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The EU and Russia in 2008: In Search of New Approaches

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Since the early 90's new political, economic and social structures have developed. Reform has swept away the socialist systems the social states have been replaced by nations states. The socialist economy has been replaced by market economy. The rules of political expediency has been replaced by the rule of law. The European Union has emerged from being an introvert West European six states Franco/German lead economic union, into one of the world's largest political and economic structures. Not only a trading block, but an entity striving to find one identity a European identity for all its different member nations, the European Union has expanded far into the areas, where once the Soviet Union was the dominating military, political and economic force.

This enlargement process has followed the steps of the enlargement of NATO, recently with the admission to the Union of Bulgaria and Romania. Thus EU has moved geographically close to Russia, although hesitated at the borders of Ukraine. A political implication of the extension of NATO has been that Russia might experience a sense of isolation and outsider status, even betrayed. When the OSCE (the CSCE) summit document, the Charter of Paris for a new Europe has been adopted in 1990, the prevailing understanding had been that the reshaping of the structures of Europe would be something of a collective undertaking with a role for the OSCE/CSCE, just as the German unification as expected would have been realized in the context of an agreed common European Security Structure.

From a Russian perspective the extension of NATO, a military alliance, deep into Central and Eastern Europe, appeared not to correspond to these earlier understandings. However, the EU enlargement, in the footsteps of NATO could not have the same implications considering EUs character as an economic and political regional institution, notwithstanding its grandly entitled European security and Defence Policy. In spite of that it added to the sense of a new division of Europe with Russia in isolation.

The EU/Russia relations during the 90's specifically in economic and trade areas, were relaxed and not unfriendly but were obviously hampered by the serious problems of affecting the Russian development in transition from State to market economy. The scepticism against Russia among several of the new EU member states, added to the difficulties in creating a functioning working relationship.

Even since a distinct improvement of the Russian economy had taken place in the early 2000's the working meetings and negotiations between EU and Russia have been hampered by a distinct coolness. The more welcome is the announcement the other day that, after 18 months of an impasse?, a set of new negotiations shall begin soon.

To the difficulties must be added the distinct discomfort of Russia diplomacy to deal with complex structures like the EU bureaucracy. Traditionally preferring to pursue diplomacy on bilateral terms where Russia's political weight could be fully displayed, make asymmetric negotiations, like the ones with the EU, quite unattractive from a Russian perspective. That means that opportunities and potential mutual gains have been missed. Even if things could be worse, they could also be much better. And there is now, in 2008, high time to define new approaches.

We must not only be calling for an improvement of the economic cooperation between the EU and Russia. The goal must be to integrate the Russian economy in the European economy. We must now build order of integration between EU and Russia, not a competing order.

The starting point must be the question of energy. Here is an unique opportunity on the one-side a major producer and provider of oil as natural gas, on the other the world's largest market of

consumers. Does this not sound like a marriage made in heaven! What the two sides should be looking to is to create an integrated area of energy cooperation. The Russian government and producers must be aware of and respect the consumer power of the European Union, as much as the Union on its side is aware of the economic power of the Russian energy industry. But they should not believe like two scorpions in a bottle, who are fully capable of harming or destroying each other. The European Union member states should coordinate and organize themselves in a way which should make a Union-wide cooperation with Russia possible, using the tremendous financial, technical and investment capabilities in their hands to bring to Russia, desperately starved on investment, advanced technology in the energy sector and in many other parts of its high-tech industry. A prerequisite for such moves would be early reforms as regards the strengthening the rule of law and security for foreign and private investors, as indicated by president Medvedev during his first days in office.

It is important that Russia modifies its preference for bilateral diplomacy to make separate deals with Germany and other members of the Union, thus ? the smaller countries between Russia and Germany from being powers in a European power play.

European history during the last 200 years has been formed in the context of relations between Russia and Germany, and no doubt the future will be shaped by the way these two powers develop their relations. It therefore rests an heavy responsibility on Berlin, which means that the Government should take into account the impact of its diplomacy and deals with Russia also on other members of the European Union. The gas pipeline deals through the Baltic Sea with Russia in the short run, be profitable to Germany, but its long term strategic impact on the EU negotiating capacity and internal EU solidarity, could be harmful.

The EU governments have solemnly and repeatedly stated the significance and importance of its Common Foreign and Security Policy. The ? of the common foreign policy could not be damaged when a major agreement as that Germany has entered into with Russia is made without even a minimum of consultation with Germany's partners in the 'Common Foreign and Security Policy' of the Union.

As much as Russia should be encouraged to integrate with UK on energy policy it must unconditionally abstain from expressing its displeasure with individual governments, members of EU by cutting of supply of gas. That goes also for transit countries like Ukraine. Furthermore, allowing the EU companies to share access to the network of pipelines could be another element in an integrated energy policy. And as Mr Yurgens just mentioned the Nordic Dimension could constitute something of a pilot Russian's conventional armed forces are reported to be in a dire state. Although Russia is spending most of its resources set aside for military purposes on maintaining its strategic nuclear weapons capabilities, it is clear that with improved public finances the Government can start the process of modernising its conventional forces within the Army, Navy and Air Force. As this will be work almost starting from scratch, an opportunity is opened for a genuine renewal and rethinking about the contemporary role of the Russian Army. Of course the unruly and unstable situation in the North Caucasus, and continued tension in the South Caucasus, will make the Russian military requiring modernised equipment and training for traditional operational tasks in these areas. However the Russian Federation is in the happy position of having no military threat over its Western and Northwestern borders. This is a new situation in Russian history, and it presents the Army with opportunities to direct a sizeable portion of its forces towards new tasks. Thus Russian armed forces could be trained and tasked to undertake peace-keeping, conflict management and post-conflict operations in coordination and cooperation with forces from EU-countries carrying out so-called Petersberg tasks. There is already a base for military-to-military cooperation on the Western part of Russia under the OSCE's regime of confidence and security building measures as negotiated and realised in the gradually developed Vienna document(s).

It could be argued the majority of EU-members belongs to NATO which has expanded its presence in Central and Eastern Europe, but everyone, including well informed persons in Moscow, are fully aware that today's NATO in Europe is more of a political alliance than a military one, and that its operational capacity is equipped and deployed for conflict management and conflict-resolution tasks and not for an armed conflict in Central Europe.

If such a truly revolutionary idea would work, some institutional arrangements have to be undertaken, such as establishing a joint staff for EU's operations in cooperation with Russia on the Petersberg tasks.

Facing the near future it is high time to break with the recent past of tension, political confrontation and mutual recrimination. New challenges are facing EU and Russia—international terrorism and climate change, as well as an old and unwisely neglected threat—the proliferation of nuclear weapons and other WMDs.

If EU and Russia should effectively work together to cope with these existential challenges, they should first make use of the opportunity to reshape their direct relations.

I admit in conclusion that my proposals of an integrated Russia/EU energy/technical policy and an integrated approach to the renewal and retasking of the conventional armed forces are radical.

But I am convinced that making these proposals real would make Russia and EU jointly a force of strength and influence in coping with the existential challenges against our common future.