

➤ The End of the Cold War, EU Enlargement and the EU-Russian Relationship¹

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The collapse of the communist regimes in Central and Eastern Europe opened up new avenues of interaction between the EU and its eastern neighbours. The addition of eight countries from this region to the EU in 2004 and two more in 2007 met with minimal immediate objections from Russia. As the implications of EU enlargement became more evident, however, new complications emerged in the EU-Russian relationship. Still, if handled with the appropriate vision and balance, EU enlargement could set a more positive trajectory for the relationship in the long run. This contribution explores three elements of this dynamic: the inclusion of new member states in EU decision-making vis-à-vis Russia, the economic impact of enlargement and the effects of enlargement on Russia's regional geopolitical interests.

Although Russia has voiced its objections to NATO expansion since the early 1990s,² it appeared to have fewer problems with EU enlargement.³ As it did not aspire to EU membership itself, Russia's first two presidents, Boris Yeltsin and Vladimir Putin, apparently considered it possible to maintain normal ties with former Soviet bloc allies despite the likely fulfilment of their EU aspirations. Russia may have underestimated the dramatic change in political orientation that EU accession would imply for its western neighbours, and at the same time Russia's leaders seemed fixated on the hazards that NATO's eastern expansion posed to Russia's dominance in its former sphere of influence.⁴ They may also have mistakenly assumed that the EU membership of these former allies would somehow inject pro-Russian voices. However, once eight of the former post-communist countries entered the EU (including the three Baltic states that had actually formed part of the Soviet Union), the implications became more clear, introducing some new sources of tension into Russia's relations with the EU. Several issues required immediate attention. One involved the extension of the EU-Russia Partnership and Cooperation Agreement (PCA), established in 1997, to include the new member states. Another concerned the sticky issue of transit through Lithuania (now an EU member state) from mainland Russia to the exclave Kaliningrad Oblast. Tightened border protocols, related to preparation for accession of the new member states to the Schengen group (which took place in December 2007 for the 2004 entrants to the EU) made visa requirements mandatory between Russia and the EU member states.

1 An earlier, more extensive version of this contribution was published as 'The Impact of EU Enlargement on the EU-Russian Relationship,' in *A Resurgent Russia and the West: The European Union, NATO, and Beyond*, ed. Roger E. Kanet (Dordrecht, Netherlands: Republic of Letters Publishing, 2009), 93-112. We are grateful to the publisher for permission to publish a revised and condensed version of this chapter in this report. Research for this contribution is supported in part by a grant from the Social Sciences and Humanities Research Council of Canada (standard research grant). I am grateful to Susan Stewart for comments on an earlier version of this paper.

2 See J.L. Black, *Russia Faces NATO Expansion: Bearing Gifts or Bearing Arms?* (Lanham: Rowman & Littlefield, 2000); David Charles Philippe and Jacques Lévesque, *The Future of NATO: Enlargement, Russia, and European Security* (Montreal: McGill-Queen's University Press, 1999).

3 Alexei Pushkov, 'Strategiia zapada i Rossiia', in *Rossii: Poisk puty*, eds. Aleksandr Pavlovich Vladislavlev et al. (Moscow: Iz. Nauchnaia kniga, 1999), 329-247; Aleksei Georgievich Arbatov, 'Russia's Foreign Policy Alternatives', *International Security* 18/2 (1993): 5-43; Aleksei Georgievich Arbatov, 'Russian Foreign Policy Thinking', in *Russia and Europe: The Emerging Security Agenda*, ed. Vladimir Baranovsky (Oxford: Oxford University Press, 2004), 135-59.

4 For a further discussion of Russia's attitudes toward the two processes see Leonid A. Karabeshkin and Dina R. Specher, 'EU and NATO Enlargement: Russia's Expectations, Responses, and Options for the Future', *European Security* 16/304: 307-28.

Cognisant of the possibility that enlargement might create a new, 'harder' boundary further eastward, the European Commission pronounced the Wider Europe concept in November 2003.⁵ It then announced the European Neighbourhood Policy,⁶ which aimed to create a 'ring of friends'⁷ around the EU that would include Russia, other post-Soviet countries such as Ukraine and Moldova and its North African neighbours. Russia, however, rejected inclusion in this framework, because it would imply that it had equal status with other ENP countries and because it viewed the ENP as a 'made in Brussels' initiative devised with no Russian input. Instead, Russia pushed for a separate strategic partnership with the EU to assert the equality of the two sides of the relationship.

In addition to the PCA extension and the Kaliningrad issue, other tensions arose between the EU and Russia around the time of the 2004 enlargement. These tensions stemmed from issues such as NATO expansion, interpretations of the Orange Revolution in Ukraine, alleged human rights violations and democratic backsliding in Russia and various other economic issues such as Siberian over-flight rights and trade.⁸ In early 2006, a dispute between Ukraine and Russia over gas payments impacted European deliveries and raised questions on the reliability of Russian supplies. In February 2007, Putin implicitly criticised European leaders at the Munich Security Conference for not taking a firmer stand against the circumvention of international law and UN authority by the US and NATO, and strongly objected to portions of the proposed new missile defence's location in Central Europe.⁹ Russian rhetoric sharpened as further proposals for NATO expansion touched areas even closer to what Russia considers its legitimate sphere of regional influence, namely Georgia and Ukraine.

This broader downturn in EU-Russian relations did not directly result from EU enlargement. However, adding members from the former Soviet bloc introduced changes to the relationship. Russia had apparently misjudged the importance of EU enlargement,¹⁰ while European leaders either ignored or chose to overlook some of its potentially problematic implications since they saw it as 'necessary' and 'inevitable'. Ironically, whereas NATO expansion elicited strong objections from Russia, its impact proved less significant than EU enlargement (which Russia ostensibly accepted with minimal protest). Integration into the EU had a deeper and more integral impact on the society, politics and economics of the countries involved than did NATO membership, as evidenced by the stringent requirements of the accession process. Over time, leaders in most of the new member states turned their gaze to Europe rather than Russia as the focal point for their political, economic and geopolitical orientation.

NEW MEMBER STATES AND EU GOVERNANCE

A relatively high degree of unanimity about Russia prevailed amongst EU member states in the early to mid-1990s, a period of post-communist honeymoon when the newly democratising neighbours posed relatively few problems. The one major exception was the increasing concern over human rights violations in Chechnya. The EU adopted a Common Strategy on Russia in 1999, which has since then remained unchanged.¹¹ As tensions with Russia developed later in the early 2000s so did disagreements on how the EU should react. Differing economic interests and historical experiences in most cases form the foundation for these diverse reactions. Germany, drawing on experience with the Soviet Union prior to reunification, has generally taken

5 Commission of the European Communities, Communication from the Commission to the Council and the European Parliament, 'Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours', COM (2003) 104 final (Brussels, 3 November 2003).

6 Commission of the European Communities, Communication from the Commission to the Council and the European Parliament, 'European Neighbourhood Policy', COM (2004) 373 final (Brussels, 12 May 2004).

7 Commission of the European Communities, 'Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours'.

8 Michael Emerson, *EU-Russia. Four Common Spaces and the Proliferation of the Fuzzy* (Brussels: Centre for European Policy Studies, 2005); Michael Emerson, ed. *The Elephant and the Bear Try Again: Options for a New Agreement between the EU and Russia* (Brussels: Centre for European Policy Research, 2006).

9 Vladimir Putin, 'Speech and the Following Discussion at the Munich Conference on Security Policy', Munich, 10 February 2007, http://archive.kremlin.ru/eng/speeches/2007/02/10/0138_type82912type82914type82917type84779_118123.shtml.

10 Thomas Gomart, *EU-Russia Relations: Toward a Way Out of Depression* (Washington DC: Center for Strategic and International Studies, 2008), www.ifri.org/files/Russie/Gomart_EU_Russia.pdf.

11 European Council, 'Common Strategy of the European Union of 4 June 1999 on Russia', 1999/414/CFSP.

a more pragmatic and conciliatory approach to Russia. It has placed the issue relatively high on the foreign policy priority list and is aware of the long-term potential for economic gain. Southern European countries have generally given 'eastern policy' a lower priority than Mediterranean policy. Other countries, most notably the UK, have experienced high levels of political tension (connected in part with prominent cases involving Russian émigrés such as the Berezovsky and Litvinenko cases) with clashes in political values, such as the 2007 expulsion of the British Council, and with high-profile economic disputes, such as those surrounding BP's investment difficulties in Russia.

Eastern enlargement significantly increased the range of national interests and historical experience that the EU would have to contend with if it developed a common policy toward Russia. Once members, the post-communist states of Central and Eastern Europe gained a voice in decision-making. This voice could prove decisive where unanimity rules apply. A poignant example was the 2006 Polish blockage to open negotiations with Russia on a new PCA in response to a Russian embargo on meat products imported from Poland. A replay of the story with Lithuania as the potential spoiler was eventually avoided, as negotiations finally commenced in June 2008.

All new member states in Central and Eastern Europe have reacted in one way or another to the history of dominance by Russia. Still, even within this group a *de facto* division became evident between the Baltic states and Poland (the countries that now directly border Russia),¹² which initially took a more sceptical and cautious approach, and other new members from Central Europe, which displayed a greater readiness to engage Russia and in some cases to conclude separate national level arrangements on even important issues like energy. In more general terms, for Russia this has meant that the neighbours it previously dominated have gained new resources to affect the relationship, and to do so on a broader scale.

Poland has been a particularly important case because of its size and hence its potential influence within the EU. Russian leaders resented Polish sympathy for Ukraine's Orange Revolution. This resentment increased with the uncompromising political tone emanating from the Polish government up until late 2007 under the Kaczyński brothers, whose political ideology is often characterised as nationalist and Russo-phobic. The 2007 selection of a liberally-oriented Prime Minister in Poland, Donald Tusk, brought about a change in the tenor of relations between Russia and Poland as he sought to normalise Poland's relationship with its nearest neighbours. A process of reconciliation ensued, evidenced by Russian readiness to acknowledge the atrocities against Polish military personnel at Katyn during the Second World War. The Russian Duma passed a resolution acknowledging the Katyn atrocity in the wake of a tragic aeroplane crash near Smolensk, Russia in April 2010 that killed several members of the Polish elite (including President Lech Kaczyński) on their way to Katyn to recognise the massacre. Despite continuing disagreements on responsibility for the air accident,¹³ relations between Poland and Russian have been on a positive trajectory since that time.

An important achievement, both symbolically and practically, was the cooperation of Russia and Poland in persuading other EU member states to agree to a derogation of usual cross-border facilitation regulations to include all of Kaliningrad Oblast and an extended region on the Polish side in an agreement for visa-free travel.¹⁴ Both Russian and Polish officials heralded this as a critical step toward the broader achievement of a visa-free regime between the EU and Russia.¹⁵ Poland thus moved from a naysayer to a strong force for positive engagement with Russia less than 10 years after enlargement.

¹² Robert H. Donaldson and Joseph L. Noguee, *The Foreign Policy of Russia: Changing Systems, Enduring Interests*, 3rd ed. (Armonk: ME Sharpe, 2005), 261.

¹³ Dan Bilefsky, 'Rift Over Air Crash Roils Poland's Artists', *New York Times*, 28 May 2013.

¹⁴ 'Regulation (EU) No 1342/2011 of the European Parliament and the Council of 13 December 2011', *Official Journal of the European Union*, 347/41 (2011).

¹⁵ See Joan DeBardeleben, 'New EU-Russian Borders after Enlargement: From Local to Transnational Linkages?' in *Shifting Priorities in Russia's Foreign and Security Policy*, eds. Roger E. Kanet and Rémi Piet (Surrey: Ashgate, forthcoming).

Other new member states continue to clash with Russia over issues related to differences of historical interpretation. Yet small countries such as the Baltic states have less of an ability to impact broader EU policy. In these cases, actual and symbolic support from the EU is an important resource for bolstering domestic and international legitimacy. For example, with Estonia and Latvia's accession to the EU, contentious aspects of citizenship laws affecting ethnic Russians who reside there entered the EU-Russian agenda, reinforcing Russian cynicism about the EU's double standards in interpreting human rights. Different perceptions about the meaning of minority and human rights, as well as definitions of national identity and self-interest, have become central to EU-Russian discourse after enlargement. While issues of particular national concern may not have affected EU policy toward Russia overall, EU support for member state positions changed the calculus of power to Russia's disfavour.

EU ENLARGEMENT AND RUSSIA'S GEOPOLITICAL INTERESTS

The collapse of communism initiated a rewriting of Europe's geopolitical terrain. Interpreted by the US as a victory for the West, European leaders emphasised opportunities for increased European integration, even if they did not envisage Russia as a future EU member. Whether intended or not, the accession of Russia's former allies to the EU contained an implicit message of Western superiority. Those post-communist countries not only freely chose the West, but also accepted some loss of state sovereignty vis-à-vis the EU to assure permanent independence from Russia. The fault lines in Europe underwent a radical shift involving a substantial reduction in the uncommitted space (buffer zone) between Russia and the EU. Until the first wave of EU enlargement in 2004, countries such as Ukraine and Moldova were in an outer circle of EU influence, and attention to the post-Yugoslav Balkan states focused more on stabilisation than on a practical timetable for accession (with Serbia an outpost of Russian influence). With enlargement, Ukraine, Moldova and Belarus became immediate EU neighbours, as did several West Balkan states. The EU has implicitly claimed the West Balkans by giving them a membership perspective in anticipation of a further stage of enlargement.

As noted above, both the acceding states and the EU-15 knew that the Central and Eastern European countries would take a role in EU decision-making once they became members. Support for Ukraine's NATO and EU aspirations became an important priority for Poland's eastern policy, despite the disappointment with recent de-liberalising tendencies since the election of Viktor Yanukovich in 2010. Several of the new members came to see themselves as mentors to the eastern neighbours, particularly to the 'willing' partners (Ukraine, Moldova and Georgia). Their advocacy for these countries' European aspirations embodies a particular vision of Europe's future that contests Russia's account of its own regional interests and influence.

Poland and Sweden put forth a new policy proposal for an Eastern Partnership on 28 May 2008, which was based on two fundamental precepts. First, the EU's eastern policy (although it works within the ENP) should have distinctive features. Second, the eastern policy should not take a back seat to the Mediterranean policy (a clear priority of the French presidency at the time). On 3 December, 2008, the European Commission issued a communication to the European Parliament and European Council setting out its vision for the Eastern Partnership.¹⁶ Benita Ferrero-Waldner (then-Commissioner for External Relations and European Neighbourhood Policy) acknowledged that this vision drew '*inter alia* on Polish ideas', noting that 'Poland has made an important contribution to the EU's understanding of countries like Ukraine and Belarus'.¹⁷ The policy is directed at European Soviet successor states not currently in the EU (Azerbaijan, Armenia, Azerbaijan,

¹⁶ Commission of the European Communities, Communication from the Commission to the European Parliament and the Council, 'Eastern Partnership' (Brussels, 3 December 2008), COM(2008) 823 final.

¹⁷ Benita Ferrero-Waldner, 'Ambitious New Partnership for the East', Speech, 27 November 2008, <http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/08/672&format=PDF&aged=0&language=EN&guiLanguage=en>.

Belarus, Georgia, Moldova and Ukraine – with Belarus' involvement dependent on 'the overall development of EU-Belarus relations').¹⁸ The Eastern Partnership appeared to sidestep Russia while making its immediate neighbours a more important focus of EU attention. It seems likely that the EU's intensified overtures to the East helped feed Russia's own efforts to strengthen regional integration under its leadership, taking the form of the Eurasian Union initiative. Thus, EU enlargement has indirectly reinforced an atmosphere of competition between the EU and Russia in the shared neighbourhood, even if the EU maintains that this is not a zero-sum game.

Both the EU and Russia are searching for ways to stabilise influence in their immediate neighbourhoods without sacrificing potential interests. Relations with neighbours have thus become one of the most visible arenas of EU-Russian tension. Often explicitly focused on NATO expansion, it has more recently taken new forms as Russia seeks to draw former Soviet republics into an expanded Eurasian Union. Uncertainty and ambiguity continue to prevail in the shared neighbourhood of the EU and Russia, as neither has managed to articulate a persuasive vision that reinforces security and prosperity in the broader European and Eurasian space.¹⁹

ECONOMIC IMPACT OF EU ENLARGEMENT

Regarding the economic impacts of EU enlargement, the interface between the EU's market economic principles and Russia's particular brand of capitalism is especially important. In the 1990s, Russia's market economy was only in formation, and European countries as well as international actors felt they had the capacity to influence its direction. By the time of the EU's 2004 enlargement, Russia's economic revival was in full swing – along with a reassertion of the Russian state's economic influence in key sectors (particularly energy) that are the most lucrative and the most important to Europe. While the new EU member states have become more integrated into Western economic networks, ownership structures and markets, Europe's economic downturn since 2008 has made Russian investment and trade linkages more attractive. Contrasting economic governance structures characterising the EU and Russia do not necessarily inhibit the development of intensified trade and investment, but they introduce tensions that are most evident in the energy sector.

EU enlargement has intensified EU-Russian economic relations. It is often noted that the proportion of trade between the two partners has grown and that investment in both directions has increased. However, many Russian experts view the economic impact of EU enlargement as ambiguous – beneficial for some sectors, but potentially (and actually) harmful for others.²⁰ For example, EU policies complicate the export of agricultural goods, and anti-dumping claims have caused problems for Russia's metallurgical industry. Trade data reveals mixed patterns in another regard. Imports into Russia between 2003 and 2011 from the new member states such as Slovakia, the Czech Republic, Romania and Hungary grew more than imports from most EU-15 countries and CIS countries.²¹ However, growth in exports from Russia to the 2004 new member states has been somewhat below the norm, and energy resources still dominate. To this point, enlargement does not seem to have produced a bonus in terms of Russia's non-energy export market, at least not for the new member states. Sorting out economic impacts is, therefore, somewhat more complicated than quoting aggregate trade figures. Another consideration is that positive impacts may become more visible in the long run, particularly with Russia's WTO accession. Underlying the entire situation is a perception amongst some Russians that their country is being forced to accept EU standards and regulations in order to advance economic relations.

18 Ibid.

19 Janina Sleivyte, 'Russia's Europe Agenda and The Baltic States', *The Shrivenham Papers* (Defence Academy of the United Kingdom, 2008), www.da.mod.uk/colleges/arag/document-listings/monographs/Shrivenham%20Paper%207.pdf/view; Olga Potemkina and Nikolay Kaveshnikov, 'Rossiia i Evropeiskii Soiuz: 'kholodnoe leto' 2007 goda', *Sovremennaiia Evropa* 3 (2007), 26.

20 Ivan Ivanov, 'Rasshirenyi Evrosoiuz kak partner Rossii', in *Rashirenii evropeiskogo soiuzi i Rossiia*, eds. Olga Butorina and Yuri Borko (Moscow: Delovaia Literatura, 2006), 300-315.

21 This has been calculated from data provided on the website of the Russian State Statistical Service, www.gks.ru.

Casier refers to this as the 'insider-outsider paradox': 'as the EU grows larger, their alternatives diminish and it becomes harder (or more costly) to escape the impact of the EU. There are fewer non-EU countries in the immediate neighbourhood to trade with'.²²

Meanwhile, Russia's energy and natural resources continue to dominate exports. The new EU member states are particularly dependent on Russia for gas imports, and to a lesser degree for oil.²³ The application of EU rules within the new member states can create new areas of conflict. Most pointedly in recent years is the implementation of the EU's Third Energy Package, which may press Gazprom to temper its control over distribution networks in new member states, with Lithuania as a case in point. Russian officials have critically greeted investigations by the European Commission to determine whether Gazprom engages in anticompetitive behaviour. While these issues are not specific to the new member states, they take a particularly sharp form there because of the integration of several new member states' supply lines with Russia through previous pipeline linkages. Efforts to integrate the Baltic states into electricity grids connecting them to other EU member states will help to undermine some of these long-term energy dependencies on Russia.²⁴ Such efforts serve as another indicator of the mixed economic effects of EU enlargement on Russian economic interests.

CONCLUSION

While EU enlargement has made a fundamental contribution to stabilising post-Cold War Europe, unintended consequences intensified difficulties with Russia in some cases. The EU's expansion to the East has a structural nature, changing the long-term international structures that shape the nature of EU-Russian interaction. This results from the three impacts examined above. First, EU enlargement cements new governance linkages and behaviours for some of Russia's closest neighbours. Second, enlargement poses choices for Russia's other important previously absent neighbours (such as Ukraine, Belarus and Georgia). Finally, the inclusion in the European market of Russia's formerly most important trading partners challenges the very nature of Russia's own approach to building a market economy.

However, potential and actual positive impacts of enlargement may become more evident over time. Most importantly, EU accession has in most cases helped to consolidate democratic practices in the new member states. Second, the process has largely removed the Central and Eastern European countries that joined the EU as 'zones of contention' between the West and Russia. Their status is defined not only in terms of guarantees offered by Article 5 of the NATO charter, but also by their integration into the fabric of Europe's social, political and economic life. Removing the ambiguity of an 'in-between' status for these countries could prove stabilising and remove potential triggers for conflict with Russia in the long run.

Sociological corollaries of EU accession also may have long-term positive impacts on EU-Russian relations. As the free movement of people fosters deep socio-cultural and economic interconnections between societies in the new member states and EU-15 countries, a socialisation process of new methods of conflict resolution and new forms of accommodation to cultural diversity is also underway. Part and parcel of this process may be a subtle cultural shift, particularly among political elites and youth that instils a greater sense of confidence and security in the new member states. However, before these long-term benefits are realised, a collective process of socio-psychological change needs to occur. Amongst the new member states, particularly the Baltic

22 Tom Casier, 'The New Neighbours of the European Union: The Compelling Logic of Enlargement?' in *The Boundaries of EU Enlargement*, ed. Joan DeBardleben (Houndsmill: Palgrave Macmillan, 2008).

23 European Commission, Directorate-General for Energy, 'Key Figures' (Market Observatory for Energy, June 2011), http://ec.europa.eu/energy/observatory/countries/doc/key_figures.pdf.

24 'Baltic Energy Market Interconnection Plan, 4th Progress Report', http://ec.europa.eu/energy/.../20121016_4rd_bemip_progress_report_final.pdf.

states and Poland, this may take the form of a lessened sense of vulnerability to Russian control and reduced awareness of historical victimisation. As these attitudes weaken, especially among younger generations, the obstacles to achieving a real accommodation with Russia should also decline. Likewise, Russia's sense of 'entitlement' to influence these and neighbouring non-EU regions needs to abate.

Finally, there is a lack of vision for the relationship – and the wide diversity of perspectives within the EU will make this vision difficult to build. While the EU had a clear sense of what enlargement in Central and Eastern Europe could achieve and now seeks to develop a corresponding strategy for engaging Russia's closest neighbours through the Eastern Partnership, it lacks a comparable vision for the EU-Russian relationship. Russian authorities seem unable to link larger declarations (for example, about Russia's European character and European choice) to a realistic plan of action that would secure Russia a stable role in Europe, in part because short-term economic and political interests dominate policy-thinking. Limited sectoral agreements can address some problems, but alongside the increasing self-confidence of leaders and societies in the new member states, a vision of how EU-Russian relations could unfold is also necessary for the long-term impacts of EU enlargement on the relationship to reach their positive potential. ■