Arkady Moshes

In Search of Priorities

The EU, Russia, and Their Neighbours

The EU faces a dual challenge in relation to its immediate eastern neighbours. On the one hand, it would like to build up privileged partnerships with the neighbouring post-Soviet states, so that the present dividing line between EU members and non-members will in future gradually become less sharp. In this way, the post-Soviet states could be integrated partially into the European economic and political space. The prerequisites of this development are long-term stability, system transformation, and the acceptance of "European values" by the neighbouring states.

On the other hand, the European Union also has an interest in ensuring that its policy in Belarus, Ukraine, Moldova, and the southern Caucasus does not have a negative impact on its relations with Russia. For example, the EU does not want to shift the political boundaries of Europe from the Polish-Ukrainian to the Ukrainian-Russian border. Brussels does not want to play a zero-sum game with Moscow in the common neighbourhood; in fact, it wants to reassure the leadership of the Russian Federation that this is not what it is doing.

The original offer made to Moscow – that the European Neighbourhood Policy (ENP) could be extended to in-

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clude Russia – proved to be conceptually untenable. The ENP had already been employed in the EU's relations with other eastern and southern neighbours. Understandably, Russia preferred to preserve the special character of its relations with the EU, which to a considerable extent did justice to its role as an active political subject in the common neighbourhood rather than as an object of EU policy. As a result, Russia and the EU agreed on the May 2005 Road Map for the establishment of a common space of external security, with the intention of ensuring security through co-operation in the regions with which they both had borders. This was supposed to underline once again the equal and positive character of EU-Russian relations.[1]

The EU's and Russia's approaches to this common neighbourhood are very different; indeed, they come into direct conflict. Russia is endeavouring to preserve its dominant position in the region and to prevent former Soviet republics leaving its sphere of influence and establishing close relations with the EU. Accordingly, Moscow has reacted critically to EU initiatives designed to improve security on the EU's borders. The ENP, in particular, is seen as an attempt to push Russia back and to isolate the country. The European Union cannot agree with this stance, especially when Russia attempts to exert direct economic and political pressure on its neighbours.[2]

The difference between the two parties' positions on democratization in the region is increasingly taking on the character of a direct diplomatic confrontation. The demand for democracy is becoming the main orientation of Brussels's policy.[3] This leads to extremely negative reactions from Moscow. For example, Russia's permanent representative in Brussels, Vladimir Chizhov, has demanded bluntly that the EU should stop calling for democracy.[4]

Is the current confrontation strategic and systemic in character, or can we expect those involved to change their minds? Would it be realistic for the EU to pursue a more active policy in the post-Soviet countries and at the same time to seek to strengthen relations with Russia in a spirit of partnership? Or is it inevitable that one of these goals will have to be sacrificed to the other? Is the competition between the EU and Russia in this region avoidable? And if it is avoidable, is it worth it? These questions need to be asked, but up to now, there has been hardly any satisfactory discussion of them in the EU.

The answer is obvious. The political contest between Russia and the EU cannot, for the foreseeable future, be avoided. In addition to the state of democracy in Russia, Moscow's behaviour in the common neighbourhood will give rise to fundamental misgivings in Europe and will lead repeatedly to an acute worsening of relations, as we have already seen in autumn 2004 during the elections in Ukraine and in autumn 2006 when Russia sought to exert pressure on Georgia.

From the European point of view, it would be a mistake to treat this conflict as something absolute and just as mistaken to fear it or to attempt to render it less acute by reducing the EU's role in the region. Interdependence in the field of energy, which forms the basis of co-operation between Russia and Europe, exists and will continue. The export of Russian energy to Europe will carry on, regardless of contradictions in other spheres, because it is practically impossible for Russia to reorient its exports towards other markets. This gives Europe a good deal of room for manoeuvre in its policy towards Russia and the region as a whole.

Second, and this is the most important point, Russia's influence in the western part of the post-Soviet space is not growing. As Dmitrii Trenin has argued, Russia is

trapped today in a kind of positional warfare; it is unwilling to retreat, but it is not moving forward either.[5] If Russia were at any time to recognize the pointlessness of its post-imperial policy, Europe must be prepared to take on more responsibility in the region in order to maintain stability. This policy could be successful if and when the transformation has become deeper and more mature, but this presupposes a more active European policy that should already be in place today.

Third, the search for a *modus vivendi* with Russia could be made easier by the abandonment of notorious double standards in policy. The goal of European policy should be the successful completion of the transformation to democracy and the market economy, but not a geopolitical reorientation of the region. This approach would make it possible for the neighbouring countries to maintain their ties with Russia to the greatest extent possible, and Russia could not suggest that the EU was pursuing a self-interested policy based on the rules of a zero-sum game.

A return to the *status quo ante* is impossible

During the 1990s and the early part of the 21st century, the situation in the western part of the post-Soviet space (with the exception of the Baltic countries) was as follows. Because of its role in the region and the ties with the newly independent states that it inherited from the USSR, Russia was not only the strongest foreign policy player but also, to all intents and purposes, the only real actor in the system. Russia bore the fundamental responsibility for economic and political stability in the region. Russian economic subsidies, Russian participation in the regulation of domestic and interstate conflicts, and regular attempts

to initiate sub-regional co-operation were seen as the natural state of affairs.

Russia, for its part, behaved very responsibly in relation to the formal recognition of its neighbours' political independence and territorial integrity. A series of serious internal crises, such as the Crimean crisis of 1994-95, passed without Russian intervention, and Russia did not use the opportunities available to it to exert influence in the field of energy. It is greatly to the credit of Russia and its leadership that nothing like the events in the former Yugoslavia happened in the post-Soviet space. What one could observe here was, in fact, one of the paradoxical advantages of an imperial mentality: Russia perceived its neighbours as parts of itself rather than as completely alien objects, and this made its policy calmer and more restrained. When Vladimir Putin came to power, with his ideology of pragmatic co-operation, no domestic responsibility for the disintegration of the USSR, and the hope that a partnership with Europe would provide Russia with the sources of modernization it needed, it appeared as if the system of political relations in the region would become even more stable.

Even at that time, though, Russia's behaviour was causing problems for its neighbours. Kiev, Chişinău, Tbilisi, and Baku were forced to defend their sovereignty, and they frequently had to resist direct pressure from Russia on specific points of policy. This led to conflicts. Unlike the conflicts with the Baltic countries, however, these always ended with a compromise with Moscow and the establishment of a new balance that was acceptable to both sides.

During the 1990s, the countries of this region had not anticipated ever having a prospect of leaving the post-Soviet geopolitical space. And for the EU, which had 15 member states at that time, the western part of the Com-

monwealth of Independent States (CIS) was, for a number of reasons, not a priority. No one was even thinking that these states might have any prospect of EU membership. In practice, the West tacitly accepted Russia's precedence and its leading role in the region. The East Central European countries were busy trying to improve their own chances of joining NATO and the EU, and excessively close regional integration (with Ukraine, for example) would have been a hindrance.

However, Russia's behaviour was not determined by exclusively altruistic and noble motives. During the 1990s, Russia simply did not have sufficient resources for an active, offensive policy, even if its political leadership had wanted to pursue such a policy. The continued granting of economic privileges was designed to contribute to keeping open the option of future reintegration and to preventing the collapse of the local economic systems, which would inevitably have had negative effects on Russia. But because these economies were so used to subsidies, the reforms were simply postponed. One can see this particularly clearly in Belarus. Even today, the potential threat to Russia that the economic collapse of a neighbouring state would present has not been completely eliminated.

During the first ten to twelve years after the disintegration of the USSR, there was no alternative in this space to Russia as the central point of reference. This gave a certain legitimacy to Russia's claim that the post-Soviet space should be seen as its primary sphere of influence. And since these countries had no real alternative to this conception of foreign policy integration, Russia could afford to react to their political independence in a relaxed way.

This situation changed radically in 2003 and 2004. Several processes that caused a qualitative change in the relationship between Russia, the western post-Soviet countries,

and the European Union came together at the same time. The enlargement of the EU changed the Union's relationship with its new neighbours in a fundamental way. On this new common border, the task was now to stabilize the eastern periphery, to narrow the gap in economic development and levels of income, and to combat soft security threats. The close historical, economic, and cultural relations between the new EU member states and their neighbours made it impossible for policy to be restricted to security issues (even in the broadest sense of the term). What was needed instead was an integrative approach. A series of documents drawn up in Brussels on the eve of enlargement, which led to the launching of the European Neighbourhood Policy in the spring of 2004, sketched a perspective for real integration between the EU and the neighbouring countries. It should be noted, though, that these documents also reflect the negative attitude of the European political class to further EU enlargement. The prerequisites of integration are that these countries should accept European values and move towards possible participation in the EU internal market. This meant that an actor had appeared at the edge of the region that was interested in dismantling the post-Soviet rules of the game, since, as long as these rules were adhered to, it would be impossible to solve the security problem, to say nothing of the integration problem. As an economic power, the EU can offer its neighbours numerous positive and negative incentives.

This meant that the countries of the region had an alternative available to them for the first time. According to a survey carried out by the *Ukrainian Centre for Economic and Political Studies*, the percentage of respondents who favoured EU membership for Ukraine remained at a level of over 50 percent from spring 2002 until autumn 2004; in

November 2002, just before the EU's decision in favour of enlargement at its Copenhagen summit, it was as high as 65 percent.[6] The government of Leonid Kuchma adopted legislation in which the strategic goal of EU and NATO membership was stated. With the *Orange Revolution*, the Euro-Atlantic option became the main orientation of Ukrainian foreign policy. Even the return of Viktor Yanukovych, the representative of eastern Ukraine, to power as prime minister did not lead to any questioning of the priority of relations with the EU.

In Belarus as well, where access to information is restricted, the percentage of the population favouring EU membership for the country never dropped below 50 percent during the early years of the new decade, according to the *Independent Institute for Socio-economic and Political Studies*. The highest level of support for EU membership, 61 percent, was recorded in December 2002, at approximately the same time as in Ukraine.[7]

The combination of these two processes, the EU's preparations for its new role in the western part of the post-Soviet space and the shift in the views of the populations of the neighbouring countries about their foreign policy orientation, was enough to cause fears in Moscow that Russia might be forced out of this region. This mood can be illustrated by the comments of Nikolai Patrushev, the head of Russia's Federal Security Service, concerning the *Orange Revolution*. Speaking to the Russian State Duma, Patrushev said that

> certain political forces in the western countries are striving to weaken Russia's influence in the post-Soviet space and on the international stage. We have seen this clearly in Georgia, Ukraine, and Kyrgyzstan.[8]

Regardless of the actual intentions of the West, and especially of the EU, Russia saw this development as a challenge and thought that, after a series of geopolitical defeats in the previous 15 years, it could not duck this challenge without losing its status as an influential state.

At the end of Vladimir Putin's first period in office, there was a significant change in Russia's self-perception. After the rise in the price of oil had led to an improvement in the socio-economic situation, Russia felt itself to be not only equal to the Western challenge but also strong enough to go over to the offensive. Before the 2004 presidential election, there was a widespread expectation in Russia that a period was now beginning in which the country would re-establish and strengthen its position in the CIS. In addition to the traditional "ultrapatriots", this policy was also favoured by representatives of circles that had formerly taken moderate positions, for example the liberal Anatolii Chubais. Chubais advocated a "liberal empire", by which he meant establishing Russian economic dominance over, rather than political control of, the CIS.

This meant that the goal of Russian policy was not to maintain the *status quo*, but to revise it to Russia's advantage. In autumn 2003, the island of Tuzla became the focal point of a crisis. The construction of a dam in the Strait of Kerch was basically a Russian attempt to create a fait accompli and force Ukraine to accept a de facto change in the course of the un-demarcated border. In winter 2004, Russia interrupted Belarus's gas supply in order to force Aliaksandr Lukashenka to agree to transfer the country's share of the Belarusian gas pipeline network to the Russian company *Gazprom*. In autumn 2004, Russia intervened with unprecedented intensity in the Ukrainian presidential election in an attempt to ensure that Viktor Yanukovych, Kuchma's chosen successor, would win.[9] In spring 2005, Russia tried,

though much less forcibly this time, to prevent the re-election of Vladimir Voronin as president of Moldova. In the winter of 2005-6, the Russian-Ukrainian gas crisis flared up, when Russia once again attempted, by means of a price rise and reductions in the volume of gas supplied, to influence the Ukrainian position on ownership of the pipelines. In spring 2006, Moscow placed a ban on the import of wine and other foodstuffs from Moldova and Georgia. This was followed in autumn 2006 by the transport blockade of Georgia and the large-scale deportation of Georgian citizens from Russia.

Of course, one cannot reduce all these Russian actions to a common denominator and say that they can be explained in terms of an imperial or anti-Western mood. Without a doubt, every state has the right to establish a legal order on its own territory and to receive a real market price for the goods it exports. A state's primary duty is to look after its own citizens by creating jobs and fulfilling other functions. It is nevertheless the case that Russian policy in the post-Soviet space has abandoned its old approaches and become tougher and more overbearing. Because its own role in the region is growing, the European Union cannot ignore this state of affairs. A return to the *status quo ante* is impossible. New conflicts between the EU and Russia can therefore be expected.

Advance or retreat?

As far as Russia is concerned, attempts to exert greater pressure are not necessarily more effective. Yanukovych did not become president of Ukraine, but Voronin was elected for a second period of office. Ukraine is still in control of its gas pipeline infrastructure, and no progress

has been made in attempts to create a Russian-Belarusian union. In 2005, after a delay of many years, Russia began to withdraw from its military bases in Georgia.

There are a number of reasons why Russia's attempts to assert itself are not very successful. The most important factor is evidently the declining attractiveness of close integration with Russia and the worsening of Russia's image in the "near abroad".[10] In recent years, Russia has no longer been at the forefront of economic growth in the post-Soviet space, neither in terms of the rate of growth nor in terms of quality.[11] Russia's social ills, including the threat posed by terrorism, are well known.[12] Millions of migrants who travel to Russia to work and then return home make no secret of their anger about their treatment at the hands of Russia's corrupt law enforcement system.

However, an even more important factor is that Russia is only moderately attractive in the sphere of non-material values. The pre-1917 Russian Empire did have this kind of aura. It derived support at times from Pan-Slavism and at times from the defence of the Orthodox faith, and at other times, it offered protection against assimilation or physical destruction. The USSR was the chief upholder of communist ideology, which was shared by millions of people throughout the world. Contemporary Russia has nothing comparable. During the 1990s, the country was attractive to a certain number of former Soviet citizens because of its democratic development, but in the last few years this role has been taken over by Ukraine. Despite this, the orientation towards Russia will remain, as the maintenance of ties is often of practical significance, but it will not be strengthened. The motivation seldom extends beyond economic considerations, with the exceptions of Armenia and quasi-state formations such as Abkhazia and Transdniestria, which

are not internationally recognized. This is no basis on which to build up a dominant position in the long term.

Russia has only a limited range of carrots and sticks at its disposal. In recent years, Moscow has begun to dismantle the main instrument of its centripetal policy: energy supplies delivered at special discount prices. The price paid for gas by Ukraine rose from $50 per 1,000 cubic metres in 2005 to $130 in 2007. Moldova paid $80 in 2005, $110 at the start of 2006, and $160 from the third quarter of 2006 onwards. For the countries of the southern Caucasus, the price was $70 in 2005 and $110 by 2006. In all these cases, needless to say, further increases can be expected. Even Belarus, Russia's "union partner", was told by its Russian suppliers in autumn 2006 that the price of gas would rise in 2007 from $48 to $200.[13] After tough negotiations, agreement was reached in the last minute of 2006 on a price of $100.

Moscow's decision to reduce the subsidies it had been granting to its neighbours' economies was well thought out and logically consistent. In times when low energy prices are no longer sufficient to stop the neighbours drifting towards the West or to ensure their absolute political loyalty to Russia, it no longer makes sense to sustain the neighbouring economies' competitiveness in an artificial way – sometimes even in a way that is detrimental to the Russian economy. The priority now is to maximize the economic benefits to Russia.

However, high energy prices strengthen the post-Soviet states' tendency to turn away from Russia. Even so, these countries do not necessarily turn to the West in order to guarantee their energy supplies. Lukashenka, for example, is more likely to look for a way out in co-operation with governments in Latin America and the Persian Gulf. Whatever happens, the opportunities available to Russia to use its energy resources effectively as either a stimulus or

a way of inflicting punishment in its dealings with local elites will decline in objective terms. The Baltic states recognized at an early stage that a country's sovereignty begins with its economy and decided to pay world market prices for Russian energy. Today, Russia is making this decision for the other post-Soviet states.

Even where Russia is able to exert pressure, the situation is not unambiguous. Cutting off gas deliveries to Belarus and Ukraine will not be possible for the foreseeable future, since the transit pipelines to Europe cross the territory of these states. As long as no alternative transit routes with sufficient capacity have been built, the risk of unauthorized siphoning off will remain. And Russia cannot afford to risk any damage to its reputation as a reliable supplier of gas to the EU. This does not apply to Georgia to the same degree, but there is also a transit pipeline running through Georgia to Armenia, which is an ally of Russia's. In addition, if delivery via a transit pipeline is interrupted there is nothing that can be done with the gas except to burn it off, since Russia has no capacity to store gas on its own territory.

Although it is absolutely necessary to regulate and control the access of migrants from other CIS countries to the Russian labour market, it would make no sense to close this market to these migrants altogether. The consequence of this would be that the worrying demographic tendencies in Russia would negatively affect the country's economic growth and socio-economic situation. It is possible to limit the access of citizens from certain countries, but this would damage Russia's image in such countries – especially if such a move were to be accompanied by nationalist excesses or violence on the part of the authorities.

This applies even more strongly to any closure of the Russian market to goods from other CIS countries. Of course, Russia can try to influence the position of small

states such as Georgia and Moldova, cases where a stoppage of exports to Russia leads to a drop in GDP, which has a negative effect on the popularity of the government as far as part of the population is concerned. But it is quite certain that blockades and protectionist measures will not boost Russia's popularity; what they will do is force these countries to think about how they can reduce their dependence on Russia.

Russia's gradual loss of influence can be seen particularly clearly in the case of Ukraine, because it is the largest country in the region and has a strong national, democratic, and pluralist tradition. Since 2004, Russia has not been a significant actor in Ukrainian domestic politics. Parties that make their orientation towards Russia the main theme of their election campaigns do not get into parliament. It is indicative of this situation that in the 2006 parliamentary election, the campaign of the Donetsk Group led by Viktor Yanukovych, which is considered pro-Russian but in fact pursues its own interests, was directed by a team of American advisers. In the *Universal of National Unity*, the document that sets out the basis of the co-operation between Yanukovych and Viktor Yushchenko, the word "Russia" does not appear once. Instead, the country's aspiration to join the EU is confirmed.[14] Since the president retains sufficient constitutional powers in this sphere, one can expect Ukrainian foreign policy to preserve its independent character as regards membership in the World Trade Organisation and continued co-operation with the EU and NATO.

If in future Ukraine, as it has said it intends to do, ceases to buy gas from Russia and only uses Russia as a transit route for gas from Central Asia, its room for manoeuvre is likely to grow further, for the two countries will no longer be in a legal relationship as buyer and seller and will become but

transit partners.[15] This, however, would not affect Russia's strategic importance for Ukraine or Ukraine's interest in maintaining bilateral relations on the basis of partnership. However, a return to the Kuchma era and the categories of "elder and younger brother" is already impossible.

Astonishingly, Belarus provides a further piece of evidence in support of the thesis that Russia is suffering a gradual loss of influence. Even though Russia is very popular among the Belarusian population, there has been a long, albeit declarative process of political integration, and the Lukashenka regime has seemed to depend on Russian support for its independence, Moscow has not succeeded in inducing Minsk to make economic concessions. Lukashenka has realized that the whole of his political power will be threatened as soon as he gives up any part of his economic independence – whether this be control of the pipelines or the right to issue Belarus's own national currency. By defending the independence of his regime, he de facto protects the independence of the country. There is even a trend towards a loss of Russia's position as the most important market for Belarusian goods.

In reality, Minsk's position in dialogue with Moscow is constantly becoming stronger rather than weaker. If Lukashenka is able to cope with the gas price rises and uses the means available to him to influence Russia (siphoning off gas from the pipelines, raising the price Russia pays for its military bases on Belarusian territory, and exerting psychological pressure on public opinion in Russia by means of war veterans' demonstrations), Russian influence in the region will be readjusted and will continue to decline.

It is more difficult to assess the situation in Moldova. In economic terms and in relation to the restoration of its territorial integrity, Moldova remains heavily dependent on Russia. But the fact that Vladimir Voronin came to power in

2001 promising to improve relations with Russia and was then re-elected as early as 2005 as a politician who defends the sovereignty of his country against Russia, speaks for itself. There must have been a fundamental shift in the voters' mood for this kind of change to become possible.

In its relationship with Georgia, Russia seems to have crossed the decisive line already. If the sanctions Russia imposed on the economy and citizens of Georgia in 2006 do not lead to steps on Tbilisi's part that can be considered a clear diplomatic victory for Moscow, Russia will find itself in the familiar situation of having to accept that a threat of action can turn out to be more effective than the action itself.

Post-imperial Russia: consequences for Europe

It is still too soon to speak of a readiness on Russia's part to accept that its attempt to maintain a dominant position in the post-Soviet space is destined to fail. Even so, Russia has begun to rethink its position. In March 2005, President Vladimir Putin admitted in Yerevan that the CIS had been set up to guarantee a civilized divorce of the USSR and so put an end to the discussion about the future of the Commonwealth.[16] This process has already reached the point where Russia is not interested in fulfilling all the obligations it has committed to up to now. Russia is no longer concerned about how the former Soviet republics find the money needed to pay higher energy prices, or whether these price increases will lead to their economic paralysis. Moscow no longer cares whether the closure of the Russian market to Moldova, a country that exports almost exclusively to Russia, leads to social and economic instability in that country. Russia obviously attaches no importance to the

decline in its popularity in the CIS. This is the attitude and behaviour of a post-imperial country driven by national egoism, not of a neo-imperial or even unchangingly imperial state striving to regain its old sphere of influence.

A Russia that thinks and acts in this way presents a dual challenge to Europe. The transition of Russia to a post-imperial stage leads to more rather than fewer conflicts in the region, as Moscow will be less inclined to make allowances for the interests and wishes of its partners. The EU cannot simply ignore these conflicts. Whatever difficulties Brussels may have in its relations with Minsk, it is hard to imagine that the EU could allow itself to stand idly by if Russia were to cut off gas supplies to Belarus. On the other hand, to the extent that Russia is less inclined to fulfil its obligations in the region, someone else will have to take over these tasks in the transition period. To put it another way: If the EU does not want the situation in Moldova to deteriorate, the wine that can no longer be exported to Russia must find its way onto the European market. If the EU is not prepared to permit this, appeals to Russia are unjustified.

The EU today is unable to react adequately to even one of these challenges. Since the Union is not a unified geopolitical actor, it must content itself with issuing declarations. However, the preparedness and capacity of Brussels to actually accept the economic responsibility leave a good deal to be desired. In this situation, the EU can in many cases only hope that the conflict level of Russian policy in this space does not rise above what is acceptable, and that it will not be drawn into the affairs of this region too rapidly.

One possible way out would be a redefinition of the EU's priorities in this region and a corresponding change of policy. Previously, priority was given to protecting the EU from the soft security threats that could emerge in the

region. But since the EU's eastern neighbours are far from the poorest region in the area (compared with the Balkans or North Africa, for example), and since, furthermore, part of the problem – the pressure of migration – is de facto being solved by Russia, a minimal effort would have been enough. Today, though, this task has to be seen in much more ambitious terms. If the EU does not manage to ensure a successful internal transformation of the space, the challenges will probably increase.

The goal of EU policy in the common neighbourhood should be the successful transition of these states to democracy and a market economy. This would reduce the degree to which these countries depend on external help to solve their own problems. If the EU keeps this goal clearly in view and demands something more than declarations from the local elites concerning their commitment to the "European choice", it will have good prospects for bringing about genuine changes and at the same time calming to some extent Russian fears that what Brussels really seeks, under the guise of rhetoric about reform, is geopolitical advantage.

Treatment of the different countries should be as individual as possible, as is already foreseen in the country plans drawn up within the framework of the ENP. The countries whose reform programmes are further advanced should not become hostages of solutions bundled together into packages.

The reform of Ukraine is of decisive importance for the whole of the common neighbourhood and for Russia. This process could become a model of what reforms can achieve. The EU should continue to cultivate an intensive exchange of experiences with Ukraine. In addition, the EU should make further efforts to embed the principles of rule of law in Ukraine and to provide the country with support in the struggle against corruption, the training of new elites, and

the strengthening of civil society. Up to now, Ukraine has been only moderately successful in these fields.

Since Ukraine is endeavouring to strengthen and extend its co-operation with the EU in every possible way, this is a case where the policy of conditionality could be used.[17] Ideally, this policy should be applied right down to the micro-level. Ordinary citizens should also be able to feel confident that if their country does what the EU requires of it, they will notice positive effects in their own lives. For example, if the judicial and legal system is reorganized in the desired way, the Union should respond by permitting Ukrainian citizens to visit EU countries without requiring visas. Supporting Ukraine in the introduction of energy-saving technologies could improve the country's energy security. Another step EU policy could take would be to enhance the status of Ukraine as a transit country for energy from Central Asia and the Caspian Sea region.

As long as Aliaksandr Lukashenka is in power, the only constructive co-operation possible between the EU and Belarus will be extremely restricted – if, indeed, any co-operation at all is possible. In practical terms, Brussels has no political instruments at its disposal that would enable it to influence the situation in Belarus. It is very difficult to develop a constructive agenda as long as official Minsk has no pro-European aspirations. And imposing economic sanctions is hardly likely to have the desired effects, as we have already seen in practice.

For the time being, then, the task of EU policy towards Belarus should be to keep up contacts with the Belarusian population and the non-governmental organizations and to improve the population's knowledge of the rules and principles of the EU. The EU could develop a special programme in order to intensify contacts in the fields of information, education, and humanitarian assistance. The

inhabitants of Belarus must be able to see that the door to the EU is open to them, just as it is open to other European peoples. In the longer term, the EU should be prepared to offer Belarus a transformation programme and to support this programme, as soon as the necessary preconditions are in place. At the moment, it is important to formulate, in a public and unambiguous way, Europe's attitude to Belarusia's independence and to the idea of a referendum on what would in effect be the country's assimilation into Russia, an idea that crops up from time to time.

The main priorities in relation to Moldova should be socio-economic development and the consolidation of statehood, and the most urgent task of all is the struggle against corruption. If the living conditions of the population in the part of the country controlled by Chişinău could be improved, there would be a greater incentive for Transdniestria, the part that is not internationally recognized, to agree to unification. If this does not happen, it will be practically impossible to overcome the division of the country.

The states of the southern Caucasus are, unlike the western part of the CIS, still a long way from stabilizing their situation – especially in view of the unresolved ethnic conflicts in the region. Technically speaking, they will not even have the status of EU neighbours until such time as Turkey joins the Union. The EU's Caucasus policy should therefore bear in mind its experience of co-operation with the North African countries from the period before the introduction of the ENP. Dialogue and selective co-operation on specific projects would be possible here, but it will be a long time before the EU can think about introducing a transformation programme.

As long as the EU sticks to its current position on whether it is able to accept new members, the prospect of member-

ship is not on the agenda for the countries of this space. However, it would be wrong and even dangerous to say to those countries which can point to reform successes that they will never be permitted to join. This applies in particular to Ukraine. Up to now, enlargement has been the most successful instrument available to the EU in its efforts to safeguard its interests on its eastern borders. There are good reasons to believe that this major incentive could also work in the cases of Ukraine and Belarus.

The EU should remain as open as possible to the idea of co-operation with Russia in efforts to transform this space. This can be done within the framework of existing regional co-operation forums where infrastructure and energy projects are concerned. There is no way of avoiding the fundamental opposition on the question of democracy. At present, Moscow is not interested in any far-reaching democratization of the region, as this could lead to a discussion of the European model of democracy in Russia as well, and this in turn could endanger the current rulers' grip on power.

If Russia were one day to rethink its attitude to the EU and to return to the "European choice" by opening itself up to the space of European integration, the climate in the common neighbourhood would improve greatly. But since this is unthinkable for the foreseeable future, the EU will find that it repeatedly encounters direct Russian opposition in their common neighbourhood. However, the EU has no choice. Without far-reaching democratic reforms, there will be no genuine transformation of the countries in this region. And without their transformation, the European Union cannot be sure in the long term that the countries on its borders are strong, stable, and reliable partners.

Translated by Gerard Holden, Frankfurt

[1] „Dorozhnaia karta“ po obshchemu prostranstvu vneshnei bezopasnosti; <http://president.kremlin.ru/text/docs/2005/05/88012.shtml>; <www.eu2005.lu/en/actualites/documents_travail/2005/05/10-4spaces/4spaces.pdf>, pp. 32-41.

[2] Heinz Timmermann, Von Visionen zu Aktionen. Die Zukunft der europäisch-russischen Zusammenarbeit, Bonn, Stiftung Entwicklung und Frieden, Policy Paper 22, 2004, p. 10.

[3] B. Ferrero-Waldner, European Strategies for Promoting Democracy in Post-Communist Countries, Conference at the Institute for Human Sciences, Vienna, January 1, 2006; <http://europa.eu/rapid/pressReleasesAction. do?reference=SPEECH/06/35&format=HTML&aged=0&language=EN &guiLanguage=en>.

[4] Vladimir Chizhov, No place for democracy in new EU-Russia pact, in <http://euobserver.com/9/22654>, October 16, 2006.

[5] Dmitri Trenin, Russia, the EU and the common neighbourhood, London: Centre for European Reform, 2005, p. 2.

[6] “Ukraine’s European Integration in Popular Perceptions”, in *National Security & Defence*, 7, 2005, p. 48.

[7] Evropa blizkaia i dalekaia, analitika Nezavisimogo instituta sotsial’no-ekonomicheskikh i politicheskikh issledovanii (NISEPI), March 2005; <www.iiseps.org/3-05-7.html>. See also Uladzimir Ulachovič, “David ohne Goliath. Die Zukunft von Belarus in Europa”, in Astrid Sahm, Manfred Sapper, Volker Weichsel (eds.), *Konturen und Konstraste. Belarus sucht sein Gesicht* [= OSTEUROPA, 2, 2004] (Berlin 2004), pp. 206-217.

[8] “Nesodruzhestvennoe pogloshchenie”, in Gazeta.Ru, May 12, 2005; <www.gazeta.ru/2005/05/12/oa_157330.html>.

[9] See the range of analyses in OSTEUROPA, 1, 2005, pp. 3-90.

[10] In Central Asia, this process is of course much less noticeable, since the states there are not faced with any competing model of the type represented by the EU for the western part of the CIS. In fact, Russia’s presence in Central Asia is welcome for a number of reasons, one of which is the Russian role as a balance to Chinese influence. Here too, however, changes are under way at the symbolic level. Even Russia’s preferred partner Kazakhstan is planning to replace the Cyrillic with the Latin alphabet, as Uzbekistan and Turkmenistan have already done; the reason for this, according to President Nursultan Nazarbaev, is that the Latin alphabet dominates the space of communication today. See “Astana otgoroditsia ot Moskvy alfavitom”, *Nezavisimaia gazeta*, October 26, 2006.

[11] According to the CIS Statistical Committee, the average growth in GDP in the first eight months of 2006 was 6 percent. In Russia it was 5.8 percent, but in Azerbaijan, it was 34.4 percent, in Belarus 9.8 percent, and in Kazakhstan 9.3 percent. Industrial production grew by 4.3 percent in

cent in Russia, 12.7 percent in Belarus, 6.6 percent in Kazakhstan, and 5.4 percent in Ukraine, see "Golovokruzhenie ot uspekhov mestnogo masshtaba", *Nezavisimaia gazeta*, October 26, 2006.

[12] Belarusian President Aliaksandr Lukashenka made this the central theme of his campaign when he was arguing that he should be allowed to run for a third period of office and trying to bring about the revision of the corresponding article in the constitution. After the siege of the school in Beslan, Lukashenka made a direct comparison between "small but stable and well-led" Belarus, a situation for which he claimed credit, and Russia. It came as no surprise that after this, support for union with Russia fell to a very low level in Belarus.

[13] "Tsifra nedeli: 130$. Pochem politika", *Vedomosti*, October 25, 2006.

[14] "Universal natsional'nogo edinstva", *Ukrainskaia pravda*, August 3, 2006; <www.pravda.com.ua/ru/news/2006/8/3/44394.htm>.

[15] This argument was used by the Ukrainian Energy Minister, Yurii Boiko, in "Rossiiskogo gaza v Ukraine bol'she ne budet", *Ukrainskaia pravda*, October 6, 2006; <www.pravda.com.ua/ru/news/2006/10/6/47502.htm>.

[16] "Ochishchenie ot sheluchi", *Vremia novostei*, March 28, 2005.

[17] Elsa Tulmets, "Alter Wein in neuen Programmen. Von der EU-Osterweiterung zur ENP", in Manfred Sapper, Volker Weichsel, Andrea Huterer (eds.), *Inklusion, Exklusion, Illusion: Konturen Europas: Die EU und ihre Nachbarn* [= OSTEUROPA 2–3, 2007] (Berlin 2007), S. 105–116.