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## Russia-EU beyond 2007. Russian Domestic Debates

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**Nadezhda Arbatova**

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## Summary

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One of the main problems in relations between Russia and the European Union (EU) is the absence of strategic goals. Russia, having played a critical role in ending the Cold War, has neither found its place in the strategy of EU expansion nor in that of NATO. In 2007, the active Partnership and Cooperation Agreement (PCA) between Russia and the EU—which both sides agree has become outdated and is no longer able to meet today's challenges—is due to expire. The form that any new legal, contractual basis for relations between Russia and the EU may take will have implications not only for stability within Europe, but also for Russia's democratic future.

## “Russia-EU Quandary 2007” and the Political Climate in Relations between Russia and the EU

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The Partnership and Cooperation Agreement (PCA) signed on 24 June 1994 between the Russian Federation (RF) and the European Union (EU) came into force on 1 December 1997 and expires on 30 November 2007. The Agreement was concluded for a period of 10 years, with yearly extensions possible thereafter if neither side is opposed. Correspondingly, the original validity period of the PCA expires in 2007. With this in mind, the two partners are faced with the following issue: what will the legal basis of their relationship become after 2007?

Until recently it was taken for granted, both in Brussels and in Moscow, that the PCA would be extended automatically from one year to the next, as was envisaged in article 106. In 2003 in Moscow, and subsequently in Brussels and several other member-state capitals, discussion began concerning another option—preparing and signing a new long-term agreement either immediately or soon after the PCA was to expire. This became the subject of talks between President Vladimir Putin and European Commission President José Manuel Barroso in April 2005, when Barroso made a working visit to Russia.

Nevertheless, the political climate between Russia and the EU with regard to solving the so-called “Russia-EU Quandary 2007” could hardly be called favorable. These days, one can observe a surprising unanimity among “conservatives”, both in Russia and in the EU, in their support for the “old” PCA, and also for a traditional approach to the place and role of Russia in Europe, for all the differences in character between Russian and European conservatism.<sup>1</sup> In the EU, there is a desire not to overload the Union’s

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Translated from Russian by Jennifer Northup.

<sup>1</sup> It is not members of conservative parties in EU countries that are regarded as conservatives, but the politicians who do not want integration with Russia, demanding a great effort, patience and the development of clear policies toward their Eastern neighbor. A significant role is played in this camp by Central and Eastern Europe countries. However paradoxical as it may seem, more often than not a strict anti-Russian position is taken by such well-known politician-humanists as Václav Havel. In Russia, such politicians are primarily traditional anti-Western politicians from the communist (KPRF) and liberal-democratic (LDPR) parties, but also more

agenda—already busy enough broadening and deepening European integration—with the “Russian factor”. The lack of trust in its relations with Russia, conditioned both by the burden from the past, and current developments, has caused the EU to distance itself from its eastern neighbor, perceiving it, for the most part, as “oil, gas and nuclear weapons”.

Russia, for its part, is still in the process of defining its own national and political identity, as well as its place in the Euro-Atlantic region and the world, and is not forthcoming in answering its European partners’ questions about the nature of the state currently being shaped on the EU’s borders.

“Russia-EU Quandary 2007” is perceived differently by different political forces in Russia and the EU. Conservatives in both Russia and the EU are, for various reasons, completely satisfied with the state of relations between the partners and do not want to change anything in the PCA. In the EU, the traditional position of the conservatives to keep Russia at arm’s length—so as not to burden the domestic agenda of the EU further with additional problems—has been aggravated by the crisis in EU strategy directed at the simultaneous and, as was expected, painless implementation of two highly-important trends in European integration—expansion and intensification. Today it is clear that this strategy has failed, and the EU must reconsider the consequences of the psychological trauma inflicted by the “No” votes in France and the Netherlands.

In Russia, there has been a revival among followers of Eurasianism—more precisely, those who are favor a more Asian orientation, China first and foremost—and open nationalists, masking an inferiority complex arising from the loss of superpower status after the collapse of the USSR with notions of Russia being a “microcosm” in itself and an independent power center in international relations. The role of these forces and their ability to influence Russian external policy is directly connected with the position of the EU with regard to Russia. The absence of any strategic goals involving Russia in the face of an active eastward expansion of the EU and NATO has inevitably intensified—and will continue to intensify—the feeling of great power among the Russian political elite, as well as its fear of the Western strategy of excluding Moscow from the areas of its vital interests—the Community of Independent States (CIS). The lack of progress in negotiations for a post-PCA undoubtedly gives this group a powerful political trump card.

This crisis did not occur overnight. The numerous problems that have emerged in Russia-EU relations since the collapse of the Soviet Union have also had a negative effect on the quality of the

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respectable politicians from other political parties, as “United Russia” and “Fair Russia”.

relationship. Neither party's expectation of the other has been met. The European Union anticipated that an effective democracy would quickly take root in Russia, while Russia for its part hoped that cooperation with the EU would bring an economic miracle and give Russia its deserved place in a greater Europe. In addition, both Russia and the EU are currently in the process of in-depth internal transformations and, to a large extent, focused on their domestic agendas.

Criticisms regarding many aspects of the internal and external policies of the Russian president and government can be heard coming from the EU. In Europe, the Russian leadership is reproached for having deviated from the values and principles that formed the basis for partnership and cooperation between the Russian Federation and the EU. Serious disagreements exist on a series of fundamental questions, notably concerning the path for development and institutional forms of democracy, protecting human rights, and the war on terror. A deep mistrust of the Russian political elite still prevails in Europe, as well as doubts regarding the authenticity of Russia's European calling.

There has been some unease in Russia regarding the structural crisis taking shape throughout the EU, the difficulties that new member states have faced in adapting to the conditions of a single domestic market and the standards of the legal system in force, the complex demographic situation, the migration policies of member states, the increase in nationalism and radicalism and the low rate of economic growth. The issue of foreign policy as a whole, and approaches to relations with Russia in particular, has caused significant friction between EU member states. This state of affairs has in turn undermined the Russian leadership's trust in European structures. Both parties are clearly dissatisfied with the other's policy toward the CIS countries; both sides continue to have poor opinions of each other's bureaucratic system; and the list could go on.

## Russian Domestic Policy Debates Surrounding the New Agreement

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It was in these difficult conditions that, in October 2005, the “Russia in a United Europe” (RUE) Committee<sup>2</sup> began a large-scale, political and scientific debate in Russia about the fate of the Partnership and Cooperation Agreement between Russia and the EU, and put forward its vision for solving “Russia-EU Quandary 2007”. The concept, called “Agreement on advanced partnership establishing association,”<sup>3</sup> had the authors pursuing the objective of overcoming the protracted crisis in Russia-EU relations, caused by the lack of strategic goals in these relations and the absence of mutual trust. Evaluating the role of the PCA in a positive light, the authors of the concept concluded that the existing Agreement does not meet today’s reality and the challenges facing Russia and the EU.

Political relations between Russia and the EU overstepped the PCA’s boundaries a long time ago. As far as economic cooperation is concerned, despite certain progress in certain areas, neither Russia nor the EU has been able to tap the PCA’s full potential: some provisions of the Agreement have become hopelessly outdated;<sup>4</sup> some have not been fulfilled by either side.<sup>5</sup> For all the PCA’s importance in establishing legal relations with the EU, the format of this treaty has fundamental restrictions. To a large extent, the PCA

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<sup>2</sup> The Committee “Russia in a United Europe” is a Russian non-governmental organization (<www.rue.ru>). The Committee Coordinator is the State Duma Deputy V. Ryzhkov, and the Research Programs Director is N. Arbatova. The Committee was created in 2001 on the initiative of a group of Russian politicians and businessmen, and made up of eminent politicians, academicians, and businessmen from Russia and EU countries. It is financed from Russian funds and by entrepreneurs.

<sup>3</sup> N. Arbatova, “Russia-EU Quandary 2007”, *Russia in Global Affairs*, No. 2, April - June 2006.

<sup>4</sup> In particular, article 20 can be excluded from the Agreement, since Russia has succeeded in abolishing European quotas on Russian textile. The following articles could also be considered outdated: 101 (regarding the order of conflict resolution between the parties), 102 (consultation procedure for discussing any issues concerning the interpretation and application of the PCA), and 107 (obligations of the parties under the current Agreement), because they have to be replaced with new regulations for conflict resolution on the legal base of the World Trade Organization (WTO). If Russia joins the WTO, two thirds of all articles will be obsolete. See *Rossya i Evropa: kurs ili drift?* [*Russia and Europe: Course or Drift*], Discussions, RUE, Moscow, 2001.

<sup>5</sup> For example, articles 23 and 28 of the PCA, regulating the foundation of Russian businesses in EU countries and the hire of key personnel. Article 58—encouraging and protecting investments and so on—is also inoperative.

reflected the EU's technocratic rather than political approach, and did not strive to systematically transform the countries with which it was concluded; the Agreement was static in character and did not take into account how the relationship would evolve (evolution which, in truth, is still taking place), while primarily embracing the areas of economics and trade.

At the Russia-EU summit in St. Petersburg in May 2003, an initiative was taken regarding the creation of four common spaces on the basis of the existing PCA, which had by that time, already become irretrievably outdated. In other words, an excellent idea that could have raised the bar in relations between Russia and the EU was fated in advance to remain nothing more than an excellent idea.

The EU strategy in 2004 has gained momentum with its European Neighborhood Policy (ENP),<sup>6</sup> aimed at strengthening stability, above all in its immediate neighbors. In the first version—the “Concept of a Wider Europe”—countries neighboring the EU from Morocco to Russia were considered with the same tool, and without distinguishing priorities or diversifying EU policies regarding these countries. In the final version, Russia is to be omitted entirely. More specifically, the document states three times that the “strategic partnership” with Russia will be created on the basis of the decisions taken in St. Petersburg (May 2003 summit), which means beyond the ENP framework and on the outdated PCA basis. Stated differently, the situation has become a vicious circle in which Russia-EU relations cannot escape. On the one hand, there is the outdated PCA, still the central document; while on the other there is the excellent initiative regarding common spaces, which could make relations between the two partners more goal-oriented and give them a strategic perspective if this initiative is set up on a new contractual legal basis. The road maps are currently too limited and technical to implement the idea of four common spaces<sup>7</sup>. They may be action plans, but they must be set down in the conceptual framework for relations between Russia and the EU.

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<sup>6</sup> See the official site of the ENP <[http://ec.europa.eu/world/enp/documents\\_fr.htm](http://ec.europa.eu/world/enp/documents_fr.htm)>.

<sup>7</sup> See <<http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/04/268&format=HTML&aged=0&language=EN&guiLanguage=en>>.

## **Concept of the Committee “Russia in a United Europe”<sup>8</sup>**

The authors of the Committee’s concept considered three possible versions for the contractual format of relations between the EU and Russia after 2007:

- Extend the PCA activities as envisaged in article 106 of the current Agreement, until both partners decide to replace it with a new agreement;

- Introduce amendments and additions to the existing text of the Agreement, taking into account the current level of “advanced cooperation” and realistic perspectives for developing relations over a period of 10-15 years until an association is created;

- Prepare a new agreement that will completely replace the PCA if signed and ratified by Russia, the EU and its member states.

The third option—preparing a new agreement—would clearly be the most preferable, but in a crisis situation and against the background of complicated relations between Russia and the new EU member states, this option also seemed to be the most problematic to the concept’s authors. Preserving the current PCA in 2007 (the first solution) would, however, for all intents and purposes, amount to an acknowledgement of the parties’ unwillingness to undertake a new partnership. The committee’s drafting team, therefore, drew up a concept based on fundamental modernization of the PCA by means of introducing amendments (which appears to be a practice implemented widely in both the EU and the Russian State Duma), radically changing the agreement’s content and even its name, but retaining the legal continuity. The aim of such a modernized PCA, in the Committee’s opinion, should—and could—be an association of partners.

Today, the mistaken opinion prevails that the main difference between a partnership and an association is that the ultimate goal of an association is automatic membership of the EU, which, for a whole host of reasons, is not currently relevant for either Brussels or Moscow. The most important way in which the PCA differs from an association agreement is that the PCA does not contain any provision for liberalizing the movement of goods, people, services and capital between the parties. Instead, the PCA proposes a regime of most-favored-nation in the majority of cases. Despite the fact that the PCA

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<sup>8</sup> Writing team: project leader N. Arbatova, Doctor of Political Sciences (RUE Committee), Yu. Borko, Doctor of Economic Sciences (Association for European Research), S. Kashkin, Doctor of Legal Sciences, P. Kalinichenko, Doctor of Legal Sciences (International Center for Russia-EU partnership and development), M. Entin, Doctor of Legal Sciences (European Law Foundation).

mentions the creation of free trade zone as the partnership's ultimate aim, it does not contain any provision for practical steps in this direction. An association, however, is based on a free trade zone. In the majority of their schedules, association agreements envisage a gradual (over 10–12 years) reduction in customs duties and other taxes until they are completely abolished, the revocation of quantitative import and export restrictions and equivalent measures, as well as a ban on discriminatory taxation depending on the point of origin of goods. The absence of any similar regulations in the PCA makes it very difficult to fully implement this agreement's goals. Officials from the Russian Ministry for Economic Development and Trade believe that Russia is ready and able to proceed with talks about creating a free trade zone with the EU as soon as it joins the WTO (World Trade Organization). A free trade zone created in such a well thought-out and progressive manner would, on no account, contradict Russia's economic and trade interests. On the contrary, it would contribute to achieving them.

The three most well-known types of agreements regarding associations have various names and content: the European Agreements (for Central and Eastern Europe countries), the Association and Stabilization Agreements (for the Western Balkans) and the European-Mediterranean Agreements (for South Mediterranean countries). From a legal perspective, relations between the EU and the European Free Trade Association (EFTA<sup>9</sup>) also appear to take the form of an association, in fact the highest form of association. It is notable that many supporters of Russian self-sufficiency, who advocate relations between Russia and the EU along the lines of the Swiss or Norwegian model do not even appreciate the fact that they are calling for the highest level of association. All four EFTA member countries—Iceland, Liechtenstein, Norway and, Switzerland—meet the main criteria for membership of the EU and being outside the EU borders seems only to stem from their own free will.

In regard to the three options for the association agreements, the first article in each document states that “the current agreement constitutes an association” with the EU. In European Agreements, the prospect of EU membership is discussed in both the preamble and the opening articles. In the opening articles of the Association and Stabilization Agreements with Macedonia and Croatia, no possible entry to the EU is mentioned, although they are named as potential candidates in the preamble all the same. As far as Association Agreements with Mediterranean countries, the prospect of their membership is not under consideration at all, and this type of

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<sup>9</sup> Editor's note: The EFTA Convention established a free trade area among its Member States in 1960. Today, Iceland, Liechtenstein, Norway and Switzerland are members of EFTA. The EFTA States have jointly concluded free trade agreements with a number of countries worldwide. Iceland, Liechtenstein and Norway entered into the Agreement on the European Economic Area (EEA) in 1992, which entered into force in 1994.

association seems to be the lowest level, including in terms of political cooperation.

It is quite clear that, in proposing the concept for modernizing the PCA with the aim of creating an association between Russia and the EU, it is important to discuss strategic goals. The question of possible Russian membership in the EU is on the agenda neither in Russia nor in the EU. It appears that the creation of four common spaces between Russia and the EU on the basis of a modernized PCA could be a strategic goal in this regard, avoiding the question of Russian membership, which is highly complicated for both parties. Creating the four common spaces would itself effectively dismiss the question of EU membership for Russia.

The RUE Committee drafting team believes that the ultimate aim of a renewed agreement must be to create an association. Such an association must be founded on the concept of advanced (strategic) partnership, based, in turn, on the four common spaces. The authors of the concept realized that such a fundamental reworking of the PCA, practically transforming it into a new agreement, would need to be ratified by both parties. Nevertheless, the mere fact that the post-PCA initiative has essentially already been approved by both Russia and the EU has created a very favorable background for the ratification process.

The agreement must be concluded for an unlimited period of time. Within it, each of the four common spaces must be defined. A proposal has been put forward accordingly to change the structure of the PCA. After the section about political dialogue, which must be modified into a section about political dialogue and cooperation, four sections could be inserted, one for each of the common space. One option would be to alter and completely redraft section VII "Economic Cooperation" and break this section down into four chapters, one for each of the common spaces. Guidelines must be formulated for each space that fully reflect the content adopted in the road maps of May 2005. The section on the general economic area is expected to contain the point about drawing up a schedule for complete liberalization of the trade of goods over the course of 10-12 years.

The provisions concerned with the four spaces could be elaborated in special Protocols appended to the Agreement, or in separate agreements dealing with these spaces, or in other documents such as annual programs for high-priority actions, which would be approved and monitored by the Permanent Partnership Council (PPC).

One of the first articles must change the PCA's name to, for example, an "Agreement on advanced partnership establishing association." The preamble should be substantially revised in order to reflect the high level of today's partnership, the creation of four common spaces, Russia's accession to the WTO, and also mention new threats and, above all, the war on global terrorism and the proliferation of weapons of mass destruction (WMD).

Section I “General Principles” could be reorganized into the section “General Principles and Goals”, to include the current article 1, and supplemented with a series of provisions, taking into account the experience gained and new challenges of the “advanced partnership”.

Section II “Political Dialogue” must be added to the article that defines the additional content of such a dialogue, and should include “the development of new forms of cooperation with a view to solving common problems and confronting new threats, in particular, the problem of ensuring peace and security, the war on global terrorism and organized crime, as well as support for democracy and human rights.” In essence, the new article should legally bind the modern level of political dialogue between the parties.

The set of problems surrounding Kaliningrad could be given a separate report or a declaration in the form of an appendix attached to the new agreement.

The authors of the concept considered it highly important to develop cooperation in the area of legislation. Article 55 must be supplemented by provisions regarding the gradual (in two stages) rapprochement between Russian and European legislations, on the basis of a special indicative program devised jointly by both parties. In this regard, measures should continue in the spheres already harmonized, and harmonization should spread to new spheres. It would be wise to consolidate the mechanism for harmonization in a special agreement regarding the application of article 55, the completion of which must, in the future, be provided for by the PCA.

The concept’s authors also thought it particularly important to make institutional changes that would correspond to the goals formulated in the four common spaces. Today, foreign policy interaction between Russia and the EU is, by and large, aimed at solving bilateral problems, and not at developing joint initiatives on more topical issues of international security. In this regard, a Russia-EU Security Council could be created in order to solve the most urgent problems in the area of European and international security.

The concept developed by the Committee “Russia in a United Europe” has been judged as too ambitious by some politicians and experts, both in Russia and in EU countries. The idea of an association between Russia and the EU, with all the arguments that has ensued, did not suit those advocating self-sufficiency, sovereignty and equidistance in Russia. It has also aroused suspicion among EU experts regarding Russia’s long-term goals of joining the EU, although the types of association are examined in detail in the concept. At the same time, the idea of four common spaces as the basis for a new treaty between Russia and the EU has gained recognition from the Russian authorities in charge of foreign policy, and was mirrored in Russia’s official position on the new agreement.

## SVOP Counter Concept

The Council on Foreign and Defense Policy (SVOP)<sup>10</sup> put forward a counter concept,<sup>11</sup> which, in a way, reflected the opposite approach to relations between Russia and the EU, based on the principles of self-sufficiency, sovereignty and selective cooperation. The SVOP concept was drawn up on the basis of a three-tier system of cooperation:

The first level defines the general format of relations between Russia and the EU. In the opinion of its authors, the Declaration for the treaty on a strategic union, which performs the function of a full-fledged preamble, could become a significant general political document, establishing the strategic framework for relations. In the capacity of objectives, the declaration proposes the creation of a strategic union between Russia and the EU, directed at overcoming the disease of hostility and rivalry—psychological consequences of past wars and conflicts—and strengthening a genuinely allied relationship while allowing deep integration in selected areas.

The second level presents the “Strategic agenda—Russia-EU”, which stipulates the specific direction of cooperation, above all, cooperation in ensuring international and regional security, including the elimination of twenty-first century threats and risks: terrorism, ecological problems, poverty, and so on. Cooperation in the area of international trade and the global economy is also an important area. In the authors’ view, it would be advisable to list in the greatest possible detail both parties’ expectations as reflected in the general part of the Declaration regarding issues of mutual interest in the individual sectors of the economy and international trade. The third section of the agenda could concentrate on cooperation in guaranteeing freedom of movement for people and unhampered transit. It is important here to anchor this aim on intentions already voiced by the parties, for example, to strive for the introduction of a visa-free system of movement for citizens by gradually simplifying the visa system, including the simplification of transit in the Kaliningrad region. The strategic agenda also included a section dedicated to cultural and humanitarian cooperation as well as a special section for cooperation in business and civil society. The agenda’s last section ought to be dedicated to questions of how to implement it, including a

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<sup>10</sup> Editor’s note: The CFPD (<[www.svop.ru](http://www.svop.ru)>) is a Russian non-governmental organization, created in February 1992 in Moscow by a group of politicians, businessmen, experts, representatives of ministries, military-industrial complex, the media, etc. Its stated aim is to participate in the elaboration of Russian development strategies, foreign and defense policies, as well as the development of civil society in Russia.

<sup>11</sup> T. Bordachev, “Toward a Strategic Alliance”, *Russia in Global Affairs*, No. 2, April - June 2006.

provision about creating a special mechanism to control the way in which the agreed intentions are performed by Russia and the EU.

The third level provides for sectoral agreements of varying scopes and levels of binding force, intended to become the actual “motor” and practical instrument for mutual relations between Russia and the EU. These documents must envisage functional integration in different fields of activity, until some segments of the market are incorporated. Among the obvious areas for cooperation, the following stand out: transportation, education, space and energy.

Of all the documents mentioned relating to the new political and legal format between Russia and the European Union, only sectoral agreements require parliamentary ratification. This, the authors of the concept believe, would make it possible to avoid the negative consequences connected with the need to “push” issues relating to the strategic union between Russian and the European Union through the parliaments of those EU member states with whom Moscow’s relationship has been hindered by historical and psychological factors.

The least clear point in the SVOP concept was and remains the question of how the proposed scheme for relations between Russia and the EU relates to the PCA. If this concept replaces the PCA, it is clear that a political declaration, even about a strategic union, cannot be used as a legal basis for relations between Russia and the EU. And no sane politician in Russia would settle for revoking an international treaty in favor of signing a declaration that does not bind anyone to anything, even one that does not require ratification. This would entirely undermine the Russian leadership’s reputation as a measured and responsible partner. As far as sectoral agreements are concerned, they are, undoubtedly, important, and must in any case be revised and supplemented from time to time. Yet it is difficult to imagine that relations between Russia and the EU could develop effectively without a clear contractual and legal format serving as basis to parallel agreements, no matter how importance they may be. It is evident that the SVOP concept, which, ideologically speaking, corresponds more closely to the sovereign mood of the Russian political elite than the RUE concept, has turned out to be unacceptable.

## ***Other Approaches***

“Russia-EU Quandary 2007” has also been discussed by other organizations and institutes, notably at numerous seminars and conferences held at the Moscow State Institute for International Relations (MGIMO), but the benchmark approaches have been laid down by RUE committee and the SVOP. As for nationalists and anti-

Westernizers of all persuasions, they could not, by definition, present any kind of post-PCA concept. A clear idea of the Communist Party of the Russian Federation's (KPRF) attitude toward the EU is expressed in the interview with the State Duma Deputy from the KPRF, Yuliy Kvitsinsky, who was once a professional diplomat. He said: "... to have such a powerful union, like the EU or NATO, right 'under our nose' is simply dangerous. Therefore any policy that furthers consolidation of the EU is wrong. We need an unconsolidated EU, weak enough that it is not in a position to draw up global policies without Russian support, but, on the other hand, strong enough to, with support from Russia, counterbalance the policy of the United States."<sup>12</sup>

It is important to acknowledge that very few Russian politicians or officials would express their position in such a frank manner. Nevertheless, this attitude does exist in both political and expert circles. In fact, it is the idea of a "sovereign democracy"<sup>13</sup> and self-sufficiency that also combines harmoniously with the concept of Eurasianism and a "liberal empire."<sup>14</sup>

Russian Eurasianists, led by Alexander Dugin, the ideologist leading this movement, see Atlanticism as the main threat to Russia, embodied, they believe, by the United States (US) and Great Britain. As a result, Russia has to weaken US influence in the world, first and foremost in Europe. Getting closer to Europe would, therefore, help drive a wedge between Europe and the US. The Eurasianists welcome any union with countries that have anti-American tendencies. They cherish the Utopian dream of creating a Eurasianist strategic coalition, in which individual EU countries, primarily Germany and France, would unite with political regimes from the East against antagonistic Atlanticism.<sup>15</sup>

If the tough form of Dugin's anti-Westernism appears sufficiently marginal, a more "diluted" and less aggressive version is also used by many well-known politicians and political analysts—Konstantin Zatulin, Mikhail Demurin, Andranik Migranyan, Vitaly Tretyakov, Alexey Pushkov and others<sup>16</sup>. It is highly remarkable

<sup>12</sup> Interview with Yu. Kvitsinsky in the German newspaper *Neues Deutschland*, "Kogda strana podnimetsya s kolen" [When a Country Rises From its Knees], 20 February 2007, available in Russian on the site of Perm regional branch of the KPRF, <<http://kprf.perm.ru/page.php?id=2585>>.

<sup>13</sup> Editor's note: The "sovereign democracy" concept (devised by V. Surkov, Deputy chief of staff of the Putin Administration) is based on the Russian people's right to sovereignty and to decide their destiny while refusing any foreign meddling or imported social models. V. Surkov, « Natsionalisatsiya budushchego » [The Future's Nationalization], *Expert*, No. 43 (537), 20 November 2006.

<sup>14</sup> Concept devised by A. Choubais, see note [17].

<sup>15</sup> A. Dugin, *Osnovy Geopolitiki* [Basis of Geopolitics], Part 1-2., Arktogeya, Moscow, 2000.

<sup>16</sup> Editor's note: K. Zatulin—Deputy of the Russian State Duma, Director of the Institute of CIS Studies, member of SVOP; M. Demurin—former spokesman of the Russian Ministry of Foreign Affairs, political analyst and member of the "Just Russia" Party; A. Migranyan—Vice President of the Russian International Fund of Economic and Social Reforms ("Reforma" Fund), Chairman of the Scientific Council of the

that Anatoly Chubais, with his reputation as an economic liberal and Westernizer should be the author of a concept for a “liberal empire”,<sup>17</sup> also approved by Alexander Dugin and Alexander Prokhanov<sup>18</sup>.

How should these forces' influence be evaluated? And which group is larger in Russia: Europeans or Eurasianists? Russia has both, but the “balance of power” between them changes in accordance with the policies of the European Union, individual EU countries, and the West as a whole. When Western partners show disregard for Russia's interests, when a country that only 15 years ago emerged from its Soviet overcoat is judged by the highest standards of democracy which do not exist even in the old EU countries let alone new members of the European Union, then the number of supporters of self-sufficiency and Eurasianism in Russian society grows.

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Institute of CIS Studies, member of SVOP; V. Tretyakov—Editor-in-Chief of the review *Politicheskii klass* [Political Class] and of the weekly *Moscow News*, member of SVOP; A. Pushkov—author and presenter of the analytic program “Postskriptum” on the TV-Centr channel, member of SVOP.

<sup>17</sup> A. Chubais, “Missiya Rossii v XXI veke” [Russia's Mission in the 21<sup>st</sup> Century], *Nezavisimaya Gazeta*, 1 October 2003.

<sup>18</sup> Editor's note: A. Prokhanov—Editor-in-Chief of the patriotic newspaper “Zavtra”.

## The Kremlin's Position

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Currently, Russia's European choice is supported by the highest leadership in the country and by public opinion. More than 60% of public opinion is in favor of cooperation with the EU (the same percentage is against NATO).<sup>19</sup> This is also the position of the Russian President, Vladimir Putin, and his associates in the Presidential Administration (Serguey Yastrzhembsky, Serguey Prikhodko), the State Duma (Konstantin Kosachev) and the Foreign Ministry (Serguey Lavrov)—a considerably more pro-European position than views supported by the political elite. Vladimir Putin personally considers his task to be to strengthen Russia on the international stage as a fully legitimate partner for the West, unlike Boris Yeltsin who achieved Russia's entry to the G-7 at the cost of unilateral concessions. For Yeltsin, the US was the embodiment of the West; for Putin, the latter is principally embodied by the European Union and leading countries of the EU. The Russian president's Europeanism is undoubtedly singular in character. It is more like Europeanism of the nineteenth or, perhaps, mid-twentieth century than that of the twenty-first, in which Russia is participating in a concert of European nations and has great influence over them, but as far as Russian domestic policy is concerned, it is a matter for Russia to deal with alone.

If we are talking about how foreign policy is balanced in terms of priority, from the perspective of the distribution of attention, vigor and resources spent on developing these policies, a rough estimate shows that, for all the conventions, approximately 40% is allocated to CIS countries, 30% to the European Union, 20% to China and India, 5% to the US and 5% to all other countries.<sup>20</sup> The EU's 30% is highly revealing. On the one hand, it is not inconsiderable. On the other, it reflects a revision of Russian foreign policy in the 1990s, indicative of the fact that nobody has any illusions regarding the possible integration of Russia in the EU in the foreseeable future. In Russia, this is acknowledged by practically everybody, some with regret, some with glee.

Nevertheless, Russia's official position is to accept the necessity of a new agreement between Russia and the EU, which

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<sup>19</sup> G. Ilyichev, "Nachalniki i bezrabotnye—glavnye rossijskie evropeytsy" [Bosses and the Unemployed—the Main Russian Europeans], *Izvestia*, 24 May 2006.

<sup>20</sup> "Rossiya i Evropejskij Soyuz: v poiskah obshchej strategii" [Russia and the European Union: Searching for a Common Strategy], RUE Report, Moscow, 2007.

must be ratified and approved by all EU member states. This means the Russian leadership consciously rejects a minimalist approach to the post-PCA. The Russian side has already outlined the new “Strategic Partnership Agreement”: it will be a short document based on four spaces and sectoral agreements. A consensus on the new treaty was reached as a result of many seminars and discussions with the participation of representatives of the presidential administration, the Foreign Ministry and Russia’s expert community. As Serguey Yastrzhembsky noted, “the option of automatically extending the Agreement every year is established in the Agreement itself. But this is only a partial solution to the problem, since the PCA has become obsolete in terms of its content... It will be essential to consider how we can retain the same values embodied in the PCA and supplement it in line with modern reality in terms of relations between Russia and the European Union. I am sure that this is the preferable option for developing a new agreement, because the ‘road maps’ cannot replace the PCA.”<sup>21</sup>

Although the idea of an association was not included in the official position, one must still admit that this position is closer to the RUE concept, insofar as the project for a new agreement is based on the idea of the four common spaces, which the authors for the RUE Committee included in their proposition for the post-PCA period. But forming these common spaces signifies, in essence, a motion toward an association-style relationship, and what is more, one at the highest level, closer to the relations between the EU and EFTA.

At the present time, the main reason for delaying the start of Russia-EU negotiations on the new agreement is connected to the non-constructive position of new EU members—primarily Poland, which is notably calling for Russia to lift its embargo on Polish meat introduced at the end of 2005 and to ratify the Energy Charter Treaty. On the question of lifting the embargo, Russia stresses that this is not a political issue, but an exclusively sanitary and practical one, which must be decided in the course of bilateral negotiations.<sup>22</sup> The Russian leadership has already expressed its readiness to discuss the clauses of the Energy Charter, which do not take into account the interests of all parties. Among other things, the most problematic questions within the framework of the Energy Charter are the development of nuclear energy, unclear regime for the protection of investments, and the host of problems related to the transit of energy resources (the right of first refusal in accessing transit networks, and also the criteria and mechanisms for transit tariffs).<sup>23</sup>

<sup>21</sup> S. Yastrzhembsky, “Rossiya i Evrosoyuz nuzhny drug drugu” [Russia and the European Union Need One Another], *Rossiyskaya Gazeta*, 4 October 2005.

<sup>22</sup> “Srok otmeny embargo na polskoye myaso opredelit pozitsiya ES” [The Date for Lifting the Embargo on Polish Meat will be Determined by the Position of the EU] by Russian Ministry of Foreign Affairs, *Vedomosti*, 11 May 2007.

<sup>23</sup> RIAN News, 10 June 2006, <[www.prime-tass.ru/news/show.asp?topicid=1&id=1262&ct=G8Summit](http://www.prime-tass.ru/news/show.asp?topicid=1&id=1262&ct=G8Summit)>.

In other words, the start of negotiations today does not depend solely on Russia, but also on Brussels, or, more precisely, on its ability to influence new EU member states suffering from post-Soviet syndrome. Indeed, it is apparent that the EU is equally interested in a new treaty with Russia, the value of which far exceeds the boundaries of economic cooperation.

## More than Just a Treaty

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It goes without saying that Russia is interested in good neighborly relations, trade and mutually beneficial cooperation with all countries situated along the perimeter of its borders. In the framework of its relations with the EU, however, the issue is not only one of trade and cooperation but also one of choosing the model for further political and socio-economic development in Russia.

The “Europe or Asia” dilemma, which escalates in Russia whenever friction occurs in relations with EU or the West as a whole, is not a choice of geographical preferences for Russia, but a choice of models for development. From this perspective, the Chinese model—authoritarianism plus NEP<sup>24</sup>—seems the least suitable for Russia, who already tried out this model at a certain stage in its history and became convinced of its inadequacy on Russian soil. Besides, integration with China would present serious threats for Russia’s future, since it would stand to lose the Russian Far East and Siberia as in the Kosovo scenario and would at last become an appendix used by China for exports and raw materials as well as a landfill site for China’s growing economy. But proponents of “the Chosen People” idea believe that having 70% of Russia’s population no less poor than 10% of the poorest in the US is enough. And the consolation “We may be poor, but we are spiritual” also does endure criticism of the conditions of monstrous corruption by officials and organized crime, which gnaws even at law-enforcement agencies in Russia.

Russia’s integration with China or states located in Central Asia would have negative consequences for both Russia and Europe. Today’s Europe is not so much a geographical concept as it is a defined model for economic and social modernization, and conformity with fixed standards. It is chiefly for this reason that a new agreement between Russia and the EU is, in its meaning and significance, much more than just a treaty. It is a choice for the European model of development.

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<sup>24</sup> Editor’s note: The New Economic Policy (NEP) was promulgated by decree on March 21, 1921, “On the Replacement of *Prodravyorstka* by *Prodnalog*” (i.e., on the replacement of foodstuffs requisitions by fixed foodstuffs tax). The NEP also loosened trade restrictions, and tried to regain alliances with foreign countries. Further decrees refined the policy and expanded it to include some industries. Source: <[http://en.wikipedia.org/wiki/New\\_Economic\\_Policy](http://en.wikipedia.org/wiki/New_Economic_Policy)>.

Without a doubt, relations between Russia and the EU will be one of the central topics in the Russian political parties' foreign policy programs at the parliamentary elections in 2007, and the presidential election in 2008. Nowadays, all serious Russian politicians recognize the importance of cooperation between Russia and the EU. However, a model for these relations will define not only their political and ideological preferences, but also the EU's position in regard to Russia.

Admittedly, after the failed Samara summit, there will be growing pessimism in Russia regarding the prospect of a new treaty and its ratification by the new EU member states. Even certain authors of the RUE concept are now leaning toward the minimalist approach of "PCA plus". However, at least officially, the Russian leadership has not abandoned its earlier position on the post-PCA issue, and this position is seemingly shared in Brussels.

Short-term trends in relations between Russia and the EU do not seem optimistic, though in the long term, neither Europe nor Russia will be able to be independent centers of power in a modern and developing international arena, therefore integration is in the interests not only of both parties, but of international security in the widest sense.