

NADIA ALEXANDROVA-ARBATOVA

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XENOPHON PAPER

REGIONAL COOPERATION
IN THE BLACK SEA AREA
IN THE CONTEXT OF
EU-RUSSIA RELATIONS



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PREFACE

The perspective of Russia, a key regional stakeholder, regarding developments in the wider Black Sea area is one that is sadly missing in the current English language bibliography. It is in this context that the International Centre for Black Sea Studies (ICBSS) has reached out to Nadia Arbatova, one of Russia's best analytical minds, to contribute with this Xenophon Paper on Regional Cooperation in the Black Sea Area in the Context of EU-Russia Relations.

Nadia Arbatova while sharing her expertise on Russia's domestic and international affairs attempts to present the perspectives of the Russian political elite, their expectations in engaging with the European Union (EU) and their policy formulations regarding both the Black Sea region in general and other regional actors. In other words, this Xenophon Paper informs the policymakers regarding the expectations and aims of a power that needs to be reckoned with while formulating policies regarding the region.

The wider Black Sea area is a major trade link for the transportation of rich Caspian oil and natural gas reserves to the West. While it is the energy-supplying role of the area which is often underlined with regard to the Black Sea region in general, Russia's position as the supplier of more than a quarter of the EU's total energy demand is in particular highlighted here. However, as the author argues EU-Russia relations are much more substantive than cooperation and discord in energy-related matters.

The EU's eastern enlargement of 2004 has brought it closer to its largest neighbour. Relations between the Russian Federation and the Union are now characterized by the EU's efforts to engage with Russia on the one hand and Russia's increasing need to assert itself in its neighbourhood, on the other. As a result, the verdict is still out as to whether EU-Russia relations are at a crossroads or drifting apart. Reading Nadia Arbatova's analysis, one is left with a feeling that more can be done. In other words, the author clearly calls for the need of a broader and deeper cooperation to be established on an equal basis between the two sides if these two significant regional and global actors are to face up to common challenges and threats in the wider Black Sea area and elsewhere. Although one may not necessarily agree with the author's conclusion, there is no doubt that Nadia Arbatova's analysis provides for a deeper understanding of Russia's positions, ambitions and objectives in the region.

Dimitrios Triantaphyllou

Athens, April 2008

INTRODUCTION

The Black Sea region is one of the most strategically important regions in Europe providing, first of all, a major trade link and transit routes for Caspian energy supplies. It forms the core of the vast area that extends from Europe to Central Asia and the Middle East and it is closely related to the unstable Balkans, Caucasus and Caspian regions characterised by common risks and challenges, first and foremost, 'frozen' conflicts and international terrorism. It will not be an exaggeration to say that the Black Sea region remains one of the most challenging regions in Europe due to its cultural and political heterogeneity, the bipolar legacy, differing interests of the regional and non-regional actors embodied in a multiplicity of external policies. It falls within the competence of different international institutions and security arrangements – the Organisation for Security and Cooperation in Europe (OSCE), the European Union (EU), the North Atlantic Treaty Organisation (NATO), and the Commonwealth of Independent States (CIS) among others. Countries of the region have rarely experienced security, democracy and prosperity. They still confront numerous problems including state-building and/or consolidation, conflict resolution, democratisation, economic underdevelopment and energy insecurity (Kempe and Klotzle, 6). The end of bipolarity and the removal of ideological differences between the East and the West opened new windows of opportunity for the Newly-Independent States (NIS) and the region at large.

The EU-Russia relations are essential for the Black Sea cooperation. One of the realities in the region is the growing role of the EU that has become a centre of gravity for the majority of the regional countries who are subjected to a fatal attraction of integration and cooperation towards the greater EU area because of economic as well as political reasons. The EU has different formats of relations with countries in the region: Greece, Bulgaria and Romania are member states, Turkey is a candidate for EU membership, while Russia, for the time being, has the lowest level of contractual relations – namely the Partnership and Cooperation Agreement (PCA), and the post-Soviet countries of the region are included in the European Neighbourhood Policy (ENP).

Russia still remains one of the key players in the region. Half of the Black Sea countries came out of the former Union of Soviet Socialist Republics (USSR) and they have 'troubled' relations with Russia (Ukraine, Georgia, Moldova and Azerbaijan) or among themselves (Armenia and Azerbaijan). Russia's potential in the region can be either positive or negative depending on the evolution of its relations with the EU and the West at large.

Undoubtedly, regional cooperation is very important for the EU-Russia relations. It plays the role of an additional – if not decisive – pillar of international relations helping to retain and develop the positive achievements of the last sixteen years. Thus, Russia's participation and contacts in the Black Sea Economic Cooperation (BSEC) format as well as the Northern Dimension Initiative (NDI) created an additional framework for political dialogue at the regional level. **At the same time, it would be naive to think that such cooperation will be flourishing if fundamental problems in the EU-Russia relations are not resolved.** The interdependence between the strategic level of the EU-Russia relations and their regional dimensions can be compared with the boomerang

effect: problems at the strategic level affect the regional level and return to the originators. The so-called 'frozen' conflicts in the CIS space are not just local conflicts, though they heavily affect the regional stability in the Black Sea region. They are the product of the Soviet legacy and the uneven collapse of the USSR as well as the ill-conceived policies and mistakes of Russia, the involved parties and external actors – United States (US), NATO and EU. Without a breakthrough in the EU-Russia relations, Black Sea regional cooperation will be curtailed and reduced to a very narrow and selective cooperation when the interests of these two actors coincide and it will take a form of the 'foot in the door' policies when these interests diverge. In parallel, Black Sea regional cooperation will undoubtedly be conditioned by the quality of Russia's relations with the countries in the region. In any case, the so-called small steps at the regional level are doomed to remain invisible and cannot play the role of a locomotive which would push forward the 'train' of the EU-Russia relations without radical changes in the substance of these relations.

CHAPTER 1

THE EU-RUSSIA RELATIONS: STILL AT THE CROSSROADS OR DRIFTING APART?

a. Crisis as a Situation of Uncertainty

In spite of Russia and the EU having common interests in many spheres, above all in the international security and energy sectors, and continuing intensive contacts, including the Russia-EU summits, one of the most fashionable topics in academic discussions during the last years has been whether there was a crisis in the relations between these two partners. If one defines a crisis as the threat of a collapse in EU-Russia relations, then there was no crisis, because the interdependence of the two partners is rather high. If we agree to define a crisis as a turning point, a condition of uncertainty leading to a decisive change, we should recognise that there was a crisis in EU-Russia relations due to an absence of clear strategic goals and mutual trust. The year 2007 was a real turning point: it did away with all the illusions that there would be a breakthrough in the EU-Russia cooperation and closed a period of uncertainty in their relations. Today it is clear that having approached a fork in the road, the EU and Russia are taking divergent paths. Though the question of a crisis as a situation of uncertainty is not topical now, the problems in the EU-Russia relations remain unresolved. And before we address the future, we should ask ourselves why the relations have turned so anaemic and in some instances even antagonistic?

The crisis between the EU and Russia has not arisen overnight. Many of the problems that have appeared in EU-Russia relations after the disintegration of the USSR have acquired a qualitative character. The expectations of each side with regard to the other have not been fulfilled. The EU expected that Russia would build a functioning democracy and introduce market economy reforms overnight. The EU was critical of many aspects of the domestic and foreign policies of the president and government of the Russian Federation (RF). Europe reproached the Russian leadership for departing from the values and principles that underlie the partnership and cooperation between the RF and the EU. There were serious differences over some matters of principle, especially the paths of development and institutional forms of democracy, human rights and the fight against terrorism. Europe has always been very mistrustful of the Russian political elite, doubting that Russia's choice to be with Europe is final.

Russia expected cooperation with the EU to deliver an economic miracle and help it find a proper place in post-Cold War Europe. Russia's relations with the new member states constituting the so-called 'Baltic nucleus' of the EU have been anything but simple. Russia is worried by the signs of a structural crisis inside the EU, the difficulties of adaptation of new member states to the conditions of a single internal market and the EU legal environment, the adverse demographic situation in the EU, ill-thought-out migration policies of the member states, growing nationalism

and radicalism in Europe and the slow rate of economic growth within the EU. There are serious differences between the member states in the field of foreign policy in general and the approach to relations with Russia, in particular. This state of affairs, in turn, undermines confidence in EU structures on the part of the Russian leadership.

Both partners are still undergoing deep internal transformations. After the French and the Dutch 'no' to the European Constitution, the EU has been faced with a deep internal crisis which consists of three elements: the crisis of its previous strategy based on simultaneous and supposedly painless implementation of two key processes of European integration (widening and deepening), the crisis over its institutions, and the legitimacy crisis that embodies a growing gap between political elites in EU countries and their respective electorates. In October 2007 the EU adopted the text of a new treaty – the Reform Treaty, to replace the draft constitution, which should be assessed as a step forward and a new success of the European integration. From a general point of view, Russia is interested in a strong EU speaking with one voice but a great deal will depend on the tone of this voice. There are concerns of the Russian political elite that the new members of the EU who still regard Russia as a new version of the USSR will be heavily influencing the EU strategy vis-à-vis its biggest neighbour. 'Their governments watch like hawks', in the words of a senior European diplomat, 'how the EU-Russia relations develop. Some hope that being part of the EU will give them additional leverage in their relationship with Russia' (Trenin, 1).

Russia is still in the process of re-establishing its statehood and international position after the chaos of the first decade of its post-Communist evolution. President Putin has never made a secret of the fact that he is going to build a strong state, reduce the informal influences established under Yeltsin and strengthen the integrity of the RF. This has been basically accepted by the EU and the US, who were becoming tired of Russia's controversial development under Yeltsin. At the same time and on many occasions, Vladimir Putin has reaffirmed Russia's European vocation and his readiness to promote market economy reforms.

The European choice of Russia has not become final, irreversible or common to its new political elite and the public. The fact that Russia's foreign policy has multiple aims does not mean it is versatile and balanced. Rather, it is more likely to imply the lack of clearly defined priorities, long-term plans and coordination of actions among different stakeholders. Apart from the administrative mess, it is even to a greater degree an indication of a bitter ideological struggle between various political forces over the choice of model for internal development of the RF, which has its own effects on the country's foreign policy priorities and choice of partners and adversaries, who have been changing at a dizzying pace.

Nevertheless, on top of the Russian foreign policy priorities, relations with the EU, at least at the level of statements, are usually second only to the CIS, above all due to the current stand of Russia's top leadership, which meanwhile has been a target of an increasingly harsh critique by Brussels and accusations of authoritarianism. This critique is often well justified; however, it is by no means always taking into account both alternatives that are realistically possible in Russia and the impacts of its own (often wrong) actions on the political in-fighting in Russia.

So, the key-question now is how far the EU and Russia will be drifting away from each other and whether there are still imperatives for their partnership which will make them meet again at a certain point.

b. Imperatives for Cooperation

No doubt, there exist sound interests for the EU-Russia economic and energy cooperation. Russia is the EU's third largest trading partner. Between 2000 and 2006 the export of goods from the EU's current 27 member states more than tripled in value to € 72.4 billion. Imports from Russia to the EU over the same period have more than doubled to €140.6 billion.¹ Russia is an important external energy supplier to the EU, currently accounting for over 25% of its oil and gas deliveries. The EU will remain Russia's most important energy export market and European companies are Russia's most important foreign investors.² Moreover, all scenarios show that the EU's energy imports will continue to grow significantly. According to some estimates, the EU dependence on external energy supplies by 2030 will be 81 % of its oil consumption and 93 % of the gas consumption (Chizhov, 13). However strong these economic interests are, it would be worthwhile to remind that even during the Cold War, the USSR and the West were able to cooperate in many spheres, notably in trade and arms control but it made little difference to the overall nature and character of these relations. Therefore, apart from economic and energy interests, **three main incentives** or three interests can be identified which objectively push both Russia and the EU towards cooperation in Europe at large and in its adjoining regions.

i) Common Perceptions of Threats to European and International Security

Both Russia and the EU recognise that the new external threats are linked above all to international terrorism, proliferation of weapons of mass destruction, and continuing ethnic and religious conflicts. It is clear that these common perceptions of threats are not something unique and typical only to the relations between Russia and the EU. Virtually every member of the so-called 'civilised international community' shares these concerns. So, the shared perceptions of post-bipolar threats provide just the skeleton of a framework for interaction between Russia and the EU, a general categorisation of states into 'holy' and 'unholy' ones. At the same time, of importance is the mere fact that Russia, unlike the USSR, and the West are on the same side of the fence on the issue of new challenges and threats that moved to the top of the international security agenda after the end of the Cold War.

ii) Stability in Wider Europe

Indeed, stability in Wider Europe is a special common interest of the EU and Russia. The EU is interested in securing stability in the East, while Russia wants the same in the areas to the west of its borders and beyond. This goal cannot be achieved in the absence of integration of the two partners in the military-political sphere and cooperation on security issues, just like it

was impossible in the past to ensure security of Western Europe without rapprochement and integration between the two main opponents, France and Germany.

The military capabilities of the EU countries (most of them as members of NATO, two being nuclear powers and some having foreign troops, bases and nuclear weapons deployed in their territories) and Russia are too huge and have pronounced offensive elements for them to be just 'neighbours', co-existing without suspicions and concerns about each other. This problem is partially smoothed over by the disarmament treaties [notably, Treaty on Conventional Armed Forces in Europe (CFE), Intermediate-Range Nuclear Forces Treaty (INF), and trust and transparency building measures within the OSCE]. However, such treaties mostly regulate the strategic relations between the opposing parties and, this way, preserve the confrontation. Besides, treaties are always selective in their scope and are prone to erosion due to political tensions. They can also be violated or denounced (which Russia is considering now in relation to CFE and INF). A truly profound and irreversible transformation of military relations between states or alliances can be achieved only through a continuous military integration (of course, provided it is based on mutual and equal commitments of all parties).

Another aspect of stability in Europe is closely related to the post-Soviet space since the CIS countries of Eastern Europe and Southern Caucasus are neighbours of both Russia and the EU. Therefore, their interaction directed at overcoming rivalry in this area meets the interests of both parties. Russia's policy in the post-Soviet space remains the main factor that will influence the development of the relations between Russia, the EU and the West as a whole, being a key criterion by which the Russian democratisation process will be judged. And conversely, for the Russian political elite, Western policy with regard to the CIS countries is a sort of litmus test of the true goals of the post-communist strategies of both the EU and NATO.

iii) Russia and the EU as a New Centre of Power

Another specific interest of Russia and the EU can be seen in the fact that without each other neither Russia nor the EU can become an independent centre of power in international relations comparable to the US and, in the longer term, China and other emerging new superpowers, coalitions of states and transnational actors of the 21st century. Once they get rid of military concerns with respect to each other, they will be able to fully reallocate their huge resources to tackle other threats and challenges to security. Besides, the military-industrial and scientific capabilities, geo-strategic positions, traditional strengths and the practical experience of the armed forces of the EU members and Russia are in many ways complementing each other. Only together can Russia and the EU play the role of an economic centre of global significance and – in a more distant future – of a military-political centre of power. It will not be supposed to be in opposition to the US or other centres, but will be able to play an independent role, prevent arbitrary actions in international relations and have its own project of a rational world order, including Europe and its regions.

c. Problems for a Full-fledged Partnership between Russia and the EU

i) Political Context

In addition to the above mentioned sources of obstacles to integration between Russia and the EU, still another fundamental problem exists. It currently has to do with the scrapping of the previous model of relations between Russia and the West that took shape in the 1990s when the external and internal positions of the RF were extremely weakened. Figuratively speaking, Russia does not want to live by the old rules, while its partners are not ready to accept new rules. Today, Russian leaders extend to the EU and other Western partners the following critical demands:

- Recognition of Russia as an equal partner in the international arena, one of the leading military-political – and in the longer term economic – centres of power (not as an obedient executor of another's decisions).
- Recognition of Russia's right to have and express its own interests, no matter how different they might be from the interests of the EU, NATO or the US (be it the Kosovo problem, the Polish meat or deployment of the US missile defence system in Europe).
- Recognition of the post-Soviet space as a zone of special and vital economic, military and humanitarian interests of Russia, as well as its security interests in the broad sense of the word (which does not equate to recognising the post-Soviet space as an exclusive sphere of influence).
- Recognition of Russia's right to pursue internal transformations with account of the peculiar features of the internal political situation that took shape as a result of the reforms of the 1990s and the sentiments of the public, which today are marked by a mix of the post-Versailles syndrome (the humiliation of the 1990s) and the post-Weimar syndrome (the fear of falling back into misery at the stage of coming out of the crisis).

Russia's attempts to reassert itself on the international arena as an equal partner are being assessed by its Western partners with irritation and suspicion because they have got accustomed to Russia's low-profile policy of the 1990s and feel no need to change the old model when Russia was just an executor of the decisions taken by Brussels and Washington. But the fact is that, notwithstanding the underlying reasons, Russia feels that it is becoming stronger both domestically and internationally, it is part of many international institutions and its role is very important for solving many urgent security issues. "Not a single Russian political party or state body is prepared now to accept the paradigm of relations of the 1990s, when Moscow willingly or unwillingly simply followed in the wake of the US, when Russia's interests were not considered and its opinion was ignored on all fronts. 'Never again' is the slogan that has united all forces in Russia in their approach to the country's foreign policy" (Arbatov 2007a, 13).

There is nothing scary in Russia's pretension to have **a right to express its own interests and positions on the international problems** if these are to be resolved in a normal way of

negotiations and trade-offs. The EU member states have different positions among each other on many international problems. And the EU positions in this sphere often differ from those of the US which, however, does not create a risk of collapse of the EU-US relations. The US, on many occasions, demonstrated total disregard to international law, arms control, positions and interests of its partners. In this connection, Russia has some bones to pick with the European NATO members, most of whom are also members of the EU, which explains the turn of the Russian military policy against NATO expansion in Europe. Why was Europe so diffident when the US wrecked the disarmament treaties which formed the basis of global security? All the European states, including Russia, had ratified the CTBT (Comprehensive Nuclear-Test-Ban Treaty), which the US has not ratified. Why did the European allies not bring any pressure to bear on the US over this issue? It is now obvious that if the treaty had come into force, the situation with North Korea would have been different. The West, including the EU countries, has lost all their interest in the CFE. The fact that Poland and Czech Republic are considering the issue of hosting elements of the American ABM (Anti-Ballistic Missile) system, even though this concern is exaggerated in Russia, is universally perceived in a negative sense.³

Russia has the right to have its own interests in the post-Soviet space (which has nothing to do with its special rights) because only sixteen years ago all post-Soviet NIS were part of one integral state and they are still linked by numerous economic, political and social ties. No doubt, Russia's policy in the CIS cannot be justified in every aspect. In the 1990s, driven by neo-imperialist idealism (paradoxically in line with Russian Communists)⁴ the Yeltsin leadership was trying to 'reassemble' the CIS under the aegis of Russia and to establish 'special relationships' with the CIS states, which at the end of the day boiled down to Russia playing the role of a donor of post-Soviet NIS. Instead of differentiation of relations within the CIS and the identification of priority partners, Russia accepted a model that allowed close neighbours to be hangers-on and put on the Russian leadership the entire responsibility for the arbitrary Soviet rule, partly on the grounds that the real government mechanisms of the USSR and the Russian Soviet Federative Socialist Republic (RSFSR) were fused together.

Under Putin, Moscow's policy has shifted to a more pragmatic stance. The conflicts with Ukraine, Georgia and Belarus over energy prices and transit costs, which disrupted energy supplies to Europe, unleashed a wave of indignation in the West, accusations that Russia was practicing a policy of energy imperialism and blackmail, and even calls to use NATO in order to guarantee the energy security of importing countries. Moscow was perhaps heavy-handed in its tactics, especially with Ukraine, but the fact remains that the transition to world prices for energy supplies does represent the renunciation of the former imperialist policy of economic favours in return for political or military-strategic loyalty. This has been confirmed by Moscow's similarly pragmatic approach to its neighbours as diverse as Ukraine, Georgia, Armenia and Belarus.

With regard to the 'frozen' conflicts it is focused primarily on preventing the conflicts in neighbouring countries from being resolved through the use of force – surely not a blameworthy objective. It would be better, of course, if Russia were working more actively to bring about a peaceful settlement to these 'frozen' conflicts. However, Moscow's policy is nonetheless not as unfair and irresponsible as the current Western policy of separating Kosovo from Serbia with all

the consequences that will follow, including repercussions for the Balkan stability and the similar 'frozen' conflicts in the CIS (Arbatov 2007a, 18).

As for **Russia's right to implement its domestic reforms in its own way** one should not ignore the fact that only sixteen years ago Russia was part of the Soviet empire and after the collapse of the USSR it started from scratch having a strong Soviet legacy, a lot of problems but lacking democratic experience and a new political elite. Today Russia is being judged by its partners by the highest standards of democracy which do not exist even in the leading EU countries not to mention the new members. Democracy has been developing in these countries in a natural and consistent way expanding from above to wider layers of population. Russia after the collapse of the USSR had to resolve many problems at once – to create a democratic foundation for its institutions and promote market economy reforms. Looking back in time, one cannot but recognise that the first decade of its transformation was very uneven but at the same time one should recognise that Russia has already achieved a lot. During these sixteen years Russia passed through the stage of the initial accumulation of capital, the stage of the oligarchic capitalism and entered the stage of the state-monopolised capitalism that the EU countries had passed fifty-sixty years ago.

At present the West is guessing who will be Putin's successor and how heavy-handedly he will be promoted through the presidential campaign of 2008. This attitude disregards a fact of crucial importance: Putin's determination to leave his post because the constitution requires it. During many centuries in the Tsarist Russia and during the decades of the USSR never had the supreme leader left his post due to a constitutional provision. It has always happened either because of death, coup, or both. Mikhail Gorbachev did it in 1991 since the state he presided over was disbanded. Yeltsin did it in 1999 since his physical condition and popularity rating left no hope for his team to retain power without hastily changing the leader in advance (Arbatov 2007b, 33).

Putin who enjoys enormous popularity (around 70%), who is pressed by the political elite to stay for a third term and who could easily change the constitution is ready to step down because he wants Russia to be treated as a civilised European nation and he wants to be accepted by the West as a democratic leader and reformer. This would be a big step forward in Russia's domestic evolution – the constitutional change of power for the second time in the post-Soviet history of Russia.

However, the widespread stereotype in the West is that there is a gap in values between Russia and the Western democracies which has been embodied in the famous words of President Bush who said that 'it is impossible to reprogram Russian DNA which is centralised authority'. However experienced in democracy President Bush may be, the gap is not in values but rather in democratic experiences of Russia and the West, particularly the EU countries.

The future of EU-Russia relations will depend a great deal on what the EU countries with their long history of democracy want from a Russia still involved in the painful process of transition from communism, a process that began only sixteen years ago. Lack of trust in Russia, which can be partly put down to the legacy of the past, and partly to Russia's present development, induces

the EU to distance itself from its eastern neighbour and perceive it chiefly in terms of oil, gas and nuclear weapons. One has the impression that Russia is being forced to rely on energy exports because there are powerful interests not only inside Russia, but also in the West which would like Russia to be stuck with that kind of orientation. The main concern put forward by the West boils down to just one question: 'Will you give us enough oil and gas?' If this approach prevails in the EU, it will have dramatic consequences for Russia's internal evolution and could lead to a scenario in which EU-Russia relations are trapped between cooperation and confrontation. An economy that relies on export of raw materials is, by the same token, a model of an authoritarian political system, a model that leads to greater stratification of society and the region, a model that leads to a policy of dominance in the post-Soviet space because it is necessary to secure the transit pipelines.

How should one deal with a Russia that is far from perfect? It would be worthwhile to remember the advice given by George Kennan in his 1951 article 'America and the Russian Future' where he predicted the collapse of the USSR: "When Soviet power has run its course, or when its personalities and spirit begin to change (for the ultimate outcome could be one or the other), let us not hover nervously over the people who come after, applying litmus papers daily to their political complexions to find out whether they answer to our concept of 'democratic.' Give them time; let them be Russians; let them work out their internal problems in their own manner. The ways by which peoples advance toward dignity and enlightenment in government are things that constitute the deepest and most intimate processes of national life. There is nothing less understandable to foreigners, nothing in which foreign interference can do less good. There are, as we shall see presently, certain features of the future Russian state that are of genuine concern to the outside world. But these do not include the form of government itself, provided only that it stays within certain well-defined limits, beyond which lies totalitarianism" (Kennan, 82-84).

The question of whether the EU with its membership enlarged to twenty seven can correctly assess the current Russian situation and elaborate a clearly defined and realistic strategy of integration with Russia, unfortunately, seems to be a rhetorical one.

ii) Legal Framework in a Vicious Circle

In 2007, the EU and Russia had been trying to agree on the future of the PCA – either to extend the existing or slightly modified treaty or sign a new agreement. The PCA was first offered to Russia, Ukraine, Belarus and Moldova in 1994-1995 as the lowest legal form of relations between the EU and third countries. The PCA still remains the main legal document for EU-Russia cooperation but both parties recognise that it is now outdated. The PCA model represents a purely technocratic approach by the EU to Russia and other post-Soviet states and bypasses the question of strategic goals. Beyond this, the PCA neither fully reflects the substantial changes that have taken place in Russia, the EU and the world, nor the experience, achievements and new areas of cooperation. Russia's membership in the World Trade Organisation (WTO) will deprive the PCA section on trade of any real meaning. As for political relations, the last decade

of EU-Russia political cooperation has gone far beyond the limits of the PCA and, regardless of mutual dissatisfaction, Russia and the EU closely cooperate on the most urgent problems of international security, be it Iran or the unresolved question of Kosovo's status.

As the date approached for EU enlargement to the CEE (Central and Eastern Europe) countries, Brussels was confronted with the problem of its eastern borders and the necessity of defining its policy vis-à-vis Russia and other areas in the post-Soviet European space. At the St. Petersburg Summit in May 2003, the EU and Russia agreed to reinforce their co-operation by creating four long-term 'common spaces' within the framework of the PCA: a common economic space; a common space for freedom, security and justice; a space for co-operation in the field of external security; and a space for research and education, including cultural aspects. Being in its essence a potentially innovative idea, capable of truly adding a strategic perspective to the relations between Russia and the EU, the St. Petersburg Initiative has almost at once raised doubts as to both the feasibility of creating common spaces and the seriousness of the intentions announced by the parties.

The biggest doubts were about the idea of creating the common spaces of cooperation in the framework of the PCA between Russia and the EU. This was a technical agreement with quite a narrow scope and, besides, it had become obsolete in many ways by the time of its signature and, therefore, could not provide an adequate regulatory framework for such a major initiative.

As we see it, the St. Petersburg Initiative was based on the desire of the parties, and above all of the EU, to add, at least formally, a new dimension to their relations on the eve of the forthcoming – and the biggest yet – enlargement of the EU to include countries of CEE. The very logic of the enlargement was prompting the EU to seek new forms of cooperation with Russia, which was going to be left outside the scope of this strategy.

The Brussels strategy vis-à-vis the post-Soviet space has been further developed within the framework of the ENP, a policy directed at the stabilisation of the Union's immediate neighbourhood. The first draft of the ENP, namely the European Commission's Communication 'Wider Europe – Neighbourhood' (2003), like the so-called Solana Paper on the EU Security Strategy, was being criticised in Russia by the proponents of the EU-Russia strategic partnership for the lack of clear priorities and diversification of the EU policy vis-à-vis the Union's immediate international environment, first and foremost Russia. The opponents of the EU-Russia rapprochement used this document to back their favourite thesis that 'nobody wants Russia, and even the EU prefers to keep Russia at arm's-length'.

The Commission's Communication on wider Europe did not contain clear criteria of geographic, historical, political and economic factors designating Europe's borders or Europe's 'nearest and near abroad'. Like Solana's paper, this document mentioned Russia 'en passant' together with the EU Mediterranean partners. That approach could not but confirm suspicion that the Union's policy on Russia lacked a clear strategic vision, above all the degree to which Russia could be integrated into the widening and deepening the EU.

The final draft, the EU Neighbourhood Policy (2004), has entirely excluded Russia from EU strategy.

This document defines Russia as a strategic partner of the EU but says that EU-Russia relations will be built around the St. Petersburg decision on four common spaces of cooperation.

With all its purely formal substance, the St. Petersburg Initiative, once fleshed out in an official document, took on a life of its own, prompting political leaders to make further steps. For instance, it was taken further at the Moscow and London Summits in 2005, where the concept of road maps for the four common spaces was agreed. Besides, the idea of the four common spaces has already been adopted by both Moscow and Brussels as a framework for a new agreement, successor to the PCA.

What is the balance sheet of the legal EU-Russia relations? Today, the relations between Russia and the EU lack a regulatory framework matching the goals that have been set. The hyped PCA, which from the very start did not match the concept of the four spaces, expired in November 2007. Its automatic extension does not apply to the St. Petersburg Initiative. Talks on a new agreement, the so-called 'post-PCA', have been blocked by Poland. The road maps that were adopted, from the juridical point of view, do not and cannot constitute a legal framework. They could become 'operational' as working documents, had Russia and the EU had a new agreement based on the concept of the four common spaces with a clear definition of each of these spaces. In terms of substance, road maps, strictly speaking, are not even road maps, as they contain just a list of areas open for cooperation for which, however, no specific programmes or their timeframes are set out. It looks as though EU-Russia relations are now trapped in a vicious circle.

iii) Conceptual Problems

Of all common spaces for cooperation, it is the EU-Russia security cooperation (not the energy cooperation as it is often perceived in the EU and Russia) which is central for their partnership as well as for stability in Wider Europe, the Black Sea region included, in particular with regard to the post-Soviet space. The parties do not have a clear-cut vision of the ultimate goal. They have only a list of areas for cooperation, which do not give answers to many questions, in particular to the most important question of "What does this basic term, a 'common space of external security', mean in itself?"

Cooperation in individual issues of international security is often pursued between the countries that have no space between them. For instance, the NATO-Russia Council discusses a whole range of issues, starting with missile defence and ending with oil spills on the water surface from shelf oil production. Nevertheless, in its present form, this level of interaction is quite modest and is clearly not what was meant by a common space of external security between Russia and the EU.

On the other hand, there is a political-military alliance, which is the highest form of integration. A space is something in-between, something more than selective cooperation, but less than a political-military alliance, which implies a common perception of the adversary and threats, a common strategy, operational plans, combat training philosophy, and coordination of military-technical policies as regards compatibility of weapons and military hardware and integration of weapons programs. Unlike in the case of the common economic space, criteria are absent to define a space of external security which could help outline its contours.

Such criteria of a common space of external security should include:

- Agreement on what constitutes a common space of external security between Russia and the EU, both geographically and functionally;
- Identification of a common course of action, with a significant military component in its basis (training and use of the armed forces), rather than just cooperation in addressing international problems;
- A shared perception of not only common external threats, but also of concrete adversaries;
- Establishment of administrative and structural echelons of military interaction;
- Compatibility of the armed forces of Russia and the EU, required for conducting joint peacekeeping and other operations.

Is there a common perception of what constitutes external security for Russia and the EU? This seemingly simple question immediately stumbles upon serious problems, since unlike in the case with the other three spaces, the common space of external security between Russia and the EU does not have clear-cut geographical boundaries. Is the CIS space an external space of security, where Russia, the EU and other European countries of the CIS, as well as states of Central Asia should interact? There is no clarity about it and this question lacks serious consideration. Russia is increasingly viewing the CIS as a sphere of its vital interests, while the West, including the EU, flatly refuses to recognise it.

What about other spaces of security, in which Russia is involved? This is, in the first place, the space of Collective Security Treaty Organisation (CSTO). What about the Shanghai Cooperation Organisation (SCO) space, where Russia plays a big role gaining more and more influence in Central Asia and the adjacent regions? They do not overlap in any way with the common space between Russia and the EU. Moreover, they are a source of controversies, since Russia claims a special role in these regions, while the West, far from recognising these organisations, does everything possible to impede their development.

The same holds true for the EU as well, with the majority of its member states being simultaneously members of NATO. The biggest obstacle to the formation of a military component of the EU is membership of the majority of EU countries in NATO where they have committed the bulk of their resources. For example, the combined strength of the armed forces of the EU member states is 1,800,000 troops. Initially, it was planned to commit approximately 200,000 of them (slightly more than 10%) to a rapid deployment force with a view to have a capability of deploying up to 60,000 troops on a 'battlefield', i.e. as little as 3% of the combined strength of the armed forces. However, even this inefficient use of military resources proved to be an overwhelming task. In accordance with the decision taken in 2004, the EU has made an emphasis on setting up mobile units, named battle groups, each being approximately 1,500-men strong. They can be set up either by an individual EU member state or jointly by several countries, however, in tandem with the deployment of NATO Response Force (NRF). In such a way, in the situation where the bulk of resources allocated by the

EU countries for collective forces and tasks is committed to NATO (which itself is in the process of transformation and search for new missions) and in the absence of a well-founded and clear demarcation between the military components of the EU and NATO, this dichotomy of the EU will continue to be a major obstacle in creating its own military leg of support.

It turns out that the space of external security between Russia and the EU, to a great degree, indirectly implies the space of external security between Russia and NATO, which means that it includes Russia and the US. However, conflicts are currently prevalent in this space and, besides; the term 'space' can hardly be applied to US-Russia relations, as seen from Russia's stand on the CFE, the INF, collisions over the deployment of elements of the US missile defence system in Europe, etc. However, it is quite difficult to separate these conflicts from the relations between Russia and the EU, just like it is impossible to demarcate the space of security between the EU and NATO. The main problem in Russia's relations with the West and both with NATO and EU is NATO's expansion to the post-Soviet space, above all to the GUAM countries (Georgia, Ukraine, Azerbaijan and Moldova) which have troubled relations with Russia. Putting aside the question 'Who is wrong and who is right?', the fact is that this process has become an apple of discord fraught with a new divide in the post-bipolar Europe. Russia regards NATO's enlargement to the CIS space as an anti-Russian policy. NATO wants to prevent a rebirth of a 'Russian empire' in any form whatsoever. The GUAM countries have lost any hope to resolve their territorial problems with the help of Russia and instead invest their expectations in NATO's enlargement.

How does energy security, being on the junction between internal and external security, fit into the common space between Russia and the EU? The issue of energy security was placed on top of the agenda at the NATO Summit in Riga in 2006 where Russia was discussed as a potential common threat and even application of the Article 5 of the NATO's character to Russia, concerning collective defence, was debated. Similarly, the recent Russian doctrine of turning into an 'energy superpower' was reminiscent of the use of energy exports blackmail as a foreign policy instrument, patterned after the 1973 oil embargo. There is no mutual understanding whatsoever between Russia and the EU as to whether external security covers the energy sphere. What is seen is only mutual irritation, suspicions and growing rivalry. One has to state, sadly, that the common interests of Russia and the EU do not prevail over manifestations of antagonism between them.

Is there a common perception of threats and adversaries? As noted above, there is a general agreement between Russia and the EU/NATO on the list of external threats formulated at the EU level in 2003 in the document titled 'A Secure Europe in a Better World' (European Union 2003). However, there is no unity when partners try to agree on who are to be defined as international terrorists, as failed states or rogue states supporting international terrorism.

For Russia, terrorism means above all the terrorism of Wahhabi strain, the one that exists in the North Caucasus and in Central Asia (in particular Chechen Islamic militant groups or the Islamic Movement of Uzbekistan). Countries tacitly and unofficially supporting terrorism are in the first place Saudi Arabia, Pakistan, Jordan and Turkey, that is American partners and allies. The US has never placed these countries on its list of states supporting terrorism. It has been very sceptical about the Russian definition of terrorist groups, in particular those in Uzbekistan, Kyrgyzstan,

Tajikistan and in the North Caucasus. The US sees Iran as a key state supporting terrorism and lists Hezbollah and Hamas among terrorist organisations; however, Russia has never accepted this view. The EU is mostly fixated on the Palestinian problem, which, in its opinion, is the main source of terror, including in Europe, – a view not shared by Russia.

Neither within the EU nor NATO there is an agreement as to the nature of security threats and the ways to counter them. The problems over Iraq, Iran and the US National Missile Defence (NMD) system in Europe have most clearly demonstrated this. There is no agreement on this issue within the RF either. Part of the Russian military and political elite lists among the main threats radical Islamic fundamentalism and conflicts in the South – and in the longer term, possibly in the East (for example, with China). However, an even bigger part of it sees certain threats to the Russian security in the policies of the US and NATO. This, in particular, has already been publicly stated in official documents on the military doctrine and the security strategy of the RF.

There is no administrative institution that would serve on a permanent basis as an interface for interaction between Russia and the EU in the military sphere. Such an institution could potentially be set up based on a new regulatory framework between Russia and the EU. However, its prospects are unclear. Today, there is a permanent representative of Russia in the EU, who regularly meets with the Political and Security Committee of the EU; there is a representative of the Defence Ministry in the Permanent Mission of the RF to the EU, who sometimes meets with the EU Military Committee; however, there is no permanent day-to-day interaction, like the one that, for example, the EU has with NATO. Starting from 2005, continuous presence was agreed between the EU and NATO of a group of EU representatives at the Supreme Headquarters Allied Powers Europe (SHAPE) and of a group of NATO officers at the EU Military Headquarters.

Neither of the above questions is taken into consideration or looked into in earnest either at expert level, or at state level, when the common space of external security between Russia and the EU is discussed.

CHAPTER 2

RUSSIA AND THE EU IN THE BLACK SEA REGION

a. National Interests of Russia

The Black Sea region constitutes the most crucial area in Russian foreign policy due to its geopolitical and geo-economic importance and specific Russian interests during the period of systemic transformation following the collapse of the USSR. It is marked by a string of destabilising factors such as 'Chechenisation' of the North Caucasus, 'frozen conflicts' in the Trans-Caucasus, strained relations between Russia and the countries of GUAM and rivalry over transit routes for Caspian oil. Thus, from a Russian viewpoint, the Black Sea is the focus of many vital concerns that will affect not only national but regional and international stability if not handled properly. Russia's interests in the region can be defined as follows:

First, to retain Russia's positions in the region as one of the main actors, given the emergence of new strong regional (Turkey) and external actors (the US/NATO) prone to exploit, with the collapse of the USSR, a historic opportunity to increase their influence in the region:

After the collapse of the USSR both Turkish and American policies have been heavily dominated by the goals to undercut Russia's positions in the region, the CIS space included. In addition, Turkey has been supported by the US as a balancing factor in the Caspian-Black Sea region against Iran's influence. American support for the Ceyhan pipeline is seen as being in line with US priorities in the region while keeping in mind the interest of American companies.

The EU involvement in the region was minimal in the 1990s. Romania's and Bulgaria's membership in the EU highlighted the importance of the Black Sea region for the ENP and raised the question of the EU's sub-regional approach to the Black Sea. Today the EU's active role in the region is heavily affected by its Euro-Atlantic ambivalence, namely, its security links with NATO.

The predominant opinion of the Russian political elite is that the West, above all the US/NATO, does not want Russia to regain the influence it had back in the time of the USSR. And when a deep crack emerged between the GUAM and the rest of the CIS, the West was quick to drive a wedge into this crack supporting the GUAM countries to make them drift from Russia and to use their vulnerability for its own goals – to have new oil and gas routes that bypass Russia and new military installations and bases not necessarily directed against Russia but, say, to have Iraq, Iran and Afghanistan within the reach. 'The GUAM was established to limit Russia's influence in the Caucasus. The US and, naturally, NATO launched the policy in 1991 right after the collapse of the USSR and stepped up their efforts in the mid-1990s...By the time the region had become of considerable importance to the US, in the first place due to the Caspian energy resources...With the change in the geopolitical situation in the world and Russia bouncing back, the Caucasus has become even higher on America

and NATO's agenda in part due to its lucrative strategic location' (Military Diplomat, 45-46). Driving a wedge between Russia and the GUAM would be a disservice to the US/NATO security interests in the Wider Black Sea area, which require cooperation with Russia on the Kosovo problem, Iranian nuclear programme, international terrorism and many other issues. But the major threat is related to the risk of a new divide in the post-Communist Europe.

Second, to counter and suppress extremism, separatism and terrorism:

Evolving problems in the North Caucasus between the autonomous Russian republics (not only Chechnya, but also Karachay-Cherkessia, Kabardino-Balkaria, North Ossetia, Ingushetia, etc.) and growing religious pressures (from the Wahhabis, among other groups) make this area perhaps even more important to Russia than the CIS in terms of interests and stability. Given regional interdependences, Russia is interested in security and stability in Wider Black Sea region. The major concern of Moscow is radicalisation of Russian Moslems who have traditionally lived in Russia, in the North Caucasus and in the Volga-Urals region. This process is fraught with terrorism and separatism. Many regional countries are faced with the same problems. This common challenge creates sound fundamentals for cooperation under the best scenario.

But as it was mentioned earlier, there is no common understanding of separatism and terrorism. The Kosovo problem is the most telling evidence to this. Though there are political forces in Russia which are forecasting Kosovo's independence to be a precedent for the rebellious regions in the Black Sea area – Abkhazia, South Ossetia and others – the Kremlin is not interested in the Kosovo precedent, not only because it wants to avoid new tensions with the West but first and foremost because it will confront Russian leadership with a serious challenge. To recognise the rebellious autonomies along the Kosovo model would mean to reconsider the main principle of the Russian foreign policy centred around the inviolability of the post-Soviet borders. So, the Kremlin is still a wall, albeit thin, barring the way to Russian nationalists, but Russia's patience with the Western position on Kosovo is wearing thin, too.

Third, to ensure uninterrupted and secure energy, trade, civil and military communications within and throughout the Black Sea and the Straits:

Ankara's threats in the 1990s to reduce the volume of Russia's oil-tanker traffic via the Straits as well as the competition for pipeline routes out of the oil-rich Caspian Sea basin have been seen by Moscow as a challenge to its interests in the region. The same can be said about Turkey's threats in 1998 to take unspecified 'necessary measures' if Russia's sale of a defence system to Cyprus would go through.

The 'pipeline war' on Caspian oil was guided by the goal to reduce Russia's leverage on Azerbaijan and to decrease Russian tanker traffic through the Black Sea straits. The signing in Athens of a long-delayed Balkan oil pipeline agreement in March 2007 ensures the flow of cheaper Russian crude to the Mediterranean. The pipeline between the Bulgarian Black Sea port of Burgas and the Greek Aegean Sea port of Alexandroupolis, estimated to cost about \$1 billion, will speed up oil transportation by bypassing the congested Turkish Bosphorus, where tanker delays are costing oil companies nearly \$1 billion a year. It will be parallel and complementary to the Baku-

Tbilisi-Ceyhan oil pipeline. Still, the 'pipeline war', being in some sense a consequence of political tensions and conflicts in the region, will no doubt, in its turn, aggravate political and military contradictions, driving farther apart Russia, Armenia and Iran on the one side and the US, Turkey, Azerbaijan, Ukraine and Georgia on the other. Thus, among other things, splitting deeper the CIS and thwarting Moscow's efforts for the integration of the post-Soviet space (Arbatov 1999, 160-188). On 8 March 2007, the presidents of Poland and Ukraine proposed that an energy summit be held in May with Azerbaijan, Georgia and Kazakhstan to discuss alternative energy pipeline routes to Europe. Put simply, 'the arms race' through pipelines continues to fuel mutual suspicion and dissatisfaction and undermines the EU-Russia energy dialogue.

Another problem is related to the concept of energy security which has been embodied in the Riga speech of Sen. Richard Lugar presented at the NATO summit.⁵ The Russian-Ukrainian gas scandal provided him with a new argument for NATO's revival as the main Western security institution. Russia was presented as the main energy threat and Sen. Lugar singled out energy as an Article 5 Commitment - Article 5 of the NATO Charter identifies an attack on one member as an attack on all. He said there is little difference between a NATO member facing an energy cut-off and a member facing a military blockade or other military demonstration on its borders. Not surprisingly, this speech brought about a very negative reaction in Russia. The EU would be a more appropriate institution to deal with this issue, in particular, if it finds the right balance between the interests of energy cooperation with Russia and energy security which can be achieved by developing common projects.

Fourth, to prevent new dividing lines in the region and the expansion of military coalitions which exclude Russia as a full member:

Looking back in time one cannot but recognise that Russia has not found its proper place in the Euro-Atlantic space and failed to formulate a viable strategy for the CIS. The euphoria brought about by the disintegration of the USSR was replaced in Russia with a sense of loss and defeat, especially in its immediate neighbourhood. The regional post-Soviet states who were gravitating towards the EU and NATO and did not see in Russia an attractive model for their political and social-economic evolution, could not, however, resist the temptation of making an advantage of their 'special relations' with Russia when it served their interests (first and foremost, special low prices for Russian gas and oil). Russia's emphasis on more pragmatic market relations with its closest neighbours in the energy sphere brought about accusations of political blackmail and pressures vis-à-vis these countries.

The absence of strategic goals in Russia's relations with NATO and the EU, given their policy of eastward enlargement, inevitably strengthened and continues to strengthen the 'great power' sentiments of the Russian political elite, as well as its fears of the Western strategy of 'squeezing' Moscow out of the zone of its vital interests - the CIS. The enlargement of the EU, initially perceived as a justified process in the development of a post-bipolar Europe, is increasingly seen by many in Russia as a source of new challenges, not only in connection with the problem of Kaliningrad (territorial integrity of Russia, passenger and cargo transit, etc.), but also in connection with rivalries in the post-Soviet space. Furthermore, the enlargement of the EU and

NATO to the East has traditionally been presented by Brussels as mutually-complementary processes. And although NATO membership as an obligatory condition of EU membership is not written into the Copenhagen Criteria, the latest enlargement of the EU to the post-communist countries of Central Europe attests that it has de facto become an obligatory condition. These countries became first a part of the Western security system and only afterwards could they count on EU membership. When applied to the CIS, this practice creates serious problems in EU's and NATO's relations with Russia and increases confrontational trends in Europe. In other words, the proclaimed principle of mutual 'complementarity' of the enlargement of the EU and NATO is obviously and dangerously at odds with Russia's interests in the post-Soviet space. As it was mentioned above, GUAM is being regarded by the Russian political elite as a conduit of NATO's interests in the Caucasus that are hostile to Russia.

The tensions between Washington and Ankara over Turkey's cross-border military operation into northern Iraq (for the time being the most stable part of the country) to crush Kurdish rebels can decrease NATO's reliance on the Incirlik base and shift the emphasis to new military bases and installations in Bulgaria and Romania. This will be at odds with Russia's interests, notwithstanding the underlying reasons of such a decision. An expansion of NATO's military infrastructure to the Black Sea countries will be assessed by Russia as 'an act of hostility' and just a new evidence of 'NATO's aggressive intentions'.

Turkey's drift away from NATO may have a paradoxical effect on Russia's relations with Armenia, the only loyal ally of Russia in the Caucasus region. Armenia has already started pondering options to follow in the footsteps of Greece. Since Turkey is, actually, turning into a NATO antagonist, some in Armenia believe the country should swap its security sponsor and join NATO to get security guarantees similar to those Greece has (Military Diplomat, 41).

b. Russia, the EU and the Common Neighbourhood in the Black Sea Region

Both Russia and the EU have an interest in their neighbourhood becoming more stable. At the same time, this goal is often viewed through distinct lenses. 'Russia regards ENP as too condescending – in so far as the EU has tried to apply it to Russia itself – and as too competitive with its own perceived interests in the common neighbourhood' (Trenin, 2).

i) ENP versus Membership

Through its neighbourhood policy the EU seeks to forge closer ties beyond its eastern border. It is natural that the EU is interested in good relations with all its neighbours, the post-Soviet states included. At the same time, this common wisdom does not mean that the neighbouring countries are equally important to the EU. It is quite possible to bring together EU's policies vis-à-vis its neighbours in one strategy – and the ENP is the best evidence to this fact – but to make this strategy workable is a different story. 'In reality, the strategic priorities that shape EU relations with its Mediterranean neighbours on the one hand, and its eastern neighbours

on the other, are significantly different. Because of its generalised formulation, the Neighbourhood Policy courts the danger of being unable to provide an effective strategy toward either region's problems that serves the EU's interests' (Kempe and Klotzle, 2). Generally speaking, the ENP is a product of the EU enlargement logic which has confronted Brussels with a necessity to define a strategy vis-à-vis its eastern and southern neighbours. In this context, the Balkans and the Black Sea region have represented the key strategic gaps in the vision of Europe.

Undoubtedly, the process of EU enlargement gives added relevance to the problem of identity, future borders and the slogan 'unity in diversity'. In other words, just how much diversity can the EU afford while remaining a unique European project and a unique political system? There is a growing sense in the EU that a reasonable limit should be put on enlargement if the EU itself is to survive. After the admission of Romania and Bulgaria the EU will make a pause which should be used to work out a strategy with regard to the countries that remain outside the enlargement framework.

While Russia does not seek membership in the EU, there are a number of countries in the CIS space – Ukraine, Moldova, Georgia and Azerbaijan – which have already announced their European choice. The ENP with regard to these countries is a temporary solution that gives Brussels a breathing space, yet the issue of the prospects of the entry into the EU remains open. Many experts on European affairs think that enlargement should be seen primarily in terms of a historical perspective for the countries which seek EU membership, and not in terms of the time factor. For instance, even if negotiations on Ukraine's admission to the EU were to last twenty years, they would have a positive impact on the development of the Ukrainian economy and, most importantly, its political system.

With the enlargement of the EU, divergences have developed between the 'old' and 'new' members over the future policy of enlargement. For example, Poland is sceptical about the prospects of enlargement to the south preferring the eastern direction and giving a priority to its immediate neighbour, Ukraine. From Warsaw's point of view, the potential membership of Turkey raises the question of a possible membership of Israel and Palestine thus nudging the EU towards expansion along the lines of the Roman Empire. That position contrasts with the opinion of some West European members of the EU to the effect that Turkey's membership is necessary to establish 'civilised cooperation' in Europe to counteract extremist political Islam.

What is the relevance of the new policy for the Black Sea region? As Roberto Aliboni has rightly pointed out, 'In principle, EU regionalism intends to foster relations among its partners at a regional level alongside bilateral relations with each one of them (at the end of the day, it is that purpose which makes inter-regionalism—especially between countries at different levels of development—compatible with globalisation and global governance). In general, however, bilateral relations have increased far more than horizontal relations among partners. Results are mixed and very much dependent on the degree of the partners' development. When partners are less developed, there is a polarisation effect. Each associated country gets more interested in developing its economic and commercial relations with the EU rather than with its neighbours' (Aliboni, 157-168). Besides, keeping the prospect of eventual membership

for the Black Sea countries open is a tricky policy because sooner or later the answer should be given. And the later the negative answer will be given, the stronger will be the frustration of those countries which will be left outside the EU. The EU has introduced the ENP as a means to prevent new dividing lines within Europe, but the result may well be the opposite.

With regard to the Black Sea post-Soviet space, the ENP, above all, is an opportunity for the EU to secure a Black Sea-Caspian dimension of Europe's energy and strategic security. The EU's support of the GUAM countries under the pretext that they better meet Western perceptions of democracy does not look convincing to Russia. Not only because there are remarkable differences between these countries, but because there is not even one country in the post-Soviet space that can be assessed as democratic. Some of the CIS countries, Russia included, are still undergoing a painful process of transition, others, mostly in Central Asia, still resemble feudal kingdoms with no intention to be democratised. For the sake of stability in the region, the EU and Russia should coordinate their bilateral policies.

ii) Russia: Facing the GUAM Challenge

Generally speaking, the main problem for Russia in its relations with the CIS countries, including GUAM, is that today it cannot present an attractive model of socio-economic and political development for these countries. Contrary to the school of thought that believes that only undemocratic regimes in the CIS – Tajikistan, Uzbekistan and Belarus – gravitate towards Russia while the countries which have embarked on the democratic road – Ukraine, Georgia and Moldova – are oriented towards the West, in reality Russia cannot be an attractive model for either the former or the latter group. For the former group, the Russian model is not authoritarian enough and too close to the West, while for the latter it is too authoritarian and has a leaning to neo-imperialism.

From an economic point of view, the way the CIS has been conceived is a burden for Russia and any attempts to change the existing pattern of relations and put them on a market basis causes resentment among Russia's partners. Though the RF is the stronger party in the bilateral relations with the CIS countries, there is a danger that a belt of states hostile to Russia may appear on the perimeter of the Russian borders, which is not in Moscow's interests. At the same time, the CIS can no longer play the role of a structure designed to dampen the contradictions among its members. The problematic countries for Russia are Ukraine, Moldova and Georgia and to a lesser extent Azerbaijan. The least problematic countries have traditionally been Belarus and Armenia, but their future links with Russia depend on a multitude of internal and external factors. The recent economic troubles with Russia have pushed Belarus closer to the GUAM countries which, together with the West, have positively accepted it (though the Lukashenko regime by no means can be assessed as democratic).

Another problem Russian and GUAM political leaders are being faced with is that they have to deal with the consequences of the decisions taken by their predecessors. Most of the difficulties in the Russia-GUAM relations are rooted in the 1990s. The neo-imperialist idealism

of the Yeltsin leadership made Russia take a tougher stance on relations with Ukraine and other republics, pressuring them on territorial, ethnic, economic and military issues of discord. GUAM is a net product of this ill-conceived and heavy-handed policy.

The prospect of seeing the GUAM countries joining the NATO has incited Russia to take an even tougher line towards them and their problems (such as separatism and dependence on Russian energy supplies). GUAM and NATO have retaliated in turn by working even more actively in the post-Soviet space.

iii) Ukraine

Of all bilateral relations in Russian foreign policy, Russian-Ukrainian relations are the most important. They are important both for Russia and Ukraine, being a test case of domestic developments in the two largest and strongest successor states of the USSR. They are important for the stability in the post-Soviet space, in the Black Sea region and, consequently in Europe. And, finally, Russia's relations with Ukraine bear an effect on its relations with the EU and NATO/US.

From ethnic, cultural and socio-political points of view, Ukrainians as well as Belorussians are the closest peoples to Russians. But, as history has shown in many cases, the very proximity of these peoples creates problems in their relations by fuelling emotions and irrational behaviour of politicians. The convolutions and zigzags in Russian-Ukrainian relations during the last sixteen years can be the best evidence to this fact. 'The devil may care' attitude of Russian radical democrats vis-à-vis Ukraine and other former Soviet republics of the early 1990s was followed by the Kremlin's attempts to have Ukraine stalled in the mid-1990s, almost six years of nationalist rhetoric on both sides, and the growing understanding both in Kyiv and in Moscow that stable relations between Russia and Ukraine were badly needed. 'It is a classical case of two peoples who are so closely intertwined and mixed that only Russia's rude policy directed at imposing its will on Kyiv and the extremist reaction of Ukrainian nationalists can hinder development of those ties between them which exist today between Germany and Austria or between Canada and the US' (Arbatov 1999, 142).

Russia's ratification in 1998 of the 'big treaty' on Friendship and Cooperation, in which Moscow has officially recognised Ukraine's independence, sovereignty and territorial integrity, including the most delicate issues of Crimea, and Sebastopol ('the city of Russian glory'), has created fundamentals for closer cooperation on international affairs in the UN and OSCE, joint peace-keeping operations in the CIS and outside the CIS, some joint defence programmes and projects. The bilateral agreements on the partition of the Black Sea Fleet and its shore infrastructure have formalised an agreement on Russia's naval base abroad. Undoubtedly, this treaty should have been signed much earlier - after the dissolution of the USSR. But instead of establishing good relations with Ukraine, Moscow became engaged in never-ending disputes on the problem of Crimea and the discord between Russian and Ukrainian military over the partition of the Black Sea Fleet and the base of Sebastopol. Having resolved these problems the

treaty between Russia and Ukraine unblocked the way for their future relations and removed the threat of a repetition of the Yugoslav scenario. However, this window of opportunity was not fully used by Moscow and Kyiv.

Ukraine's participation in GUAM, its NATO aspirations as well as the 'orange revolution' of 2004 have been perceived in Russia as a manifestation of the anti-Russian bias. The main reason for the Kremlin's blatant and clumsy interference in Ukraine's 2004 presidential poll was not to install a puppet regime but to prevent the allegedly anti-Russian opposition candidate from winning. After this attempt had failed miserably, Putin simply recognised the realities on the ground (Trenin, 4) and put the Russian-Ukrainian relations on a more pragmatic foundation which resulted in the transition to world prices for energy supplies. However uneven this policy was in the form of its implementation, and even if it had a flavour of 'tu l'as voulu' attitude of Russia vis-à-vis Ukraine, in its substance, the price of revision was not linked to political and military demands.

Like almost all post-Communist states, Ukraine is threatened by nationalism, corruption and inefficiency. Political reform has progressed slowly although there are some positive results – a new constitution, political pluralism and experience of constitutional change of power. Civil society is still undeveloped and people are tired of political and economic turmoil. One of the biggest problems for domestic political stability is that the country and its political elite are still divided along ethnic and regional lines (Garnett, 73). Nowadays, this potential split is embodied in the political rivalry of the key politicians – Yushchenko, Yanukovitch and Timoshenko.

The fact that Ukraine is drifting away from Russia and towards the West is widely recognised by the Russian political elite. With respect to relations with Russia there is no political consensus in Ukraine, but the prevailing view is that Russia is no longer the key political priority. There is no awareness in the Ukrainian political elite that significant resources should be concentrated and all the opportunities should be used in this specific area.

A broad political consensus has emerged in Ukraine on its European choice and there is active popular support for integration into the EU (unlike on the issue of NATO membership). The main debate in Ukraine is about the mechanisms of integration (including the solution of practical issues such as the visa regime, readmission, etc.) and about the time frame. Ukraine's official goal is to sign a new agreement in succession to the PCA which would seal the possibility of future membership in the EU, modelled on the Europe Agreements signed with Poland, the Czech Republic and Slovakia.

As for Ukraine's would-be membership in NATO, there is no consensus in Ukrainian society on this issue. Russia perceives this option as an anti-Russian policy. Some of the Russian political analysts believe that the Kremlin has already reconciled itself with the idea of Ukraine's membership in NATO. 'In one of his striking statements in 2005, Putin basically acquiesced in Ukraine's NATO aspirations...he said that if Ukraine joined NATO, Russia would have to withdraw sensitive equipment from its Black Sea Fleet in the Crimea and terminate some

co-operation with the Ukrainian defence sector. But that was it' (Trenin, 4). This quotation proves only the fact that Kremlin is aware that it cannot veto Ukraine's membership in NATO and it will take all the necessary measures if it happens. But the key-question is what impact this decision will have on the European stability and the Russia-West cooperation on the most urgent security issues. The worst possible scenario is the division of Ukraine since the population of its eastern part is strongly against Ukraine's membership in NATO. 'Fast-track accession of Ukraine into NATO (a proposal which recently received the approval of the US Congress) would risk splitting the country and setting off widespread violence, a situation in which Russia and the West would find it hard not to get involved' (Arbatov 2007b, 35).

The EU vocation of Ukraine will be welcome by Russia if Ukraine remains neutral. As indicated above, the image of the EU is dented by the process of NATO's enlargement which goes hand in hand with the EU widening. For the sake of stability in Europe, it is necessary to change the paradigm of the relations between the EU and Russia, and between the EU and NATO with regard to Ukraine moving from rivalry to interaction, to realistically determine the foundations of such interaction in accordance with the current situation both in the EU and in Russia and Ukraine.

iv) Moldova, the South Caucasus and the 'Frozen' Conflicts

If Ukraine is only fearful that it could crop up a territorial conflict under the worst scenario in its relations with Moscow, the relations of other GUAM countries – Moldova, Georgia and Azerbaijan – with Russia are already heavily influenced by the 'frozen' conflicts which date back to the late 1980s (Nagorno-Karabakh) and early 1990s (Abkhazia, South Ossetia and Transdniestria). From the very beginning, Russia's involvement in these conflicts in the format of Russia/CIS peacekeeping operations stirred up Western suspicions about Moscow's intentions in the post-Soviet space.

The image of Russia's peacekeeping/peacemaking was dented by the Soviet experience in Afghanistan, Tbilisi, Baku and Vilnius, the presence of former Soviet military formations with vested interests in their own survival as well as the loss of centralised control over some local commanders (the case of General Lebed in Transdniestria). Being concerned about the revival of Russia's neo-imperial ambitions, the West (the US/NATO and the EU), however, did not show any intention to get involved and 'to sort out the mess' in the post-Soviet space while Russia could not simply afford to stay aloof and just watch what was going on in its immediate neighbourhood.

The EU involvement in the region has been almost invisible and only recently it has begun to concern itself with the 'frozen' conflicts in the Black Sea region. The EU provides money for economic rehabilitation in Abkhazia and South Ossetia; it has appointed two special representatives, one to help with conflict resolution in the South Caucasus and one to deal specifically with Transdniestria; and it has observer status in the Joint Control Commission (JCC) dealing with the conflict in South Ossetia. However the EU does not have a formal role

in any multilateral frameworks that seek to resolve the 'frozen' conflicts while some of the EU members play an important role in conflict resolution (Trenin, 5).

Nowadays Russia has troops and military bases and installations in all of the CIS countries except for Uzbekistan and Turkmenistan but their presence is regulated by intergovernmental agreements and a CIS mandate. Russia's troops are still deployed as peacekeeping contingents in Abkhazia, South Ossetia and Transdniestria – against the wishes of the Georgian and Moldovan leadership – and this is a constant source of tension with the neighbouring countries. The ceasefires have held for almost a decade but with little progress towards any final political solution.

The OSCE, together with Russia and Ukraine, has been trying to broker a political settlement between Chisinau and Tiraspol, 'the capital' of Transdniestria. The so-called Kozak Memorandum on the Transdniestria problem in 2003 was directed at finding a compromise between Chisinau and Tiraspol on the basis of a realistic approach which did not greatly differ from the Yushchenko plan. Nonetheless, it was rejected by the OSCE as well as by the EU and US under the pretext that 'it was too radical in giving Transdniestrian Republic too much independence on Moldova, which would be inadmissible'.⁶ However, maximum autonomy of self-proclaimed states within territorially integral states (all the way to confederation) is the best possible way to resolve such conflicts and to prevent the resumption of armed violence. There may be two exclusions from the priority principle of territorial integrity: (1) a policy of genocide against a national minority which is to be proven by independent international observers, and (2) change of external borders of a state which is not accepted by national minorities. Together with other measures – long term deployment of an international peacekeeping force, resolving the problems of refugees, tackling the problems of socio-economic development and reinstating the economic and humanitarian relations between the exclaves and parent states – the principle of maximum autonomy of self-proclaimed states within territorially integral states could form the foundation for a universal approach to the 'frozen' conflicts.

The Moldovan leadership is fully aware of the fact that the problem of Transdniestria cannot be solved without Russian participation. On the other hand, Moldova is a partner country within the ENP. A joint EU-Moldova ENP Action Plan lays out the strategic objectives based on commitments to shared values and effective implementation of political, economic and institutional reforms which means that the EU is ready to engage more fully in the region. So Chisinau has a vital stake in a breakthrough in the relations between Russia and the EU and the creation of a new multilateral format, involving Russia and the EU, to resolve the problem of Transdniestria. All the more so, since for the time being the Republic of Moldova, unlike Ukraine and Georgia, does not seek NATO membership. Its European choice is to be within the framework of neutrality, and Moldova signed its individual plan of cooperation with NATO as a state committed to preserving neutrality. No doubt, this creates a much more favourable environment between Moscow and Chisinau.

In Abkhazia a fragile truce has been established since 1994, policed by Russian peacekeepers.

Tbilisi and Sukhumi are engaged in two sets of negotiations: the UN-sponsored negotiations in Geneva and the Sochi process under the auspices of Moscow. The ceasefire between Georgia and South Ossetia is enforced by a tripartite – Russian, Georgian and South Ossetian – peacekeeping force and the JCC. The truce is uneasy in this area and breaks down from time to time.

The conflict in Nagorno-Karabakh (a region that was part of the Soviet Azerbaijan but whose population is largely Armenian) stopped in 1994 with a ceasefire establishing a de facto Armenian control over the region. Nagorno-Karabakh like Transdnistria declared itself independent. Azerbaijan and Turkey closed their borders with Armenia. Together with France and the US, Russia is part of the OSCE Minsk Group whose efforts have not yet resulted in any political solution. Of all conflicts, the Nagorno-Karabakh issue is the most sensitive one for Russian interests because it affects its relations with two important partners – Armenia and Azerbaijan. Armenia is a very important strategic ally of Russia while Azerbaijan is far more important for Russia in economic terms, including the importance of the Caspian continental field as well as oil and gas transit from Azerbaijan and via it from Central Asia. Besides, along with Georgia, it is part and parcel of antagonisms in the North Caucasus, including the situation in Dagestan and Chechnya (Military Diplomat, 38-39). Therefore, Russia's position on Nagorno-Karabakh is more balanced than in other cases though it lacks a clear-cut political course. It should have been more active in the OSCE Minsk Group from the very beginning of its involvement in mediating.

As seen by some political analysts in Russia and abroad, 'Russia has preferred the status quo, mainly because it has lacked the resources to ensure that such solutions would reflect its interests, but also because it has liked using these conflicts as levers to prevent Georgia and Moldova from developing closer ties with the West' (Trenin, 5). However, there is growing understanding of the Russian political elite that there is a risk of "over-freezing the 'frozen' conflicts" which would deprive Russia of any role in the GUAM space. The GUAM countries that have lost any hope to resolve their territorial conflicts with Russia's help cannot but seek for other options and security sponsors. The case of Georgia is very telling from this point of view. Initially, Georgia's membership in NATO has been viewed by Tbilisi as the only possible way to do away with its territorial challenge but, as it often happens, the means has replaced the goal having become a kind of *idée fixe*. Now it seems that Georgia is ready to join NATO at any cost, even leaving Abkhazia and South Ossetia behind it.

Obviously Russia's policy in the region should have been much more well-thought-out and consistent, and after the collapse of the USSR, Moscow should have found the right balance between its security interests in the region and its more flexible and reasonable approach vis-à-vis individual states. As indicated above, having passed through the period of neo-imperialist idealism of the 1990s, Russia's policy in the CIS has become more realistic and pragmatic. Today Russia does not seek any kind of 'monopoly' of influence in the former Soviet space. It has realised that keeping military bases in countries which do not want them is no longer possible and effective as an instrument of traditional control. And, as the May 2005

EU summit has shown, Russia is ready to talk to the EU about the security of their common neighbourhood. Therefore, 'the EU should make a priority of working with Russia to broker settlements for the region' (Leonard and Grant, 6).

v) The role of the BSEC

The BSEC was established at a time when Russia was desperately trying to find its place in the post-bipolar international relations and to reinstate its position in the CIS. The BSEC membership helped Russia to retain its presence in the region when Russia's position was weak and when the country was undergoing a painful process of systemic transformation. Regardless of existing conflicting interests and tensions between Russia and some other regional states, the BSEC contributed a lot to practical cooperation in the region. Russia's participation and contacts in the BSEC format have created an additional framework for political dialogue at the regional level. The BSEC is a relatively young international organisation, and that explains most of its problems. Established in 1992 to promote trade and economic cooperation among the Black Sea states, it later expanded its interests and activities to security in the region. The BSEC's role in developing regional infrastructure and advancing cooperation in sensitive sectors undoubtedly provides advantages to the EU, Russia and other regional countries.

The BSEC is a product of both globalisation and regionalism aimed at making the Black Sea area a region of peace, cooperation and prosperity. This aim, however, is not the easiest one to achieve, taking into account its lack of homogeneity, implementation mechanisms, resources, international visibility, and a clear vision of priorities (Valinakis, ix). Russian foreign minister Sergey Lavrov stated on 1 June 2006 in Istanbul that 'Russia considers the BSEC to be a viable regional international organisation which possesses necessary mechanisms for cooperation. What we need now is to devote the bulk of our efforts to the practical realisation of the possibilities that have been created'.⁷

The BSEC can be seen as a potential positive influence in the regional cooperation and the main working structure, covering, like a regional OSCE, all Black Sea states. At the same time, this potential influence, particularly in the security sector, is constrained by Russia's fears (again like in OSCE) to remain in minority while discussing political problems that are important to Russian national interests. Therefore, Russia is more focused on economic projects within the BSEC. A breakthrough in the EU-Russia relations at the strategic level will undoubtedly increase the BSEC's political role in the region.

The EU and BSEC are complementary in many senses. However, a great deal will depend on the EU's ability to present a viable strategy for the region. For the time being, it is based on the ENP which represents rather a bilateral approach than a sub-regional one. 'The BSEC, as an organised area oriented to stability, development and peace, fills a vacuum the EU is unable to fill until it can get out of its political minority status by enforcing a real EU common foreign and security policy. The BSEC, in alliance with the EU, can perform a series of political and security functions with respect to an area the EU cannot manage by itself. In this sense, a

downgrading of the BSEC within the context of the ENP would not be a plus for the EU itself' (Aliboni 2006, 166). Under the best scenario it could become the EU's regional sub-contractor and the main coordinator for regional cooperation.

CHAPTER 3

POLICY RECOMMENDATIONS

As indicated above, stability and cooperation in the Black Sea region in the context of the EU-Russia partnership cannot be achieved without radical changes in the very foundation of their strategic relations. Therefore, the EU-Russia efforts should be directed at resolving the most urgent fundamental problems.

a. A New Legal Format

The only way to get out of the vicious circle where the EU-Russia relations are trapped now is to create a new legal foundation for the St. Petersburg decision that, if implemented, could upgrade the level of the EU-Russia partnership and tackle other problems, the energy dialogue and the CIS space included. Upgrading relations between Russia and the EU, drawing closer not only on the basis of common interests but also of common values, would remove or greatly diminish the chances of a clash of interests in the territory of the CIS (Ukraine, Georgia, Moldova and Belarus). In other words, the stability of greater Europe and the effectiveness of multilateral cooperation, regional cooperation included, hinges on how the '2007 problem' will be solved. Without a new legal form of relations, the EU's potential enlargement to the CIS space will be opposed by Russia, a contrast to its initially positive attitude towards the EU's widening strategy.

b. Cooperation with the EU via NATO

As of now, no clear demarcation between the military components of the EU and NATO exists, while the military establishment of the EU is in an embryonic state. Besides, attempts at cooperation between Russia and the EU in the military sphere which bypass NATO would be seen as attempts to drive a wedge between the Euro-Atlantic partners and would cause a rejection reaction. Therefore, cooperation should be developed with the EU within the NATO format in the first place. One of the main goals in this area should be a moratorium on NATO enlargement **to include CIS countries, coupled with reconfirmation by Russia and NATO of their commitment to the principle of territorial integrity of all post-communist states and with a pledge of the RF to facilitate settlement of the 'frozen' conflicts in Georgia and Moldova.** This could be fleshed out in a joint declaration or a concluding document, like the one signed in 1997. One may expect that there will be a strong opposition to this initiative on behalf of the NATO and those CIS countries which are striving for NATO membership under the pretext that these countries have a legitimate right to join the Alliance. But this logic can be expanded also to Russia who has a legitimate right to be against those processes which seem to be at odds with Russian national interests. Generally speaking 'legitimate' does not mean necessarily 'positive'. The US has a legitimate right to withdraw from the ABM Treaty but the consequences

of this decision were very negative in many aspects for international security. From this point of view the signing of a moratorium would be extremely important since it would:

- prevent further growth of tensions between Russia and NATO, and hence, EU member states;
- allow avoiding a dangerous conflict between Russia and the West over a possible NATO enlargement to include Georgia and Ukraine;
- remove the main obstacle to the development of military-political cooperation with NATO and the EU;
- rebuild a platform for new agreements on arms reductions and limitations on the continent;
- pave the way for building a common space of external security.

c. A New Cooperation Pact between the EU and the CIS States

Another important condition for promoting the regional cooperation and preventing conflicts between Russia and the EU in this region would be the launching of a new initiative – a functional approach to cooperation between the regional countries. Such an approach could be provided by a Pact of New Cooperation (Stability Pact for the Black Sea region) in key areas of the economy, the energy sector above all, internal and external security and science. A functional approach to equal cooperation of all the interested states would help to prevent the emergence of new dividing lines in this region. It does not challenge the existence of other regional associations, notably the Russia-NATO Council (although its prospects have faded), Eurasian Economic Community (EurAsEC), the CSTO and the SCO, while offering a new format of cooperation for all the interested states. Herein lies one of the advantages of the proposed approach which works across regions and multilateral organisations.

In this vein, it would seem important to reformat the EU-Russia agenda on the four common spaces identifying five priority areas: in the sphere of energy, internal security, external security, military-political and military-technical cooperation and science. The difference between this approach and the existing approaches to cooperation of Russia and other CIS countries with Euro-Atlantic institutions consists precisely in making the agenda as concrete as possible, concentrating resources on the main issues and conducting intensive negotiations with clearly set goals and deadlines. The range of participants in these projects should be determined by the principle of 'flexible geometry', that is, automatic participation of all the states in these projects should not be assumed. The implementation of these projects would contribute to greater security, economic prosperity and democracy in the region and in Europe as a whole.

It is obvious that time will determine the specific timeframes, forms and ways of mutually beneficial integration on equal footing between Russia and the EU, including external security and cooperation in their common neighbourhood. Provided Moscow pursues a constructive and coherent policy, the EU will sooner or later accept the new 'rules of the game', since they are also in its long-term interests. In the long term, Russia's transition from an economy based on exports

of raw materials to a high-technology and innovation-based model of the economy – within the framework of expanding democratic institutions and standards – will absolutely dissolve the controversies over the problems of Russian domestic policies and will give focus to the integration policy of Russia as Europe’s biggest country and potentially its strongest economy. Undoubtedly it will have a positive impact on the situation in the Black Sea region and create a solid foundation for multifaceted regional cooperation which, at the end of the day, will bring security and stability to the region.

Notes

- 1 See 'Vice-President Verheugen to visit Russia to discuss closer economic co-operation', Press Release, Brussels, 13.07.2007, Available on <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/07/1092&format=HTML&aged=0&language=EN-21k->
- 2 See European Commission, European Union – Russia Energy Dialogue, Available on http://ec.europa.eu/energy/russia/index_en.htm
- 3 See the report by the Committee of Russia in United Europe, 'Russia and the European Union: in Search of a Common Strategy,' Moscow, 2007.
- 4 The so-called internationalists (by their own definition) or hard-nosed derzhavniks consisted mostly of active communists and neo-imperialists believing in the genuine desire of former Soviet nations to reunite (against the will of their elite) and revive the former imperial grandeur.
- 5 Sen. Richard Lugar is one of the most well-known and respected American politicians in Russia who played a very important and positive role in the US-Russian relations having launched together with Sen. Sam Nunn the Cooperative Threat Reduction initiative. At the same time, Sen. Lugar has always been an ardent proponent of NATO's enlargement, looking at this process as a new mission for NATO after the end of bipolarity and trying to find new arguments for Euro-Atlantic solidarity which is undergoing a deep crisis with the removal of the Soviet military threat.
- 6 See Analytics, 25 October 2005. Text available on <http://en.for-ua.com/analytics/2005/10/25/122106.html>
- 7 See 'The Russian Federation's Chairmanship in the BSEC: Priorities and Expectations'. Text available on http://www.greece.mid.ru/int_e_04.html

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ANNEXES

ANNEX I

ABOUT THE AUTHOR

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ANNEX II

ABBREVIATIONS

ABM	Anti-Ballistic Missile
BSEC	Black Sea Economic Cooperation
CEE	Central and Eastern Europe
CFE	Treaty on Conventional Armed Forces in Europe
CIS	Commonwealth of Independent States
CSTO	Collective Security Treaty Organisation
CTBT	Comprehensive Nuclear-Test-Ban Treaty
ENP	European Neighbourhood Policy
EU	European Union
EurAsEC	Eurasian Economic Community
GUAM	Organisation for Democracy and Economic Development – Georgia, Ukraine, Azerbaijan and Moldova
INF	Intermediate-Range Nuclear Forces Treaty
JCC	Joint Control Commission
NATO	North Atlantic Treaty Organisation
NDI	Northern Dimension Initiative
NIS	Newly-Independent States
NMD	National Missile Defence
NRF	NATO Response Force
OSCE	Organisation for Security and Cooperation in Europe
PCA	Partnership and Cooperation Agreement
RF	Russian Federation
RSFSR	Russian Soviet Federative Socialist Republic
SCO	Shanghai Cooperation Organisation
SHAPE	Supreme Headquarters Allied Powers Europe
US	United States
USSR	Union of Soviet Socialist Republics
WTO	World Trade Organisation

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Recent years have witnessed the growing strategic importance of the Black Sea region that has become closely intertwined with the adjoining regions – the Caucasus, Balkans and Central Asia. Nowadays the Wider Black Sea Area is seen as one of the most important European and Asian transport and energy hubs, an area of dynamic political transformation, socio-economic processes and unresolved conflicts. It ranks high on Euro-Atlantic agenda and it constitutes the most crucial area in Russia's foreign policy because its importance goes far beyond the regional boundaries. Strictly speaking, Russia's problems with the GUAM countries or rivalry with the Western countries over alternative pipelines are not only regional problems. They are regional projections of fundamental problems that exist in the CIS space or the Russia-West relations. Therefore, with all the importance of multifaceted regional cooperation, one cannot but recognise that stability and security in the Wider Black Sea Area (as well as regional cooperation itself) will depend, first and foremost, on the major trends and processes in Russia-EU relations and Russia-West relations at large.