russia policy in recent years on the lowest common political denominators and that the Central European, Eastern European and Baltic states have played an increasingly influential role in shaping that policy. Against such a backdrop, it is, indeed, more advantageous for Russia to pursue bilateral ties with those EU countries that are interested in constructive cooperation.

Moreover, it could hardly be said that Russia – that maintains bilateral relations with EU member states – is somehow “ignoring” the European Union in a way that even begins to compare with the way the EU treats EAEU member states. The EU simply ignores the Eurasian integration

process and continues to conclude comprehensive agreements with Kazakhstan, Armenia and other countries as if the EAEU did not even exist. What’s more, Brussels makes it no secret that it considers the EAEU an artificial organization based on a “mock” form of integration, and that it is unwilling to establish full relations with the EAEU in the same way that it has with other integrative organizations such as ASEAN, MERCOSUR and others.

In fact, in contrast to EU policy toward the EAEU, Russia is interested in seeing a strong, unified and efficient European Union. This is due to its objective economic, political and security interests in Europe, the Middle East and the world as a whole. A weak European Union could not serve as an effective partner on European security issues, exert a stabilizing influence on the Middle East region or act as a guarantor of Russia’s energy interests. In many ways, the current deplorable state of Russia-EU relations is actually the result of the disintegration and fragmentation that has been taking place within the EU since 2004–2005.

First, Russia needs a strong EU as a partner for European security. A strong EU can exert effective influence on Ukraine, participate in the discussion of “hard security” issues (missile defense, INF, CFE, arms control in general and the expansion of NATO infrastructure in Eastern Europe) and act as a capable partner in discussing and forming a system of European security in general, and the rules of the game concerning the “common neighborhood” in particular. A capable and self-confident European Union would be less inclined to view Russia as an external threat, let alone exaggerate that image and turn Russia into a “common enemy.”

By contrast, a weak EU creates a distinct problem for European security. Such an EU is instinctively drawn to the U.S. and encourages it to further enhance its role in European security and its military presence in Eastern Europe, thereby deepening the geopolitical and military-political divide on the continent. A fragmented EU incapable of pursuing a unified foreign policy is also incapable of pressuring Ukraine to fulfill its part of the Minsk agreements or of negotiating with Russia on the rules of the game as they apply to the countries of the “common neighborhood.” What’s more, in its current condition, it cannot, in principle, develop a new Eastern policy – despite the obvious failure of the current one. Lastly, a weak EU is in no condition to discuss issues of military security, leaving the U.S. as Russia’s only negotiating partner in this area. To a large extent, the growing weakness and fragmentation of the European Union itself has contributed to the failure of talks on reforms to the system of European security held in 2008–2013.

Second, it is mistaken to believe that the EU would be more favorably disposed toward Russia if it were weak and fragmented than if it were strong and firmly consolidated. To the contrary, a weak EU feels compelled to artificially cultivate and exploit the image of Russia as a “common threat.” This was particularly evident in its policy toward Ukraine in 2014–2015. Moreover, in a fragmented and divided EU, the more anti-Russia countries of Poland and the Baltic states hold greater influence over policy and the decision-making process than in a strongly unified EU where they play a more secondary role. Lastly, the weaker the EU, the greater the role the U.S. plays in shaping its foreign policy.

Third, only a strong and consolidated EU is capable of acting as a reliable importer of Russian energy resources, as it did up until 2005–2006 when its fragmentation and disarray began. The lack of a unified EU energy policy has enabled individual countries to block projects in

which the EU has a clear interest and has made it necessary for Russia to build alternate pipelines such as South Stream to bypass existing transit countries. But even the South Stream project must contend with the fact that Washington exerts a greater influence over Bulgaria than it does over most other European countries. And the weak and fragmented EU is unable to work out an arrangement with Moscow and Kiev for the reliable transit of Russian gas through Ukrainian territory. Lastly, were the EU to strengthen its energy sector institutions, it might serve to lessen the fears of some EU states that Russia could use its “energy bludgeon” against them while also reducing the “securitization” of Russia-EU energy relations as a whole.

Fourth, Russia needs a strong EU as a partner to solve problems in the Middle East. Only as a global player capable of pursuing a unified foreign policy can the EU exert a disciplinary influence on Turkey, Saudi Arabia and Iran and play a worthy role in creating a new international political order in the Middle East. A weak European Union that is in no condition to carry out an effective migration and counter-terrorism policy will only fuel the fire in the Middle East – as the events of 2011–2015 have clearly demonstrated.

Fifth, only an EU strong enough to act as one of the global centres of power can bring greater overall balance to the international community and help stop the deepening rift that is splitting the world into two major political and economic camps: one centered on the U.S. that includes its allies in Europe and Asia, and one centered on China, India and Russia that also includes the Shanghai Cooperation Organization states and Iran. A consolidated EU will make a more confident negotiating partner with the U.S. on TTIP and a more interesting partner for China. By contrast, a weak EU toeing Washington’s political and economic line greatly exacerbates the global divide.

Of course, some argue that the former Soviet republics would find a strong and consolidated EU even more attractive, and that a stronger Brussels would pursue a more active, even aggressive Eastern policy – thereby undermining Russia’s influence and interests in that region. However, the situation is not that simple. The European Union acted most aggressively toward the former Soviet republics when it was experiencing a domestic crisis, hoping to use those “victories” abroad to compensate for failures at home. Moreover, the European Union cannot remain strong while expanding endlessly eastward, as the story of its development following expansions in 2004 and 2007 clearly demonstrates. In fact, a strong EU would be better able to develop a new Eastern policy that takes into account the appearance of a second center of integration in “Wider Europe.”

As for the former Soviet republics, the real question is whether they will be attracted not to the EU, but to Russia and the EAEU. If Russia manages to implement needed domestic reforms and to become a role model for its nearest neighbors – while skillfully fostering their dependence on both this country and Eurasian integration – the EU will not upstage it.

## #Valdaiclub

 Valdai Club

 Valdai International  
Discussion Club

[www.valdaiclub.com](http://www.valdaiclub.com)

[valdai@valdaiclub.com](mailto:valdai@valdaiclub.com)



Council on Foreign and Defense Policy



Russian International  
Affairs Council



NATIONAL RESEARCH  
UNIVERSITY