

Russia and the European Union: The Present Rift and Chances for Future Reconciliation

Konstantin Khudoley

St. Petersburg State University

The Ukrainian and Syrian crises have exerted a considerable negative impact on the relations between Russia and the EU, resulting as they did in upsetting strategic stability in Europe. A radical split has occurred in practically every sphere, affecting political, economic, military and humanitarian affairs. Its most painful manifestation is evident in the sphere of economy, where both parties have imposed sanctions and restrictive measures on each other, while it appears least harmful in the humanitarian sector. All in all, the former relations of partnership and cooperation have been superseded by dislike and even animosity. It will be very difficult to reach a compromise needed to overcome the split. The ruling circles of both Russia and the EU have limited room for manoeuvre for reasons that are not only international but domestic as well. They are very suspicious of each other. Nevertheless, the present confrontation is anomalous in the general pattern of centuries-old relations of Russia with European states and is likely to be overcome in the mid-term perspective. Yet a new foundation is required in order to restore their partnership and cooperation.

Keywords: Russia, European Union, Ukraine, Syria.

Foreword

In the past few years, a qualitatively new situation has emerged in international relations as the world saw a sharp confrontation emerging between the West and Russia, the gravest in the quarter of a century since the end of the Cold War. Nevertheless, the above developments differ substantially from what had happened during the Cold War.

First, the Cold War was a global confrontation nearly all the countries of the world were involved in to a greater or lesser extent, while only a limited number of states participate in the current confrontation. Many of the countries of Asia, Africa and Latin America have abstained from backing either side unequivocally and prefer to maintain good relations with Russia on the one hand and the United States and the European Union on the other.

Second, during the Cold War the opposing sides were not merely two political military blocs but two antagonistic socio-political systems. Hence, the especial fierceness of the struggle waged in every sphere by every means and ways, except for direct military hostilities. Both sides understood that there would be no winner in a third world war. While the socio-political and socio-economic systems of today's Russia and the Western countries differ considerably, their contradictions are not antagonistic. They much rather constitute a conflict of two varieties of capitalism – of state and private subtypes – clashing, aggravated by struggle between state and transnational corporations and between countries that occupy different places in the process of globalisation. For this reason, compromises are quite feasible.

Third, the Cold War unfolded within the framework of the Yalta-Potsdam system of international relations. The decisions taken by the heads of states and governments of the USSR, the US and the UK in Yalta and Potsdam (1945) were legally framed many years afterwards or have remained unsigned (the USSR–Federal Republic of Germany treaty was not concluded until 1970, while no peace treaty between the USSR/Russia and Japan has been signed to date). Both opposed sides, however, respected certain game rules, some of which had been spelt out, like, for example the Final Act of the 1975 Helsinki Conference on Security and Cooperation in Europe, while others were implied but nonetheless were strictly observed as well. This is non-existent under the present conditions. For this reason, the international processes are far less controllable, while the likelihood of local conflicts erupting and quickly getting internationalised, capable of getting grossly out of hand, is growing steeply. This is also true about Europe, much more so than in the Cold War days.

Just as during the Cold War era, Europe has again found itself in the centre of confrontation between Russia and the West. Naturally, the European Union acts within the framework of the West's general strategy, which is worked out jointly by the G7, the North Atlantic Treaty Organization and some other formal and informal mechanisms. At present, the EU, which in the world arena poses as a single actor, possesses far greater potentialities than the European Communities during the Cold War, the EU's policy featuring certain specific characteristics, which are manifest in its relations with Russia.

The purpose of the present article is to analyse the deep crevice that has formed in the past few years between Russia and the EU and to show that bridging it is only possible on a new basis and no earlier than in the mid-term perspective.

The Impact of the Ukrainian and Syrian Crises on the Relations Between Russia and the European Union

A certain cooling off in the relations between Russia and the EU became noticeable even a few years prior to the emergence of the Ukrainian and Syrian conflicts. The initial term of the Agreement on Partnership and Cooperation (Corfu, 1994) elapsed

in 2007, but they failed to evolve a new basic treaty. The Agreement remained valid, although in practice many of its articles had never been implemented, for various reasons. The road maps, coordinated in 2005, for developing cooperation in four spheres were also fulfilled but partly. Differences in the appraisal of and approaches to the current events and processes taking place in the world steadily amplified. That was particularly evident during the war in the Caucasus in August 2008. Although President Nicola Sarkozy, who chaired the EU at that time, came forward as mediator, the EU's sympathies were unequivocally with Georgia. The financial and economic crisis of 2008 still further intensified the differences and disagreements – the polemics ensuing (until then there had been only isolated attacks) began to focus on issues that pertained not only to each other's foreign but internal policies as well.

The main cause of the Ukrainian crisis was undoubtedly the collision of two integration processes: the European and the Eurasian ones, over the course Ukraine was to take – either towards association with the European Union or in the direction of joining the Eurasian Economic Union in some capacity. President Victor Yanukovich's initial intention of signing an agreement with the EU followed by a sharp turn in the opposite direction became one of the main reasons – if not the principal cause – of the emergence of the most acute political crisis and the change of state power in February 2014.

In the appraisal of the Ukrainian events, Russia and the EU assumed totally opposed positions from the very outset. The Russian leadership regarded the Euromaidan as an anti-constitutional coup, continuing to hold the same view even now.¹ Russia's Ambassador Mikhail Zurabov left Kiev on 24 February 2014 to return as late as President Petro Poroshenko's inaugural ceremony. Russia recognised the legitimacy of the referendum of 16 March 2014 and incorporated Crimea and Sevastopol.² Russia views the Donbass events as 'a full-scale civil war'³ and denies that it is one of the sides in the conflict.⁴

By contrast, the EU immediately recognised the legitimacy of the new Ukrainian authorities in February 2014 and has since maintained normal diplomatic relations with them. The resolution adopted by the Russian Federation Council on 1 March

¹ *Strategija nacional'noj bezopasnosti Rossijskoj Federacyni*, utverzhdjena Ukazom Prezidenta Rossijskoj Federacyni 31.12.2015 N 683, official website of the President of Russian Federation: <http://www.kremlin.ru/acts/bank/40391> (accessed on 3 March 2016).

² Federal'nyj konstitucionnyj zakon ot 21.03.2014 g. No 6-FKZ «O prinjatii v Rossijskuju Federaciju Respubliki Krym i obrazovanii v sostave Rossijskoj Federacii novyh sub'ektov – Respubliki Krym i goroda federal'nogo znachenija Sevastopolja» [Federal Constitutional Law 'On acceptance of the Republic of Crimea into the Russian Federation and the creation of new constituent entities of the Russian Federation – the Republic of Crimea and the Federal City of Sevastopol'], [kremlin.ru: http://www.kremlin.ru/acts/bank/38220](http://www.kremlin.ru/acts/bank/38220) (accessed on 3 March 2016).

³ *Rossijskaya gazeta*, 23–05-2014: <http://www.rg.ru/2014/05/23/putin.html>

⁴ *RIA Novosti*, 13.02.2015: <http://ria.ru/world/20150213/1047476036.html> (accessed on 3 March 2016).

2014 permitting troops deployment in Ukraine⁵ and Russia's other tough steps proved somewhat unexpected to the European political elite. After some indecision, however, the EU set out to counteract the Russian policy. In the UN General Assembly, member states of the EU voted for the resolution 'On the Territorial Integrity of Ukraine', which stated non-recognition of the referendum of 16 March 2014 and condemned the violation of the 1975 Final Act and other international agreements.⁶ Almost simultaneously, the EC introduced restrictions (sanctions) on a number of Russian companies and officials.⁷ The EU held Russia wholly responsible for the emergence of the Donbass conflict. Later, it also accused Russia of failing to implement the Minsk accords (of September 2014 and February 2015) and imposed new sanctions, now pertaining to a number of the Russian economy sectors.⁸ The list of officials affected by the restrictive measures was considerably augmented. Lately, the EU leaders have come forward with some critical comments addressed to Ukraine as well. However, the massive economic and political aid to Kiev has continued. Ukraine and the EU rejected Russia's objections and endorsed first the political part of the EU–Ukraine Association Agreement and then, as of 1 January 2016, they implemented the whole of it.

The consequences for the relations between Russia and the EU proved shockingly dire. A considerable part of what had been created in the preceding quarter century was destroyed.

To begin with, the entire mechanism of interaction between Russia and the EU proved to be partially paralyzed. The regular meetings of the Russian President with the EU leaders stopped. The leaders of nearly all the EU countries refused to take part in the celebration of the 70th Victory Anniversary celebrations in Moscow on 9 May 2015. The number of summit meetings between Russia and individual member states of the EU has decreased considerably. Summits of the Council of the Baltic Sea States were no longer held. The G7 Group again came to hold its meetings without Russia's participation. The practice of Russian–German Inter-Governmental Consultations was dropped. Parliamentary links have been virtually frozen. The Russian delegation to the

⁵ Sovet Federatsii Rossijskoj Federatsii. *Postanovlenie 'Ob ispol'zovanii vooruzhennykh sil Rossijskoj Federatsii na territorii Ukrainy, No. 48-SF, 1.03.2014*: <http://council.gov.ru/activity/documents/39979> (accessed on 3 March 2016).

⁶ *UN General Assembly Resolution No 68/262, 27 March, 2014*, UN General Assembly website: http://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/68/262&referer=/english/ (accessed on 3 March 2016).

⁷ *The Official Journal of the European Union. Council Regulation (EU) No 269/2014 of 17 March 2014 concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine*: <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32014R0269> (accessed on 3 March 2016).

⁸ *Council of the European Union Press-release ST 12944/14 PRESSE 460 Brussels, 11 September 2014. Reinforced restrictive measures against Russia*: http://www.consilium.europa.eu/en/press/press-releases/?q=&frDt=11%2F09%2F2014&frDt_submit=11%2F09%2F2014&toDt=11%2F09%2F2014&toDt_submit=11%2F09%2F2014&stDt=20160304 (accessed on 3 March 2016).

Parliamentary Assembly of the EU was stripped of a number of rights.⁹ Representatives of the EU and its individual member states have used various international fora to propose or second resolutions condemning the policy of Russia. Negotiations on a new basic treaty were curtailed on the initiative of the EU.¹⁰

It is, however, the sphere of economy that has become the main battlefield. By the time the Ukrainian crisis began, the EU had accounted for approximately half the foreign trade of Russia, whereas the role of Russian deliveries of gas and oil was sufficiently large in the EU economy. Now everything has changed in the opposite direction. The restrictive measures by the EU and the Russian response (the food embargo and others), in combination with the plummeting oil prices, have resulted in a sharp decline of their bilateral trade. European investments into Russian economy began to decrease. Russian business also reduced its scale in a number of the EU Member States. Although the EU still remains Russia's main trade partner and a major buyer of Russian oil and gas, a radical split in their relations has taken place. While before the Ukrainian crisis the economic relations between Russia and the EU were still on the rise, now a decline trend is obviously dominant.

Issues of defence and security have always played a minor role in the agenda of relations between Russia and the EU as nearly all its member states belong to the NATO as well. Since the Ukrainian crisis began, NATO suspended all its military links with Russia.¹¹ Tensions at the borders of Russia with EU Member States have intensified appreciably. The confrontation between the respective secret services has also sharpened. It was accompanied by increases in the number of troops and armaments in the north-west and central parts of Russia and by NATO's boosted activities in Poland, Lithuania, Latvia and Estonia. 'The risk of direct clashes at the borders especially in Baltic region is very large,' observed Kevin Ryan, retired Brigadier General of the US Army. 'With such volumes of armaments deployed and the drills so intensive, accidents are really inevitable.'¹² Fortunately, nothing has gone amiss so far, but the danger still remains.

The relations between Russia and the EU in the humanitarian sphere and in the fields of culture, science and education have suffered to a lesser extent. The EU curtailed negotiations on visa-free travel, but it should be admitted that their chances of success were slim even before the Ukrainian crisis. The restrictive measures adversely affected cooperation in those areas of science and technology the results of which could have

⁹ Parliamentary Assembly of the Council of Europe, *Resolution 1990 (2014)*: <http://assembly.coe.int/nw/xml/XRef/Xref-XML2HTML-en.asp?fileid=20882&lang=en> (accessed on 3 March 2016).

¹⁰ European Council, Statement of the Heads of State or Government on Ukraine, Brussels, 6 March 2014: <http://www.consilium.europa.eu/en/meetings/european-council/2014/03/06/> (accessed on 3 March 2016).

¹¹ NATO, *Statement by NATO Foreign Ministers* 1 April 2014: http://www.nato.int/cps/en/natohq/news_108501.htm (accessed 3.03.2016).

¹² *Kommersant*, No. 73, 24.04.2015: <http://www.kommersant.ru/doc/2715103> (accessed on 3 March 2016).

found application in defence or in the development of those sectors of Russian economy that are subject to Western sanctions. For economic reasons (the fall of the rouble–euro exchange rate), Russian tourist travel to the EU countries plummeted (Finland was hit especially hard), the number of academic and cultural contacts dwindled, but there was no radical split of the kind observed in the political, economic and military spheres. Certain positions were successfully retained.

From the very outset of the stormy events of 2010–2011 in the Arab world, Russia and the EU viewed them differently. But over a few years this did not significantly affect the relations between Russia and the EU. The situation changed in the autumn of 2015, when the Russian leadership took a decision to provide direct military assistance to Syrian President Bashar Assad. The EU's response to those steps by Russia was reserved or even negative. The dominant opinion among European politicians was that Russia was attempting to divert the attention of the West from Ukraine. However, after a number of terrorist attacks (the worst of which occurred in Paris on 13 November 2015) and the inflow of hordes of refugees (the leaders of the EU countries did not immediately realise the scale of the problem), the moods began to change. France and some other EU countries showed interest in cooperating with Russia to resolve the Middle Eastern crisis. The cooperation achieved was, however, rather shallow. In effect, two coalitions are waging a war against the Islamic State: one consists of Russia, Iran, Syria and, to a certain extent, Iraq, while the other comprises the United States and over 60 other countries. The US and the Arab monarchies are supporting part of the opposition to Bashar Assad. The Joint Statement dated 22 February 2016 by the Russian Federation and the United States as Co-chairs of the International Syria Support Group¹³ on the cessation of hostilities may play a positive role. Nevertheless, the general approaches by Russia and the West (including the EU) to resolving the Syrian problem and to the struggle against terrorism still show great differences. The Syrian crisis mainly concerns the relations between Russia and the United States, but it also exacerbates the split between Russia and the EU, which was triggered by the Ukrainian crisis.

In sum, a deep split and alienation arose between Russia and the EU under the impact of the Ukrainian and Syrian crises, resulting in a series of grave problems that cannot be resolved in the near future. The strategic stability in Europe has thus been seriously undermined.

¹³ *The Russian Foreign Ministry. Joint Statement of the United States and the Russian Federation, as Co-Chairs of the ISSG, on Cessation of Hostilities in Syria. 22.02.2016: http://www.mid.ru/foreign_policy/news/-/asset_publisher/cKNonkJE02Bw/content/id/2105704?p_p_id=101_INSTANCE_cKNonkJE02Bw&_101_INSTANCE_cKNonkJE02Bw_languageId=en_GB (accessed on 3 March 2016)*

Russia and the European Union: Where the Rupture Line Passes

The consequences of the Ukrainian and Syrian crises for the relations between Russia and the EU proved to be far more serious than could have been expected.

To begin with, the attitudes of the parties to each other changed drastically. In the Corfu Agreement of 1994, Russia and the EU declared establishing relations of partnership and cooperation between them.¹⁴ In the Russian Federation Foreign Policy Concept of 2000, the first one endorsed by President Vladimir Putin, relations with European states were referred to as the traditional priority vector in the foreign policy of Russia, with the key role for the first time assigned to links with the EU.¹⁵ In the Joint Statement (2003) entitled ‘St. Petersburg’s Tercentenary and Three Centuries of European History and Cultural Commonality’, the top leaders of Russia and the EU proclaimed ‘adherence to furthering strategic partnership on the basis of common values’.¹⁶ Moscow was greatly impressed by the joint French, German and Russian *démarche* against the American war in Iraq in 2003. Subsequently, Russian top officials went on appraising relations with the EU positively, the terms they used becoming, however, increasingly ambiguous. The Presidential decree of 31 December 2015 on Russia’s National Security Strategy, by contrast, contains rather sharply worded criticism of the behaviour of the United States and its allies (including the EU) on the international scene. It says, for example, that the United States and the EU counteract integration processes, create hotbeds of tension in the Eurasian region and take steps that adversely affect Russia’s pursuit of its national interests.¹⁷

Initially, the EU regarded Russia as a partner, albeit a junior one, and rendered certain assistance in the implementation of its reforms. Later on, however, a critical tone began to grow. At present the political elite of Europe treats Russia as a violator of the existing rules of the game, as a destabilising factor and even a ‘potential threat’.¹⁸

In sum, Russia and the EU have ceased to regard each other as partners, regarding the other as a rival or even an adversary. A considerable role in this negative evolution has been played by the propaganda campaigns of the past two or three years. They

¹⁴ *Agreement on Partnership and Cooperation establishing a partnership between the European Communities and their Member States and the Russian Federation*, 24.06.1994, Permanent Mission of the Russian Federation to the European Union website: http://www.russianmission.eu/userfiles/file/partnership_and_cooperation_agreement_1997_english.pdf (accessed on 3 March 2016).

¹⁵ *Kontseptsija vneshnej politiki Rossijskoj Federatsyi*, utverzhdjena Ukazom Prezidenta Rossijskoj Federatsyi 28.06.2000, Soviet National’noj Bezopasnosti webpage: <http://www.scrf.gov.ru/documents/25.html> (accessed on 3 March 2016).

¹⁶ *Sovmestnoje zajavlenije ‘Trjochsotletije Sankt-Peterburga – tri veka obschnosti evropejskoj istorii i kultury*, 29.05.2003, official website of the President of Russian Federation: <http://www.kremlin.ru/supplement/1674> (accessed on 3 March 2016).

¹⁷ *Strategija nacional’noj bezopasnosti Rossijskoj Federatsyi*, utverzhdjena Ukazom Prezidenta Rossijskoj Federatsyi No. 683, 31.12.2015, official website of the President of Russian Federation: <http://www.kremlin.ru/acts/bank/40391> (accessed on 3 March 2016).

¹⁸ European Parliament resolution of 15 January 2015 on the situation in Ukraine (2014/2965(RSP)).

were not as multifarious as the ideological struggle during the Cold War, when the two doctrines were totally antagonistic and aimed at destruction of the other socio-political system. The above propaganda campaigns had overstepped a dangerous threshold – when threats of the use of nuclear weapons became vocal and even scenarios of a new world war came to be contemplated. This has created an entirely different psychological situation, which considerably aggravates the atmosphere of relations between Russia and the West, including the European Union.

The viewpoints of Russia and the EU on the future of international relations have diverged far apart. Russia's ruling elites appear to share a rooted conviction that a new peace treaty should be signed to fix the results of the Cold War. This idea came to be voiced by Russian top officials soon after the beginning of the Ukrainian crisis. Its clearest expression was given by President Vladimir Putin in October 2014 as follows: 'The Cold War ended, but it did not end with the signing of a peace treaty with clear and transparent agreements on respecting existing rules or creating new rules and standards.'¹⁹ In fact, the majority of Russian society's upper crust would favour the revival of the Yalta-Potsdam system, at least in a reduced and somewhat modified form. Russia would then play the role of one of the world centres, acting on a par with the United States in taking global decisions and wielding its own sphere of influence. In that context there came quite telling a reaction from Moscow's influential political circles who had interpreted the signing of the Russian–American declaration on Syria (Feb 22, 2016) as the return to a bipolar world order. 'As in good old days – wrote Irina Alksnis, a commentator for the pro-government Internet news portal *Vzglyad* – the two superpowers have gotten at a geopolitical carving up, putting the rest of the world before a *fait accompli*.'²⁰ The Russian sphere of influence would comprise countries politically orientated towards Russia and where big Russian corporations (primarily state-owned ones) would enjoy a privileged position in comparison with their rivals. Since the potentialities of the domestic market are nearly exhausted, outward movement is acquiring increasing importance, while the process is riddled with numerous problems that are difficult to resolve without state support and patronage. Naturally, with such attitudes, the Russian ruling circles for the most part view globalisation processes as negative rather than positive. To quote Prime Minister Dmitry Medvedev, 'globalisation has to a certain extent played a bad joke on us'.²¹ Some other politicians have come forward with still sharper comments.

¹⁹ President of the Russian Federation, *Meeting of the Valdai International Discussion Club*, Sochi, October 24, 2014: <http://en.kremlin.ru/events/president/transcripts/46860> (accessed on 3 March 2016).

²⁰ *Irina Alksnis. Chetyre glavnyh obstojatel'stva vozvrashhenija global'nogo vlijaniya Rossii. Vzglyad, 25.02.2016*: <http://vz.ru/opinions/2016/2/25/796125.html> (accessed on 3 March 2016).

²¹ *The Russian Government*, Munich Security Conference, Dmitry Medvedev's speech at the panel discussion, the Russian Government webpage: <http://government.ru/en/news/21784/> (accessed on 3 March 2016).

To the European elite, this attitude is unacceptable. The Yalta-Potsdam system was the first instance in history when Europe found itself dependent on external players – the USSR and the United States. For that reason, it has never been popular with European politicians. Among its fairly outspoken critics we find such famous Europeans as the conservative Charles de Gaulle, the socialist François Mitterrand and the communist Josip Broz Tito, to name but a few. In the present-day world, the EU aspires to playing one of the leading roles in world economy and international economic relations – on a par with the United States and China. The development model the EU opted for appeals to many countries of the world, especially its neighbours. Relying on economic power, ‘soft power’ and normative power, the EU positions itself as a world actor and therefore needs no spheres of influence or zones of special interests. The ongoing globalisation, which, with the exception of certain individual aspects, has on the whole been favourable to the EU up to now, is viewed positively by the European Union.

It follows that the conceptual approaches of Russia and the EU to the future system of international relations not only merely differ from each other but are in fact contrary in a number of important aspects.

The sphere where the disastrous split between Russia and the EU manifests itself most graphically is their economic and trade relations. The problems that emerged here can be subdivided into three groups – sanctions and restrictive measures, energy trade and prospects of the Transatlantic Trade and Investment Partnership creation.

Both the restrictive measures and sanctions by the EU and the respective food embargo and other countermeasures by Russia are undoubtedly due to *force majeure*. As shown by historical experience, only some groups of businesses can benefit from restrictions and sanctions. As for the economies of both the countries imposing them and suffering from them, they lose on the whole, countries with smaller economic potentials typically sustaining the greatest losses. In all probability, the current sanctions are to stay for some time. Depending on the political situation, they may get softened or toughened. Some of the sanctions connected with Sevastopol and the Crimea may stay for a very long time. Sergey Ryabkov, Russia’s Deputy Foreign Minister, has even said that since Russia does not intend to change anything where its stand on the Crimea is concerned, this part of the sanctions is to stay forever.²² But even if it is assumed that all the restrictive measures will be revoked, it will take a very long time to reconstruct the trade and economy links. A post-sanctions inertia is to linger on for quite some time. Besides, many business persons have already found other markets and other projects to invest in. In addition, some Russian and European businesses that used to work jointly may become rivals if they attempt to use the same markets.

In the middle-term perspective, the EU is unlikely to give up buying oil and gas from Russia. Yet it is certain to succeed in diversifying its sources of energy shipment,

²² *Vzglyad*, 9.07.2015: <http://vz.ru/news/2015/7/9/755316.html> (accessed on 3 March 2016).

for the European maker may soon see oil from Saudi Arabia and Iran and liquefied gas from the United States, Qatar and elsewhere. This will undoubtedly result in stiffened competition. Judging by the Energy Minister Alexander Novak's statement, Russian government is well aware of the gravity of the problem.²³ Definitely, the alternative shipments will not be able to supersede Russian gas and oil completely in the near future. Their emergence, however, strengthens the EU's positions in negotiations on the prices and terms of delivery.

Moreover, another package of problems for the trade and economy relations is likely to emerge in connection with the creation of the Trans-Atlantic Partnership (TTIP). Information regarding the ongoing negotiations is scarce, but the impression is that its general pattern will be similar to the already formed Trans-Pacific Partnership (TPP). The Russian leadership's opinion of the latter was negative: the United States seeking benefits for itself from profitable rules of trade.²⁴ Considering the way its general principles are framed, China and Russia can hardly join the organisation. However, its impact on Russian economy is unlikely to be appreciable as only 10 per cent of Russia's foreign trade is generated by TPP members. In fact, according to estimates by the Ministry of Economic Development, Russia may even count on a small positive effect (increment amounting to 0.1 per cent of its GDP).²⁵ As for the TTIP, the picture is more complicated with it as the proposed members of the partnership account for about half the Russian foreign trade. It is not clear so far whether Russia will be able to cooperate in any form with the TTIP. For the time being there is virtually no competition between Russian and American exports for the European markets; however, the uncertainty about the future is causing quite a bit of nervousness in Russia. Now Russian politicians and businessmen are waiting for the decision of the American President-elected Donald Trump on the future of both Partnerships.

It follows that in the mid-term perspective the trade and economic links between Russia and the EU will be appreciably weakened, while the gap between them in terms of socio-economic development will further increase.

In the sphere of politics, the situation will also remain very complicated. Russia will continue following its course of retaining the status of one of the leading world powers and promoting by every means the process of Eurasian integration. On the other hand, the EU will seek incorporating through various agreements different post-Soviet states. In view of all this, confrontation will continue over the issue which integration process Ukraine, Georgia and Moldova opt for (as well as Belarus, Azerbaijan and

²³ Rossijagotova k konkurencii s saudovskoj neft'ju na evropejskom rynke [Russia is ready to compete with Saudi oil on the European market], 2015, *Pravda.ru*: <http://www.pravda.ru/news/economics/materials/oil/14-10-2015/1278203-neft-0/> (accessed on 3 March 2016).

²⁴ President of the Russian Federation, *Interview to China's leading media companies*, 06.11.2014: <http://en.kremlin.ru/events/president/news/21031> (accessed on 3 March 2016).

²⁵ *Kommersant*, 05.02.2016: http://www.kommersant.ru/docts_of_2010-2011/2908032 (accessed on 3 March 2016).

Armenia in the future). For this reason, the situation inside Ukraine and around it will be tense and explosive for quite a long time. It is worthy of note that influential circles in Moscow believe it is likely that the Donbass conflict will remain frozen for a prolonged period.²⁶ It can also be conjectured as something less probable but not inconceivable that the conflict between the two integration processes may lead to more outbursts of violence in Transdnistria, South Ossetia and Nagorno-Karabakh.

Beginning with the events of 2010–2011, the Middle East embarked on a prolonged period of transformation involving numerous bloody clashes and crises, which are bound to last for decades. For this reason, this area is to become a hotbed of terrorism, crime and new huge exoduses of refugees even to a larger extent than before. It will pose a threat to both the EU and Russia, but they are unlikely to reach an agreement because they have bound themselves too much by supporting the opposing sides. The situation may change towards cooperation only after a certain period, when it becomes obvious that joint efforts of the world community are called for in order to achieve even a minimal level of stabilisation.

Unfortunately, there is no precluding the emergence of new conflicts in some other regions in which Russia and the EU would back up opposing sides.

The former mechanism for political cooperation and consultation between Russia and the EU is unlikely to work again. Nevertheless, sporadic contacts of Russian politicians with the leaders of the EU and its member states will take place and may be even more frequent than now. They, however, will address only very concrete current issues. Those talks and consultations will only be able to ameliorate the split slightly but not overcome it.

What becomes a serious problem for the future relations between Russia and the EU is a gap in shared values. The existence of common values was officially declared in the Corfu Agreement of 1994. In practice some differences in this respect remained and gradually accumulated although both parties had for a long time avoided voicing them. In the past few years, the situation has changed: the majority of politicians, public figures, journalists and scholars, both in Russia and the EU now prefer to speak about values that are different and even contrary. This is also an exaggeration – Russia and the EU have not only common values (market economy, private property, etc.) but also differences. The main section of the Russian ruling circles lays emphasis on traditional, conservative values. This contravenes the European mainstream mentality but appeals to some circles of European politicians who hold extreme right views or sometimes even extreme left convictions. What seems to be more important is that the same notion in Russia can have differing connotations in the EU. Thus, for example, in the EU ‘international law’ and ‘human rights’ are associated with democracy, rule of law and well-defined legal norms. What we see in Russia is that they are increasingly

²⁶ Center for Current Policy, *Infinite Deadlock. The First Anniversary of Minsk Agreements*, p. 24: <http://cpkr.ru/en/node/167> (accessed on 3 March 2016).

associated with moral categories, such as ‘historical justice’, rather than with legal rules. ‘Crimea’s reunification with Russia’, President Vladimir Putin declared, ‘is a just decision’.²⁷ Besides, Russian politicians prefer to speak of ‘citizen’s interests’ rather than of their rights.²⁸ This meets with a ready response from a considerable part of the population. All this taken together is an important manifestation of the dramatic split between Russia and the EU. Nevertheless, even the ensuing alienation has limits. In this context, it is worth quoting the highly significant joint declaration of Pope Francis and Patriarch Kirill of Moscow and All Russia stating that ‘Catholics and Orthodox, giving witness to the values of the Gospel, defend it and attest to the existence of the shared spiritual foundations of human co-existence’.²⁹ This dialogue of the two Churches – if it proves a success – can play an important role in the quest for common values, at least in a number of issues. Possibly, finding the balance between the laic and the religious approaches could absolutely unexpectedly become a foothold for Russia and the EU to come to terms over their differences in value systems.

Where defence and security are concerned, in the near future the EU Member States will entrust them to NATO and build their military links through that alliance. It is probable that the dialogue within the framework of the Russia–NATO Council will be resumed, but it is unlikely to be fruitful. Military contacts between Russia and European states will be maintained at the lowest level possible or be blocked altogether. NATO is returning, albeit in a soft form, to the policy of restraining Russia and will go on building its infrastructure in the states bordering on Russia. The build-up of troops and armaments on both sides of the border will have a negative effect on businesses. The level of anxiety is almost certain to grow. Any joint projects of Russia and NATO in the sphere of defence and security will hardly be feasible.

In view of the above, it should be recognised that the bad split in Russia–EU relations is of rather profound and comprehensive nature and that overcoming it will be a difficult business requiring an all-round approach to the problems accumulated.

Advancement: When Is Reconciliation Possible?

Overcoming the deadlock that arose in the relations between Russia and the EU is possible only if both sides are ready for a compromise. Unless some unexpected upturn occurs, there is practically no chance for that in the short-term perspective.

To begin with, it should be stressed that the ruling circles of Russia and the European Union have worked out very definite attitudes towards each other and have

²⁷ President of the Russian Federation, *Interview to German newspaper Bild. Part 1*. 05.01.2016: <http://en.kremlin.ru/events/president/news/51154> (accessed on 3 March 2016).

²⁸ President of the Russian Federation, *Vstrecha Vladimira Putina s chlenami Soveta palaty Soveta Federatsii*, 27.03.2014: <http://www.kremlin.ru/events/president/news/20645> (accessed on 3 March 2016).

²⁹ Moskovskij Patriarchat, *Sovmestnoje zjavenije Papy Rimskogo i Sviatejshego Patriarcha Kirilla*, 13.02.2016: <http://www.patriarchia.ru/db/text/4372074.html> (accessed on 3 March 2016).

done a great deal to convince the public opinion in their countries that they are right. Therefore, their space for manoeuvre is very limited.

When the EU and the United States introduced their restrictive measures and sanctions, they assumed that sooner or later conditions would emerge that would compel the Russian leadership to change its policy.

Indeed, as early as late 2012 and 2013 the Russian economy experienced considerable difficulties. The falling oil prices and diminishing export taxes and duties, which account for over half the state budget's revenues, proved a great shock. The sanctions undoubtedly also created serious problems for many Russian industries, especially the financial sector and new technologies. Nonetheless, the Russian economy proved to be far more viable than anticipated. It is primarily because, despite some of its faults, it is a market economy and as such, it possesses a considerably greater stability and manoeuvrability than reckoned. Another factor that enabled the Russian economy to dampen down the shock was the presence of considerable savings accumulated in the preceding years owing to super profits from oil trade. Even critics such as Andrey Movchan, an economic expert at the Carnegie Endowment, admit that there are no grounds to anticipate that the Russian economy should crash in the coming years.³⁰ Most likely, in 2016 the decline of Russian economy will continue, whereas afterwards for a few years it will experience a stagnation period. As has been acknowledged by Russian Minister for Finance Anton Siluanov, the difficult situation in economy is likely to remain a long-term trend.³¹ It is indubitable that the crises and the country's dwindling potential create certain constraints for the Russian leadership's foreign policy activities.

No split has occurred within Russia's leadership, although that was precisely the purport of the personal sanctions by the EU and the US. Moreover, the bulk of the country's upper crust have given full support to the leadership. They see President Vladimir Putin as the guarantor of the existing order and are prepared to put up with certain discomfort in return. In this respect, the firm tone of the 2016 Munich security conference speech by Dmitry Medvedev,³² the politician some Western circles had pinned certain hopes on, was quite consonant with Vladimir Putin's Munich conference speech of 2007.³³

The bulk of Russia's population rapturously welcomed the incorporation of Crimea and Sevastopol, taking it as a major foreign policy success of the past quarter of

³⁰ Andrey Movchan. Jekonomicheskij FAQ. Chto proizoshlo s jekonomikoj Rossii v XXI veke: <http://carnegie.ru/commentary/2016/02/25/ru-62875/iugc> (accessed on 3 March 2016).

³¹ ITAR-TASS. 24.02.2016. Siluanov: slozhnaja situacija v jekonomike nosit dolgosrochnyj harakter: <http://tass.ru/ekonomika/2690356> (accessed on 3 March 2016).

³² *The Russian Government*, Munich Security Conference, Dmitry Medvedev's speech at the panel discussion, the Russian Government webpage: <http://government.ru/en/news/21784/> (accessed on 3 March 2016).

³³ Vladimir Putin's Speech and the Following Discussion at the Munich Conference on Security Policy: <http://en.kremlin.ru/events/president/transcripts/24034> (accessed on 3 March 2016).

a century and a proof of Russia regaining the status of a great power. All the opinion polls unequivocally showed that Vladimir Putin's foreign policy was supported by 90 per cent of the population. The sanctions and restrictions that followed were viewed as another attempt by the United States and the EU to humiliate Russia. For that reason, the level of readiness to contravene them was very high, as was the support of Russia's counter-sanctions. Thus, for example, according to the poll conducted by the Sociology Institute of the Russian Academy of Sciences at the beginning of 2015, 75 per cent of the respondents were prepared to give up imported food stuffs; 53 per cent were ready not to travel to the US and the EU on business trips, missions or tours – a third expressing willingness to forego even the use of the Internet.³⁴ As the economic crisis has developed, however, and the living standards have decreased, the moods are gradually changing. More than the half considered the economic situation was bad and feared it was likely to further deteriorate.³⁵ Increased apathy is manifest, as well as a nostalgia for the USSR – or rather, to be more precise, for an idealised image of the USSR that had never existed in reality but has now taken shape in the minds of a section of citizens as a 'paradise lost'. It is necessary to mention that the worsened economic situation is accounted for by many respondents as deriving from schemes by foreign powers. In all probability, similar moods will linger on in the near future. Social tensions are certain to rise, but they are unlikely to upset political stability inside the country.

Certain changes took place in the public opinion at the beginning of 2016. The general support of the Russian leadership's policy has remained at the same level as in the spring of 2014. Within this majority, however, some changes can be seen. Thus, according to the 'Public Opinion' Foundation, 73 per cent view the relations between Russia and Europe as bad (in 2006, 21.7 per cent of them did), 15 per cent regard them as good (in 2006, 57 per cent did so). 62 per cent of the respondents believe that Russia should seek closer relations with Europe, 67 per cent of them thinking that the Russian leadership is working towards this target, while 40 per cent believe that Europe seeks the same. Only a quarter of the respondents believe closer relations with Europe are unnecessary. 55 per cent think that partnership is equally important for Russia and the EU. 23 per cent maintain that it is more important for Europeans than for Russia and 12 per cent believe Russia needs it more than the EU does. But with regard to the future, pessimistic views prevail for the time being: 12 per cent expect the relations to further deteriorate, 38 per cent do not expect them to change and 32 per cent believe they will improve. It follows that even among those who support the majority, a fairly large group is emerging that expects rapprochement with the EU

³⁴ *Nezavisimaya gazeta*, 29.01.2016: http://www.ng.ru/economics/2015-01-29/4_otkaz.html (accessed on 3 March 2016).

³⁵ *Kommersant*. 5.02.2016, No. 19: <http://www.kommersant.ru/doc/2908116> (accessed on 3 March 2016).

in the future.³⁶ It should be noted that the poll has revealed the same trend, although with smaller figures, in the appraisal of Russian–American relations. In order for those who have doubts to become optimists, a major joint success of Russia and the EU is called for. Prognosticating it, however, is a tall order – hardly possible even in theory.

All in all, it is futile to expect any cardinal changes in the EU's policy towards Russia.

The American factor is bound to play a certain role. Acting within the NATO framework, the United States will increase its presence in Europe in the near future, including the countries bordering on Russia. At the same time, the American key focus has shifted to the Pacific region, to stay there indefinitely. Besides, part of the American elite seem to be tired of the role the US has been playing in world affairs in the past few decades. They have betrayed obvious signs of unwillingness to be dragged into conflicts and problems where their interests are not openly impinged. For this reason, it can be predicted with a fair degree of certainty that in the middle-term perspective the American interest in European affairs will slacken. However, the close coordination of American policy with the EU and other European countries will continue. Probably Donald Trump will do some steps to improve relations with Russia (the fight against terrorism etc), but the cardinal change in American politics is unlikely. Naturally, any leadership of the EU or any government of an EU Member State will take this into account.

However, the European political elites have their own reasons why the EU cannot significantly alter its policy towards Russia in the near future.

During the Bucharest NATO summit of 2008, the political elites of Germany and France did not support the hard line of George W. Bush, who wanted to initiate the process of immediate inclusion of Georgia and Ukraine in NATO. Under the influence of the EU, the West resumed normal relations with Russia only a few months after the Caucasian conflict in August 2008. By agreeing to introduce restrictive measures and sanctions against Russia in the spring and summer of 2014, the EU countries in effect passed from a soft line to a hard one, without ever publicly stressing the circumstance. The European Parliament Resolutions 'On the State of EU-Russia Relations' of 10 June 2015³⁷ and 'On the Human Rights Situation in Crimea, in Particular of the Crimean Tatars' of 3 February 2016³⁸ are notable not so much for the list of measures recommended but for the overall toughness of their wording and for the fact they were passed by the votes of all the three main factions of the European Parliament.

³⁶ *Kommersant*, 12.02.2016: <http://www.kommersant.ru/doc/2915897> (accessed on 3 March 2016).

³⁷ European Parliament, *Resolution on the state of EU-Russia relations*, 2015/2001(INI): <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P8-TA-2015-0225+0+DOC+XML+V0//EN> (accessed on 3 March 2016).

³⁸ European Parliament, *Resolution on the human rights situation in Crimea, in particular of the Crimean Tatars 2016/2556(RSP)*: <http://www.europarl.europa.eu/sides/getDoc.do?type=MOTION&reference=P8-RC-2016-0173&format=XML&language=EN> (accessed on 3 March 2016).

Consequently, the point at issue is the consolidated opinion of the European political mainstream. In order to return to a more moderate course, the European elite needs very weighty reasons and arguments that could be approved by the public opinion. Otherwise the EU ruling circles run the risk of losing votes in the next election to extreme right or extreme left critics of European integration.

It follows therefore that the domestic situation may be even to a larger extent more detrimental to the quest for compromise between Russia and the EU than the international developments.

One of the grave issues hampering the search for compromise and for normal relations is serious distrust that the ruling classes show to each other. A certain deficit of trust has always been characteristic of the relations between Russia and the EU, but at present this problem has acquired a qualitatively different dimension.

The upper crust of Russian society regards the so called ‘coloured revolutions’ in the post-Soviet space and in some other areas as one of the principal threats. Such fears grew especially strong after the Orange Revolution of 2004, the Arab revolutions of 2010–2011 and the Euromaidan of 2013–2014 in Ukraine. Moscow believes that all those events were instigated by the United States and partially by the EU and were designed in preparation for a similar turn of events in Russia. Such moods became particularly vocal after the opposition held marches in Moscow, St. Petersburg and some other cities in the winter and spring of 2011–2012. This accounts also for the heightened attention to the activities not only of officials and diplomats from the US and the EU Member States but also of different foreign foundations, NGOs and public organisations. The ruling circles want to preclude any foreign influence on Russia’s internal political processes. Speaking at the Meeting of Federal Security Service board³⁹ of February 2016 President Putin stressed: ‘you must also prevent any attempts from outside to intervene in our election and our country’s political life ... Let me say again that this is a direct threat to our sovereignty and we will respond accordingly’. Objectively, this contradicts the EU’s line, in which – beginning with its ‘Common Strategy on Russia’ of 1999,⁴⁰ – great importance has invariably been attached precisely to links with civic society.

The EU’s political circles, in turn, harbour deep suspicions about Russia’s attitude to European integration. In the USSR, except for the period of Gorbachev’s leadership, the attitudes towards European integration were extremely negative. Vladimir Lenin’s claim that a United States of Europe was ‘either impossible or reactionary’⁴¹ was repeated unwaveringly, the only variation being the accent now on the first alternative and then

³⁹ *Meeting of the Federal Security Service board. February 26, 2016*: <http://en.kremlin.ru/events/president/news/51397> (accessed on 3 March 2016)

⁴⁰ European Commission, *Common Strategy of the European Union on Russia*, 4 June 1999, 1999/414/CFSP: http://trade.ec.europa.eu/doclib/docs/2003/november/tradoc_114137.pdf (accessed on 3 March 2016).

⁴¹ V.I. Lenin, *O lozunge Sojedinjonnyje Shtaty Evropy, Polnoje sobranije sochinenij v 55 tomach*, vol. 26, p. 352.

on the second. This Euroscepticism was to a large extent inherited by the upper crust of post-Soviet Russia. Officially Russia supports the European Union's unity. 'We are interested', Sergey Lavrov remarked, 'in a strong and integral European Union with which we can comfortably work together in economy and other spheres'.⁴² Nevertheless, the general mood of most politicians' presentations and the state mass media is entirely different. Since the financial and economic crisis of 2008 they have been predicting that the EU is about to disintegrate, that the euro area is about to collapse, etc. Now the same ideas are propagated in connection with the influx of migrants from the Middle East and Brexit. At the same time, Moscow maintains links with extreme right forces (like, for example, the National Front in France) and, to a lesser extent, with extreme left critics of the EU. The ruling political circles in some European countries suspect that the Kremlin might be interfering in their domestic affairs. Thus, the German Chancellery ordered the secret services to investigate as to whether Russian intelligence influences the German political debate and public opinion.⁴³ In the next few years, the EU will undergo an involved process of deep internal changes accompanied by a sharpening of its old contradictions and the emergence of new conflict situations. In my opinion, the EU transformation will by and large be successful, but the European elite is likely to respond with extreme vexation to any attempts by external actors (including Russia) to take advantage of those difficulties.

Mutual suspicions will for a long time remain strongest irritants and feeding grounds for various negative trends in the relations between Russia and the EU.

In the short-term perspective, the situation over the relations between Russia and the EU will be marked by considerable tension. Therefore, a question arises – whether they should be frozen altogether until the time all the principal problems have been resolved – or the other way round: whether it is desirable to make every possibility for developing them, i.e. working not for the sake of the present but for the sake of the future? The latter option appears more advisable, although it is impossible to expect a quick effect from it, the point at issue primarily concerning the spheres of culture, science, education, young people exchanges, cross-border cooperation, which the current split affected to a lesser extent. A positive role can be played by the dialogue between the Catholic and the Russian Orthodox Church. That will not bring about a cardinal shift in the relations between Russia and the EU, but some of the tension will be relieved.

In the mid-term perspective, not only a normalisation of relations but even restored cooperation appears quite feasible. The EU, in whatever form it may exist in 10 years,

⁴² Ministerstvo Inostrannykh Del Rossijskoj Federatsii, *Vystuplenie i otvety na voprosy SMI Ministra inostrannykh del Rossii S.V. Lavrova v chode press-konferentsii po itogam dejatelnosti rossijskoj diplomatii v 2015 godu*, 11.02.2016: http://www.mid.ru/vistupleniya_ministra/-/asset_publisher/MCZ7HQmDqBY/content/id/2032328 (accessed on 3 March 2016).

⁴³ "Süddeutsche Zeitung" 18.02.2016: <http://www.sueddeutsche.de/politik/russland-aufklaerung-nach-moskauer-art-1.2869744> (accessed on 3 March 2016).

will seek cooperation with Russia both in political and economic spheres. Neither Russia nor the EU will be able to play a desirable role in the world without overcoming the current confrontation and setting up a certain level of cooperation. The chronic instability in the Middle East creates a number of problems for Russia and the EU to share. According to my estimate, the region will remain in the state of transformation and conflict during the next several decades. In these circumstances, the exodus of refugees will increase as it is largely connected with the demographic situation (population boom in the Middle East) rather than with coups and wars alone. Besides, even now there appear signs of confrontation fatigue and this mood is sure to grow. On the other hand, Russia will also be more inclined to rapprochement. Russia's turn East has not been very fruitful. The BRICS countries would favour changes in the present world order, but they do not want to spoil their relations with the United States and prefer to seek other ways of solving their problems. China is prepared to develop its relations with Russia, but it also stresses that what it means is partnership rather than alliance.⁴⁴ Characteristically, China provides real support predominantly to those Russian–Chinese projects in which it plays the leading role. The restoration and furthering of links with the EU is also being sought by some influential sectors of Russian society. This is the case with banks, which have been cut off from the world markets and have very limited opportunities for doing business with European partners; this is true also about universities and colleges, whose successful development is impossible with their European counterparts within the framework of the Bologna process or any other forms. Considering the low levels of funding for Russian science (in 2013, according to UNESCO data, the EU accounted for 19.1 per cent of the world expenditure on science, while Russia for a mere 1.7 per cent),⁴⁵ cooperation with the EU is of vital importance for Russia.

In my view, as more time passes since the painful split of 2014–2015, gradual changes will be observed in the moods of both the ruling circles and the public. That will open a way to some compromise, the content of which is very difficult to predict now, even in broadest outline.

Conclusion

Russia's history of relations with European states is centuries old. Since Peter I's time, Russia has been, except for short periods, an integral part of European politics as well as its active and influential actor. This is certain to be the case also in the long-term perspective. The historical experience of several centuries demonstrates that the main trend in the development of Russia's relations with European countries – also with

⁴⁴ Y. Fu, 'How China Sees Russia. Beijing and Moscow Are Close, but Not Allies', *Foreign Affairs*, 2016, vol. 95, no. 1, pp. 96–105.

⁴⁵ UNESCO, *UNESCO Science Report, Towards 2030*: <http://unesdoc.unesco.org/images/0023/002354/235407e.pdf> (accessed on 3 March 2016).

the exception of certain periods – has been its line of cooperation and closer relations. I believe that the present confrontation of Russia with the EU is an anomaly that will be, after some time – most probably in mid-term perspective – overcome and the relations will return into their normal channels. They, however, will never be the same as in the years between the end of the Cold War and the Ukrainian and Syrian crises. Any attempts to restore them are bound to fail. What the relations between Russia and the EU need is not a new start but a new foundation. This makes the question as to why the endeavours to create real partnership, despite considerable efforts by both parties, failed all the more relevant. Replies to it deserve a most serious discussion and analysis before more similar attempts are made. To begin with, both parties should clearly define the goal they are to pursue and devote their partnership and cooperation to its attainment. Neither the Corfu Agreement of 1994 nor any other subsequent joint documents specified concrete steps to be taken. It will be necessary to subject the once popular slogans of ‘Common European Home’ and ‘Wider Europe’ to a thorough analysis. It will be of great theoretical and practical value to know the reason why so little was done to create them. In all probability, it will be necessary to admit that although the OSCE still plays a positive role in a number of directions, its heyday is over and it will never be able to regain the high repute and influence it enjoyed in the period between the late 1970s and early 1990s. And finally, both parties should assess the situation more realistically. It is hardly a secret that at some point disappointment arose in consequence of overly high expectations. Since in the mid-term perspective hard times are in store for Russia and the EU, both of them having to confront new challenges and threats, a new attempt at building partnership and cooperation stands a chance of success.

