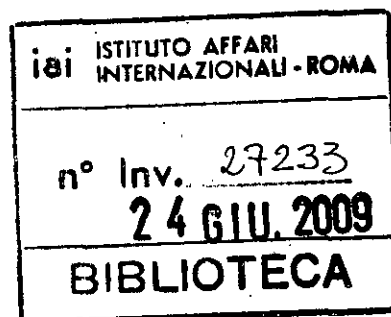


TRANSATLANTIC SECURITY SYMPOSIUM
US-Europe-Russia Security Relations: Towards a New Compact?

Istituto affari internazionali (IAI)
Center for Strategic and International Studies (CSIS)
Rome, 22/VI/2009

- a. Program
- b. List of participants
- 1. Re-setting US-EU-Russia relations. Moving beyond rhetoric / Riccardo Alcaro and Emiliano Alessandri (9 p.)
- 2. Russia's approaches towards security building within the Euro-Atlantic zone / Vladimir Baranovsky (11 p.)
- 3. Getting trans-atlantic security right: nuclear non-proliferation and strategic stability / Andrew C. Kuchins (4 p.)
- 4. Energy security: the Russia-EU dimension / James Sherr (5 p.)





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TRANSATLANTIC SECURITY SYMPOSIUM 2009

US-Europe-Russia Security Relations: Towards a New Compact?

Rome, June 22 2009

With the support of

Compagnia di San Paolo

European Union Institute for Security Studies (EU-ISS)

Friedrich Ebert Stiftung, Rome Office

German Marshall Fund of the United States (GMF-US)

Italian Ministry of Foreign Affairs

NATO Public Diplomacy Division

In cooperation with

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Venue

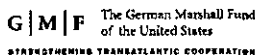
Palazzo Rondinini

Via del Corso 518

Rome

Working Language: English

PROGRAM



MONDAY, June 22

9:00-9:30 **Welcome address and introductory remarks**

Opening speeches: Stefano Silvestri, President, IAI
Vincenzo Camporini, Chief of Defense Staff of Italy

Seminar introduction: Riccardo Alcaro, IAI

9:30-11:00 FIRST SESSION

The EU, NATO, Russia and the European security space: how to foster long-term security?

Chair Marcin Zaborowski, EUISS, Paris

Paper-giver Vladimir Baranovsky, IMEMO, Moscow

Discussants Sabine Fischer, EUISS, Paris
Arkady Moshes, FIIA, Helsinki
William Drozdiak, ACG, New York

Open debate

11:00-11:15 COFFEE BREAK

11:15-12:45 SECOND SESSION

Nuclear arms control, missile defence, and non-proliferation: exploring the potential for US-Europe-Russia cooperation

Chair Michael Paul, SWP, Berlin

Paper-giver Andrew C. Kuchins, Russia and Eurasia Program, CSIS, Washington

Discussants Giovanni Gasparini, IAI
Vitaly Fedchenko, SIPRI, Stockholm
Olaf Osica, Natolin European Centre
Eugene Rumer, INSS-NDU, Washington, DC

Open debate

12:45-13:15 **Keynote speech**

Jiří Šedivý, Assistant Secretary General for Defence Policy and Planning, NATO

13:15-14:15 LUNCH

14:15-15:45 THIRD SESSION

Energy security: what options to build long-term trust?

Chair Sam Greene, Carnegie Moscow Center

Paper-giver James Sherr, Chatham House, London

Discussants Kirsten Westphal, SWP, Berlin
Alexandros Petersen, ACUS, Washington DC
N. A. Simonia, IMEMO, Moscow

Open debate

15:45-16:00 COFFEE BREAK

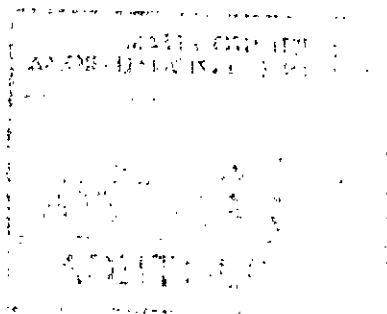
16:00-17:30 FOURTH SESSION

What prospects for a new security compact?

Chair Ettore Greco, IAI

Speakers Barry Posen, MIT Department of Political Science, Cambridge MA
Viktor Kremenjuk, ISKRAN, Moscow
Maurizio Massari, Italian Ministry of Foreign Affairs
Constanze Stelzenmüller, GMFUS, Berlin Office

Concluding remarks Emiliano Alessandri, IAI



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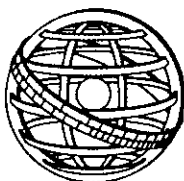
LIST OF PARTICIPANTS



Riccardo Alcaro	Researcher, Istituto Affari Internazionali (IAI), Rome
Emiliano Alessandri	Researcher, Istituto Affari Internazionali (IAI), Rome
Oksana Antonenko	Senior Fellow and Director, Eurasia and Russia Programme, International Institute for Security Studies (IISS), London
Derek Averre	Senior Lecturer and Director, Centre for Russian and East European Studies (CREES), University of Birmingham
Vladimir Baranovsky	Deputy Director, Institute of World Economy and International Relations (IMEMO), Moscow
Michael Braun	Director, Friedrich-Ebert Foundation, Rome Office
Vincenzo Camporini	Italy's Chief of Defence Staff
William Drozdiak	President, American Council on Germany, New York City
Silvio Fagiolo	Ambassador, and Professor of International Relations, LUISS University, Rome
Vitaly Fedchenko	Researcher, Stockholm International Peace Research Institute (SIPRI), Stockholm
Carlo Finizio	Senior Advisor, NATO Defence College, Rome
Sabine Fischer	Research Fellow, European Union Institute for Security Studies (EUISS), Paris
Giovanni Gasparini	Senior Fellow, Istituto Affari Internazionali (IAI), Rome
Mario Gioannini	Head, Research and Documentation, Compagnia di San Paolo, Turin
Ettore Greco	Director, Istituto Affari Internazionali (IAI), Rome
Sam Greene	Deputy Director, Carnegie Moscow Center, Moscow
Viktor Kremenjuk	Deputy Director, The Institute for the USA and Canadian Studies (ISKRAN), Russian Academy of Sciences, Moscow
Andrew C. Kuchins	Director and Senior Fellow, Russia and Eurasia Program, Center for Strategic and International Studies (CSIS), Washington, DC
François Lafond	Director, German Marshall Fund of the United States (GMFUS), Paris Office
Barbara Leaf	Minister Counselor, Embassy of the United States, Rome
Arrigo Levi	Personal Advisor to the President of the Republic, Rome
Maurizio Massari	Head, Press and Information Service, Italian Ministry of Foreign Affairs, Rome
Roberto Menotti	Senior Research Fellow, International Programs, Aspen Institute Italia, Rome

Alessandro Minuto Rizzo	Senior Strategic Advisor, ENEL, Rome, and former Deputy Secretary General, NATO
Andrew Monaghan	Researcher, NATO Defence College, Rome
Arkady Moshes	Programme Director, Russia in the Regional and Global Context research programme, Finnish Institute for International Affairs (FIIA), Helsinki
Leopoldo Nuti	Professor of International History, International Studies Department, Roma Tre University
Olaf Osica	Research fellow, Natolin European Centre, Natolin
Vittorio Emanuele Parsi	Professor of International Relations, Political Sciences Department, Università Cattolica del Sacro Cuore, Milan
Michael Paul	Senior Fellow, Research Division International Security, German Institute for International and Security Affairs (SWP), Berlin
Alexandros Petersen	Dinu Patriciu Fellow for Transatlantic Energy Security and Associate Director of the Eurasia Energy Center, The Atlantic Council of the United States (ACUS), Washington, DC
Barry Posen	Director, Security Studies Program, MIT Department of Political Science, Cambridge (MA)
Federico Riggio	Head, International Political Analysis, ENI, Rome
Eugene Rumer	Senior Fellow, Institute for National Strategic Studies (INSS), National Defense University, Washington, DC
Ferdinando Salleo	Ambassador, and columnist, <i>La Repubblica</i> , Rome
Jiří Šedivý	Assistant Secretary General, Defence Policy and Planning, North Atlantic Treaty Organization (NATO)
James Sherr	Head of Programme, Russia and Eurasia, Chatham House, London
Stefano Silvestri	President, Istituto Affari Internazionali (IAI), Rome
N. A. Simonia	Head, Center for Energy Research, Institute of World Economy and International Relations (IMEMO), Moscow
Constanze Stelzenmüller	Senior Transatlantic Fellow, GMF, Berlin Office
Kirsten Westphal	Researcher, Research Division Global Issues, German Institute for International and Security Affairs (SWP), Berlin
Marcin Zaborowski	Research Fellow, European Union Institute for Security Studies (EUISS), Paris

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TRANSATLANTIC SECURITY SYMPOSIUM 2009
*US-Europe-Russia Security Relations:
Towards a New Compact?*

Rome, June 22 2009

*Re-setting US-EU-Russia relations. Moving beyond
rhetoric*

By

Riccardo Alcaro and Emiliano Alessandri

IAI, Rome



After a period of severe turbulences, the United States, Europe, and Russia seem willing to start out on a new course. 'Pushing the reset button', as suggested by US Vice President Joe Biden, is an alluring formula, but it is no guide for action. A new US and European arrangement with Russia is more likely to endure if all parties learn from the troubled experience of the last few years.

At the root of the disagreements and tensions of the past years is, in fact, the lack of a shared vision of Europe as a single security space. Russia is blatantly dissatisfied with the political and security outline of post-Cold War Europe. In particular, since Vladimir Putin's second term as president, Moscow has opposed a number of US-led initiatives ever more vehemently, and has presented the defense of an area of 'privileged interests', largely coinciding with the former Soviet space, as a legitimate claim.¹

While rightly rejecting the notion of spheres of influence as an outdated Cold War relic, the United States and its European allies need to recognize that a stable security order for Europe can hardly be achieved without involving Russia as one of its constitutive parts. Such a new system would probably increase Russia's cooperation on issues of vital interest for the United States and Europe, such as nuclear non-proliferation (e.g. Iran) and the fight against Al Qaeda (e.g. Afghanistan).

Following a concise summary of US-European-Russian relations since the early 1990s, the argument is made that a 'strategy of engagement' aiming to create a single security space best serves Europe's long-term stability.

From co-optation to confrontation

In the immediate aftermath of the Cold War, US and Western European leaders agreed that Russia should be integrated into the emerging post-bipolar order on the assumption that the costs of isolating it would be higher than those of co-opting it. Russia, for its part, saw engagement with the West as the only viable way to continue to play a significant role in the post-Cold War era.

From the mid 1990s to 2000, Russia's relations with the West became more complex and difficult. The Clinton administration decided to enlarge NATO to the East, a move which Russia saw as unnecessary if not offensive and, in any case, imposed without prior discussion. In 1999, NATO waged war against Yugoslavia over Kosovo, reinforcing Russia's concerns that its mission was not the stabilization of Europe, as Western leaders declared, but extension of the area of US/Western hegemony. Russia was also faced with the unpleasant reality of its growing economic weakness and internal decline. The financial crisis of 1998 aggravated an economic and social situation that was already gloomy.

After 9/11, Russia decided to side with America in the struggle against Al Qaeda. Moscow thought it could benefit, at different levels, from an alliance with the United States: it would acquire leverage and international prestige in what appeared to be the beginning of a new phase in American foreign policy and international relations; and it could use its contribution to the campaign against terrorism to demand less interference in its internal affairs, starting with human rights issues and the Chechnya question (the Kremlin quickly started to present the Chechen separatists as part of the broader menace emanating from Islamic terrorism). The US welcomed Russia's proposals for cooperation, convinced that Moscow was doomed to remain the junior partner in the relationship.

The period 2003 to 2008 saw a shift, if not a reversal, of some of the previous paradigms. Under the presidency of Vladimir Putin, Russia regained economic power, mainly thanks to ever-increasing energy prices, and internal stability, albeit at the expense of reduced civil and political freedoms. A more confident Russia moved along an increasingly assertive, nationalistic line, looking back at its 'dependence on the West' in the 1990s as a stain on its history. America and Europe grew more skeptical about Russia being able to transform in the short to medium term – if

¹ Russia's President Dmitry Medvedev used the formula 'privileged interests' in a TV interview on Television Channels Channel One, Russia, NTV, on 31 August 2008 (the full text of the interview is available on [GlobalSecurity.org](http://www.globalsecurity.org/wmd/library/news/russia/2008/russia-080831-medvedev01.htm), <http://www.globalsecurity.org/wmd/library/news/russia/2008/russia-080831-medvedev01.htm>).

ever – into a full-fledged democracy and were forced to reassess Moscow's role as one of Europe's great powers.

In 2003, Russia stood out as one of the leading opponents to the US-led invasion of Iraq. In the following years, Moscow protested that a number of US-led initiatives ranging from NATO's eastern enlargement, to the US plan to install elements of its missile defense system in the Czech Republic and Poland, and the recognition of Kosovo's independence, aimed at 'encircling' it. The colored revolutions in Georgia (2003) and Ukraine (2004) that brought pro-Western governments to power were, not surprisingly, presented by Moscow as responding to a US design – a perception reinforced by the Bush Administration's strong support for Ukraine and Georgia's NATO bids. A number of diplomatic and trade clashes with EU countries, most notably the United Kingdom and former Soviet satellites, only added to the tensions. On top of it all, the Kremlin tightened its grip on energy exports, apparently regarding them as a valuable foreign policy asset.

The Georgian war of August 2008 marked an all time low low in post-Cold War US-European-Russian relations, exposing the limits of the policy of cooptation pursued in the previous years and leading many to fear that a new era of confrontation was unavoidable. This, however, has not happened.

Where to re-start

In spite of the awfully long list of issues on which the United States, European countries, and Russia have been at odds in the last few years, none of the three has seemed willing to raise the level of competition to the breaking point. Not even after the August 2008 Russian-Georgian war has the specter of a new Cold War materialized. On the contrary, the crisis in the Caucasus seems to have strengthened the orientation to prefer *détente* to confrontation. Nothing exemplifies this spirit better than Vice President Biden's remark about the need to "push the reset button", welcomed both in Europe and Russia.²

However difficult, the relationship between the United States, Europe and Russia, it is made up of not only competing but also overlapping interests, among which stand out issues of the utmost importance such as nuclear proliferation, arms control, counter-terrorism and other non-security matters like global financial stability, climate change, etc. In the area of competing interests, some of the thorniest issues that have plagued US-Europe-Russian relations in recent years have passed the acute phase: Kosovo has declared its independence, Georgia and Ukraine's prospects to join NATO have been moved further into the future, deployment of missile defense is not at the top of the Obama Administration's agenda.³ Russia seems to have successfully resisted, at least for the moment, some of the US-led initiatives it was most opposed to, while regaining an apparent strategic advantage in the Caucasus, where its military presence and political influence have increased after the war with Georgia, and in Central Asia, where its efforts to drive the US out of the area seem to be working. Finally, the financial meltdown and economic crisis have drained important resources and could make self-restraint a more appealing option for all parties. This could be particularly true for Russia, which is heading towards a sharp contraction of its economy after years of sustained growth, mainly due to the fall in oil prices.⁴

A window of opportunity to re-start cooperation, therefore, might have opened up. But it is narrow and limited in time as none of the most contentious issues have been permanently settled and new ones could arise. Making progress in the areas of overlapping interest would highlight the benefits for all parties accruing from greater cooperation, while undoubtedly contributing to

² Vice President Biden used the expression 'time to press the reset button' in the Obama Administration's first major foreign policy address at the Munich Security Conference last February (Biden's speech is available at http://www.securityconference.de/konferenzen/rede.php?menu_2009=&sprache=en&id=238&). Later on, US State Secretary Hillary Clinton presented her Russian counterpart Sergey Lavrov with a mock 'reset' button.

³ The point is made by Andrew Kuchins, "Europe and Russia: Up from the Abyss?", *Current History*, March 2009, p. 139.

⁴ Russia's GDP is forecast to drop by 5% in 2009. Still in 2008 it had grown by 6% (*Country Briefing. Russia - Forecast*, Economist.com, 22 May 2009, www.economist.com/Countries/Russia/profile.cfm?folder=Profile-Forecast).

rebuilding a sense of mutual trust. But it would still not be enough. Neglecting or leaving aside the areas of competing interests for the sake of peace is short-sighted and self-delusory, since issues like Georgia and Ukraine's NATO bids cannot be kept off the agenda indefinitely. At the same time, while agreeing to disagree could buy some time, it cannot be regarded as a sustainable approach. Actions should be taken to create an environment in which the behavior of all parties is predictable and their interests presented and advanced constructively; the costs of confrontation are clearly higher than cooperation and the rule of law is the cornerstone of Europe's stability.

A strategy of engagement with Russia

From the foregoing, it follows that a strategy of engaging Russia should be the first choice for both Europeans and Americans. Adopting a strategy of 'soft' containment, as was suggested in particular after Russia's intervention in Georgia, would amount to conceiving of the relationship with Russia as a zero-sum game.⁵ More critically, the very idea of containment postulates that Russia's foreign policy is bent on expansionism, whereas in the Kremlin's view, Russia has been primarily reacting to US-championed expansionist policies, most notably NATO enlargement. Engagement, however, should not be confused with acquiescence. Some European countries, most notably Germany and Italy, have indeed already opted convincingly for engagement, in the hope that deeper economic integration and political dialogue will assure them greater influence over Russia than detachment or criticism. Actually, though, evidence points in the opposite direction. Even Germany, arguably Moscow's most important partner, has not been able to have any significant impact on Russia's international behavior, the Kremlin's agenda has been unaffected.⁶ Especially in the last two and a half years, the engagement policy advocated by Germany and others seems to have turned into passivity. In the absence of concrete results, the approach has been kept up as if engagement were an end in itself instead of a means.

A strategy based on engagement should be proactive and able to adjust to changing circumstances. Russia should be called on constantly to respond to initiatives offering it opportunities but also implying responsibilities. It should be involved in the process of defining the outlines of Europe's security space including the 'land in-between'⁷ (former Soviet republics in Eastern Europe and the Caucasus). And, more substantially, it should be consulted on issues of international concern where its role is needed or where it brings a clear added value. But Russia should be prevented from setting the agenda on its own terms and it should be made clear that it wields no veto power.

The effectiveness of an engagement strategy is strictly related to the degree of cohesion within the European Union and between the United States and Europe. Closer transatlantic coordination and greater unity at EU level would lend more credibility and coherence to US and European proposals for cooperation, while making it more difficult for Russia to get around or ignore them. The difficulties that the US and the Europeans have often found in coalescing around common positions undoubtedly stem from a different order of priorities concerning Russia. There is some truth in the view that the US focuses almost entirely on geopolitics, while Europeans are unable to harmonize the much wider and more complex set of issues they are confronted with (mainly due to their geographic proximity to Russia and their strong reliance on its energy supplies).

However, particular interest configurations do not automatically dictate policy positions, as illustrated by the fact that the same US administration has sometimes held different attitudes

⁵ For a critical discussion of the 'soft' containment option, see Mark Leonard and Nico Popescu, *A power audit of EU-Russia relations*, European Council on Foreign Relations Policy Paper, November 2007, pp. 51-52.

⁶ On Germany's lack of influence on Russia, see Constanze Stelzenmüller, "Germany's Russia Question", *Foreign Affairs*, March-April 2009, pp. 89-100; on the origin of Germany's approach to Russia, see Christopher S. Chivvis and Thomas Rid, "The Roots of Germany's Russia Policy", *Survival*, April-May 2009, pp. 105-122.

⁷ The expression is drawn from a presentation by Robert Levgold at Chatham House on the topic: "Can there be a US-European partnership in Policy toward Russia?" on 17 April 2009, which one of the authors had the chance to attend.

towards Russia, and that EU member states with comparable interests sometimes have diverging approaches. For instance, a high level of energy dependence does not automatically translate into a more acquiescent stance towards Russia (Lithuania and Poland, for instance, in spite of their massive reliance on Russian gas deliveries, have in the past gone as far as vetoing the start of talks over the new EU-Russia 'strategic partnership' treaty). The same applies to countries with no significant energy links with Russia, some of which (e.g. Britain, Denmark, Sweden) have criticized Moscow more, whereas others (e.g. Spain) have supported a softer line. At the origin of the Russia policies of the United States and the various EU members lies a complex of not always interconnected elements, ranging from interest-based calculations (especially on energy), security perceptions, national identity, historical legacy, and more local issues (the presence of Russian minorities, sustained flows of Russian migrants, and others). Precisely because intra-EU as well as transatlantic divisions on Russia are the product of particularistic interest projections, reconstituting cohesion both within Europe and across the Atlantic is a matter of political choice.

Towards a new security compact

Cohesion at the EU and transatlantic levels can only spring from well-balanced compromises. Differences within the European Union and NATO should not become stumbling blocks leading to inaction or ambiguities concealing rather than solving problems. Compromises that are sustainable and practical will never be the ideal solution for any single country, but they probably represent a better alternative. Nothing testifies to this fact more convincingly than the controversies surrounding NATO enlargement to Georgia and Ukraine. The inclusion of these items in the Alliance's agenda has exposed significant fissures among allies, has pushed Russia towards a more aggressive stance, and has ultimately produced a weak outcome. NATO's promise at the April 2008 Bucharest summit that Georgia and Ukraine will join NATO one day is as solemn as it is uncertain regarding its fulfillment – and the original divisions still persist among NATO allies about whether or not to take such a step. In hindsight, it seems safe to say that offering the prospect of NATO membership to countries that are politically unstable, can offer no solid guarantee of reliability, and have unsolved disputes with their neighbors, was a *faux pas*.

Allies, however, cannot realistically renege on their promise lest their credibility suffer a serious blow. In view of working out a strategy of engagement with Russia, the allies should aim for new and more advanced solutions, overcoming the membership/non membership dichotomy. They could envision a single European security space within which the legitimate security concerns of Georgia and Ukraine are adequately taken into account. Europeans and Americans may find it worth lending substance to Russian President Dmitry Medvedev's call for a 'new Euro-Atlantic security architecture', recognizing that NATO cannot exhaust all Europe's security needs.⁸ As a matter of fact, a European security space centered entirely on NATO would continue to meet Russia's opposition, would depend on a lasting US commitment, and would ignore the EU's efforts to contribute more directly to keeping Europe safe and stable.

The 'new security architecture' would provide a larger framework than NATO. The Alliance would be a constituent part of it, alongside a European Union able to act as a security provider, the United States, and Russia. A new European security treaty, as hinted at by Medvedev, seems beyond reach for the time being, but a political agreement could be feasible. Such an agreement would have to rest on some basic elements: NATO's role as the main defense provider of its members would not be reduced; the EU's security and defense profile would be raised to the point that the United States, still a vital contributor to European security, would no longer be asked to be its only guarantor; and the Organization for Security and Cooperation in Europe (OSCE) would be revived, through the re-activation of key arms control treaties, starting with the Treaty on Conventional Forces in Europe (CFE), to be complemented with a bilateral US-Russia agreement on nuclear forces reduction supported by both NATO and the European Union. The ultimate goal of

⁸ President Medvedev first floated the idea during his first address to Russia's ambassadors in July 2008.

the 'new architecture' would be to anchor Europe's stability not to an untenable balance between anachronistic 'spheres of influence', but to a single system guaranteeing the legitimate interests as well as the independence of all parties.

The CFE treaty, imposing limits on size and deployment of conventional forces, is one of the most eminent victims of the recent tensions with Russia. NATO countries refuse to ratify the updated version of the treaty until Moscow pulls its troops out of Georgia and Moldova, while Russia has suspended its implementation protesting that NATO has persistently ignored its security concerns. The war in Georgia has hardened the respective positions. However, NATO members might find it useful to consider ratification of the CFE treaty as the effects of the treaty's entry into force may pay off more than sticking to demands that have become unrealistic. This argument is based on the assumption that the Americans and Europeans lack the power, or at least the will, to reverse Russia's actions in the Caucasus.

Nonetheless, the transatlantic partners, and the United States in particular, are not entirely short of leverage to use on Russia. Progress on nuclear forces reduction and deferral of the deployment of the US missile shield in Eastern Europe are something the Kremlin may be willing to pay a price for. The former is by far the most promising area of overlapping interest, and talks over replacement of the Strategic Arms Reduction Treaty (START I) have been resumed with a view to reaching an initial agreement at the Obama-Medvedev summit next July. Potentially, the stakes for Russia are high. A deal would reduce the maintenance costs of its expensive nuclear arsenal and – perhaps more crucially – slow down development of the US' new nuclear-related military technologies, a race Russia can hardly compete in.

Missile defense is a more complex and sensitive issue. The US plan to extend its missile shield to Eastern Europe has been a major source of tension since 2007, as Russia sees it as potentially undermining its nuclear deterrence and altering the strategic balance in Europe. A US-Russia settlement on the issue is therefore a *sine qua non* if an engagement strategy with Russia is to bear significant fruits. Contrary to its predecessor, the Obama Administration does not seem to be unconditionally committed to the missile defense project. The new, more nuanced message from the White House is that the US has now established a stronger interrelation between the urgency of developing a missile defense capacity and the potential ballistic threat from an Iran gone nuclear. That shift seems to be consistent with a strategy of proactive engagement, as it attempts to turn a bitter dispute into an opportunity: it shows Russia respect while calling upon it to take responsibility for helping the US and Europe curb Iran's nuclear ambitions.

Like the United States and Europe, Russia is opposed to Iran acquiring nuclear weapons, and has given its consent to successive rounds of UN-mandated sanctions against Tehran. However, Moscow does not believe the Iranian bomb is imminent, and has worked (along with China) toward watering down the measures initially put forward by the United States and the Europeans. In fact, the Kremlin might be convinced that it is actually profiting from the current state of play: its ambivalence allows it to maintain links with the government in Tehran, which provides it with an entryway to the Gulf region which is off limits for the United States and its allies. However, as has been rightly pointed out, Russia is benefiting from a situation that it is only partially able to influence, and which might produce an outcome that is undesirable for the Kremlin.⁹ A nuclear Iran would undoubtedly deal a serious blow to the US' clout in the region, but a new nuclear power along its insecure southern borders would also harm Russia's security. If, on the contrary, the United States and Europe were eventually able to find an agreement with Iran and US-Iran rapprochement were to follow, Russia would be better off being part of the process leading to the peaceful settlement of the nuclear standoff. By linking the deployment of the missile shield to the actual materialization of the Iranian threat, Washington has given Russia an even more attractive reason to be receptive to American and European calls for incisive action on Iran.

⁹ See Eugene Rumer and Angela Stent, "Russia and the West", *Survival*, April-May 2009, pp. 91-103.

Afghanistan is another area of both competing and compatible interests. While Russia is concerned about a spillover of instability from Afghanistan into the Central Asian republics, it also wants the United States out of Central Asia (and has acted accordingly). Given NATO's high stakes in Afghanistan, the United States and its European partners should give Russia assurances that they have no intention of establishing a permanent military presence in Central Asia; make clear that political and economic ties with regional countries are no threat to Russia's regional interests; find ways to cooperate on issues of mutual concern (such as drug trafficking); and work on widening the scope of NATO-Russia cooperation in containing the Taliban challenge in Afghanistan. The fact that such a critical country as Pakistan has been destabilized by Islamic radicalism should serve as a reminder that the focus in the region should be on security and stability rather than competition for influence.

De-securitizing energy

A critical topic which has climbed up the Russia agendas of the United States and European countries in the last few years is energy. After a series of disputes (mainly on prices) between Russia and transit countries Belarus and Ukraine resulted in disruptions in oil and gas supplies, energy has been increasingly dealt with under the heading of, or at least in relation to, security. However, the notion of 'energy security', when applied to the US and European relationships with Russia can mean different things and can, ultimately, be misleading rather than enlightening. The energy chapters of the US and European Russia agendas reveal dissimilar interests. Washington looks at the issue in geopolitical terms, as it is mainly worried about Russia taking control of energy resources in the former Soviet space and cynically using them as a foreign policy tool. EU members, on the other hand, have extensive energy relationships with Russia, which is the EU's largest gas supplier and one of the main sources of its oil imports.¹⁰ Economic, industrial, and trade calculations matter far more than geopolitics in the EU members' reasoning about their energy relationship with Russia.

The reality of the EU-Russia relationship is more complex – and less troubling – than the vulgarised media version of a European Union in thrall of Russia's state-controlled supply companies. The Union is by far Russia's most lucrative customer: in 2006 it still absorbed 50% of its oil exports and around 70% of its gas exports.¹¹ Russia lacks the resources and time to re-direct its pipeline system – which runs west – to China and Asia, as some fear. In the mid-term, Moscow has no option other than to sell its energy to Europe, so it is as reliant on the EU's energy purchases as the European Union is on its supply.

Russia's energy leverage stems not from the EU's dependence, but from the deep asymmetry of the Russia-EU energy relationship. The level of imports from Russia varies significantly among EU members both in relative and absolute terms,¹² as does the kind of energy relationships with Moscow – ranging from a simple 'buyer-seller' relationship (e.g. with the Baltic states) to sophisticated forms of partnership between Russia's energy giants and European companies (e.g. the Russo-German and Italo-Russian ventures on Nord Stream and South Stream, the planned gas pipelines running under the Baltic and the Black Seas)¹³. This asymmetry has often been to Moscow's advantage, as Russia has managed to clinch bilateral deals on favourable terms. Fragmentation in the EU energy relationship with Russia is also an important factor behind the

¹⁰ Between 2000 and 2006 the EU oil imports from Russia rose from 19% to 32%, while gas imports decreased from 49% to 39%, even though they actually rose in absolute terms (see Giorgio V. Brandolini, "Il controllo del petrolio e del gas naturale nella Federazione Russa", *Acque e Terre*, 1-2009, pp. 23-28).

¹¹ *Ibidem*.

¹² Just to mention a couple of cases, Estonia imports 100% of its gas from Russia's Gazprom, amounting however to just 0,7b mc; Italy relies on Gazprom for 26,2% of its gas consumption, which amounts to 77,4b mc (International Energy Agency, *Natural Gas Information 2007*, Paris 2007; AOA Gazprom, *Annual Report 2006*, www.gazprom.ru/articles/article23921.shtml).

¹³ Nord Stream is owned by Nord Stream AG, a consortium comprising Gazprom, Germany's Wintershall and E.ON, and the Netherlands' Gasunie. South Stream is a joint venture between Gazprom and Italy's ENI.

Union's poor performance in protecting its members' energy needs when Russia's fierce disputes with Belarus and especially Ukraine led to cut-offs in oil and gas deliveries.

The EU's most urgent goals are to bring an end to supply disruptions and to the disputes between Russia and transit countries, so that predictability can become the norm in Europe's energy dimension. A more integrated EU energy market, with closer interconnections among its distribution networks, could ensure that temporary emergencies in single EU states are relieved by the other members.¹⁴ The direct involvement of the European Union in addressing the technicalities – and reducing the opacities – of the Russia-Ukraine energy relationship would contribute to removing the causes of the harmful, recurring disputes between the two.¹⁵ In its relations with Russia, it would probably be more advantageous for the European Union to reinforce its negotiating position vis-à-vis Russia than to concentrate on diversifying source countries, not least because the latter would hardly solve its 'dependence' problem. Much hope has been pinned on the 'Nabucco' pipeline, which should bring Caspian gas to Europe via Turkey but, even when fully operational, it would only cover a tiny fraction of the EU's energy demands.¹⁶ Instead, the EU could aim at negotiating firmer guarantees of no supply disruptions in its new 'strategic partnership' agreement with Russia; insisting on reciprocity as the rule governing access of Russian companies to its energy market;¹⁷ standardizing the procedures of EU members' deals with Russia (like Nord Stream and South Stream) so as to ensure that they do not put the needs of bypassed EU member states at risk.¹⁸

A fully stabilized energy relationship between the EU and Russia would rein in US concerns about Russia exploiting energy exports as a foreign policy tool, and incentivize a healthy de-securitization of energy. Talk about a Russia-run gas OPEC or a NATO including energy security among its tasks may be no more than talk, but it fuels mutual mistrust and reinforces the perception that energy is just a new front in the relationship between Russia and the West that cannot but be competitive (or worse).

Conclusion

When Russian troops were ordered into Georgia in August 2008, Western-Russian relations seemed headed towards a complete breakdown. The war was just the last chapter of a long story increasingly characterized by misunderstanding, mistrust, and confrontation. Less than a year later, the picture no longer looks hopeless. Leaders in America, Europe, and Russia have stepped back from the brink, showing a preference for détente. US Vice President Biden has gone so far as to declare that it is high time for the US, Europe and Russia to 'push the reset button' and reframe their relationship on a cooperative basis. Positive receptions both in Europe and Russia of Biden's emphatic remark induce us to believe that there is room for revamping cooperation.

A tendency to focus on the areas of overlapping interest, exemplified by the prompt resumption of US-Russian talks on nuclear forces reduction, has apparently emerged. Selective engagement on specific topics can certainly contribute to rebuilding mutual trust and a commitment to cooperate. However, it is hardly a recipe for shifting US-Europe-Russia relations from a competitive to a cooperative pattern. Some of the most contentious issues that have beset American and European relations with Russia in the last few years have passed the acute phase, but are far from being solved. The now frozen dispute over Georgia and Ukraine's NATO membership is just

¹⁴ See Roland Götz, "Pipeline Popanz. Irrtümer der Europäische Energiedebatte", *Osteuropa*, January 2009, pp. 11-14.

¹⁵ On the necessity of making the Russia-Ukraine energy relation a constitutive part of the EU energy policy, see James Sherr, "Europe, Russia, Ukraine and Energy: Final Warning", *The World Today*, February 2009, pp. 14-17; on the opacity of Ukraine's energy market, see Edward Chow and Jonathan Elkind, "Where East Meets West: European Gas and Ukrainian Reality", *The Washington Quarterly*, January 2009, vol. 31, issue 1, pp. 77-92.

¹⁶ On Nabucco's many shortcomings, see, among others, Roland Götz, "Pipeline Popanz", p. 15, and Jeronim Perović, "Farce ums Gas. Russland, die Ukraine und die EU-Energiepolitik", *Osteuropa*, January 2009, p. 29.

¹⁷ Several experts maintain that reciprocity is potentially the greater instrument at EU disposal to influence Russia. See, among others, James Sherr, "Europe, Russia, Ukraine and Energy: Final Warning", and Mark Leonard and Nico Popescu, *A power audit of EU-Russia relations*.

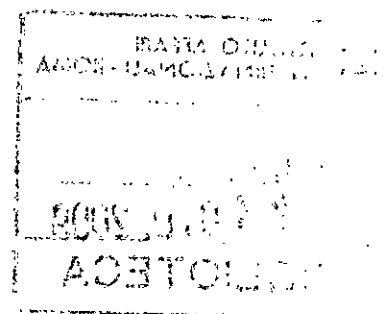
¹⁸ Leonard and Popescu, *A power audit of EU-Russia relations*, pp. 60-61.

the tip of the iceberg of a larger problem: the failure to give birth after the Cold War to a new security architecture incorporating the vision of a Europe finally whole and free.

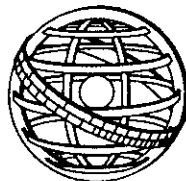
If cooperation, instead of selective engagement or competition, has to eventually become the keystone of the US-European-Russian security relationship, Europe should ultimately be seen as a single strategic system. In this respect, US and European leaders could find it useful to take Russian President Medvedev's call for a 'new security architecture' seriously (perhaps even more seriously than Medvedev himself), and present Moscow with bold proposals involving both opportunities and responsibilities. Unambiguous compromises on issues ranging from missile defense, arms control, and NATO enlargement, as well as measures to stabilize the EU-Russia energy relationship, could help lay the foundations of a European security system guaranteeing the security interests, as well as the independence, of all parties. It must be reckoned that NATO cannot handle all of Europe's security needs, that the European Union should bear a larger share of the continent's security burden, and that Russia has to be part of this security system if it is to be sustainable in the long term.

The chances of a new European security architecture actually being established and of US-Europe-Russia relations being recast in a cooperative mould depend on many variables, the most important being the determination of all parties to pursue this ambitious goal. Cohesion at the transatlantic as well as the EU level is indispensable, but compromises should narrow rather than hide differences.

This paper is based on the premise that Russia has an objective interest in seeking cooperation with the United States and European countries. The leadership in Moscow might have a different opinion, however, and calculate that reconstituting a Soviet-like sphere of influence around Russia's European borders serves its security interests better. By pro-actively engaging with Russia on the issues to which it is most susceptible, the United States and EU member states could be more effective than by confronting it. They would address Moscow's legitimate concerns while demanding that it behaves responsibly. An unresponsive Russia would risk condemning itself to the very condition it claims to have been fighting against in the last years, that of being excluded and contained.



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TRANSATLANTIC SECURITY SYMPOSIUM 2009
*US-Europe-Russia Security Relations:
Towards a New Compact?*

Rome, June 22 2009

*Russia's approaches towards security building
within the Euro-Atlantic zone*

By

Vladimir Baranovsky

Director, IMEMO, Moscow



THE CHALLENGE

The end of the Cold War brought to its end only part of the European security agenda – the one related to the traditional East-West confrontation. Other elements of this agenda persisted or emerged, consecutively or in parallel way, in various contexts: the disappearance of the Warsaw Pact, the unification of Germany, Moscow's military and political retreat from the centre of the continent, dramatic disintegration of former Yugoslavia and the overall destabilization in the Balkans, and so on.

Many of these were linked, in one way or another, to Russia. Some were settled or marginalized, but Russia-related problems remain prominent or even central in the European security debate. Moreover, they seem becoming more relevant with time.

In Moscow, many analysts and politicians tend to assess this as a positive sign testifying to the fact that Russia is re-emerging as a significant factor of world politics. Elsewhere, worrisome connotations seem to prevail. The fact that 'Russia is back' (in Andrew Kuchins' words) is not necessarily met with enthusiasm.

Indeed, 'Russia's return' may be helpful in re-balancing the international system that turned excessively US-centric after the disappearance of any counterweight to the 'only remaining superpower', with its complexes of superiority, arrogance and unilateralism. But who cares about schemes inspired by the standards of political realism? Meanwhile, Russia's own ambitions and assertiveness, coupled with its inclination to similar unilateral behavior patterns, are becoming, in their turn, a matter of concern.

In Russia's perception, a mirror image appears. What generates real problems is the policy aiming to prevent Russia from 'standing up', becoming less obedient and more independent, being able to defend its own interests and getting the international place it deserves. This conspiracy-looking reasoning may be more pronounced or only constitute a general thought-pattern, but it does affect Russia's policy on many issues that make the security agenda of/in Europe.

By and large, among the challenges that Europe is facing in terms of organizing its own security space, the most serious one could be defined as alleviating concerns *in* and *about* Russia. The minimalist goal would consist in reducing Russian-European mutual antagonism in the security area. A more ambitious goal would be making Europe part of eventual solution of Russia's problems, and vice versa.

In an apparent paradox, the hard core of security agenda in Russian-European interaction is nowadays considerably less disturbing than it used to be during the cold war era. Armed forces and armaments disparities do not provoke first strike apprehensions, nobody seems eager to engage in massive military build-up, bean-counting in security assessments has become irrelevant, the official political rhetoric is more cooperative-oriented than belligerent...

Still, the task of building a more stable security space in Europe does not appear as a pure intellectual exercise or as an inappropriate manifestation of traditionalism. Its practical significance comes from the feeling that some elements of the existing international order are extremely fragile. They may be easily undermined by the developments that would by no means fit into the category of unthinkable. Suffice it to recall just a few words and notions as signals of reference - such as Kosovo, South Ossetia, Russia's reactions to NATO's drive eastward and ballistic missile defense

(BMD) deployment - and to keep in mind that this is not at all an exhaustive list, neither retrospectively nor in terms of future-oriented thinking.

RUSSIA'S INITIATIVE

This is the context in which President Medvedev's appeal for a new architecture of European security appeared in 2008. Formulated as an invitation for a common discussion rather than as a concrete plan, this initiative risked to be met with skepticism and even irritation. Indeed, Russia argued for developing new approaches - but did not offer a single new idea thereof; it pointed to the poor operation of the existing mechanisms and procedures of conflict management - as if Moscow had not contributed itself to their ineffectiveness; it was complaining about double standards - that were promoted, in particular, by the very fact of insisting on Russia's 'vital interests' in its post-Soviet vicinity... In addition, the war in the Caucasus, just two months later, might invalidate the idea even further on.

However, all these considerations notwithstanding, engaging in a serious re-thinking and re-building of the Euro-Atlantic security architecture seems to be perceived as increasingly worthy. At least three rationales could be mentioned in this regard as equally important.

- First, to stabilize the overall international situation in Europe.
- Second, to boost cooperative interaction in Europe - both in 'traditional' security-related areas and in new ones.
- Third, to narrow the differences in the interpretation of political and legal aspects of ensuring European security.

POLITICAL RATIONALE

Resulting from controversial, sometimes dramatic developments, certain elements of the existing situation in Europe are regarded by various actors with disturbance and suspicion. They may be perceived as unjust, externally imposed, discriminating, conflict-prone, generating security risks, promoting new dividing lines and so on. Indeed, there are new membership in NATO and the EU, new relations of these structures with non-members, new political landscape on the former Yugoslav territory, new transnational patterns of energy resources supply, new (and on-going) re-alignment within the post-Soviet geopolitical space. Also, there are new secessionist entities of Kosovo, South Ossetia and Abkhazia, all three with uncertain international future due to the selective character of their recognition. There is, in fact, a totally new international regime - in comparison to what existed at the outset of the post-cold war era, and even more so to what was expected at that time from the forthcoming development.

Some of these new realities that have questionable political genesis may easily become a subject of international controversy on the grounds of appeals towards restoring status quo ante. The very possibility of such appeals may constitute a serious security challenge. As a preventive response thereto, political legitimization of the new realities emanating from an important multilateral forum could become essential factor of international stability. Although less expedient in other cases, this might have a positive effect as well - just by making the existing international pattern more solid due to its de facto recognition by all involved international actors. And also due to the overall

predominance of cooperative logic that might neutralize disturbing elements by 'absorbing' them or at least by making them less relevant.

The approach legitimizing new realities within a broader package of agreements was tested in the 1970s. At that time, the Helsinki process "blessed" the European borders that emerged after World War Two as well as the new political configuration of the continent in conjunction with the solution of economic and humanitarian problems. It is quite possible to borrow from that experience in the current situation.

Russia may have an additional incentive for promoting the legitimization argument. Its renewed activism in foreign affairs is often perceived by other actors as evidence of Russia's drive towards a more expansionist and assertive behavior. In Russia's view, it is only a compensation for its impotence in the early post-cold war period when major 'rules of the game' were developed and accepted without taking it into account. Still, the costs of negative attitudes towards Russia are significant and could further increase in the foreseeable future – unless the legitimacy of Russia's more prominent role is recognized as justified and non-threatening.

No judicial norms and formal rules would recognize Russia's 'special role' in whatever spheres or territorial areas. Here again, political legitimization matters much more. The context of 'restructuring and consolidating the security order on the continent' might make Russia's more active involvement both possible and acceptable.

BOOSTING TRADITIONAL SECURITY

It is true that 'new security architecture' is not *sine qua non* of cooperation; the latter may well grow in scope and volume regardless of any 'grand design' of political architecture. This, however, could be useful in achieving at least two goals: (i) creating a more benign general political atmosphere in Europe for bilateral and multilateral cooperation in traditional security related areas where progress has been, for various reasons, unsatisfactory, and (ii) promoting cooperation in new areas, which are growing in importance as factors of national and international security in Europe.

Among 'traditional' matters, a special attention is to be paid to the issue of arms control in Europe that has been stagnating for a whole decade. Moreover, the sphere, which was once a most important source of stimulus for strengthening stability on the continent, is currently in a state of disrepair. Upgrading the European security architecture is unthinkable without serious steps to changing the current state of affairs. They could be taken along several lines; three of them are briefly outlined here.

(i) The non-ratification of the adapted CFE Treaty by the western countries and its suspension by Russia have created a legal vacuum in Europe by eliminating the key element in the system of measures designed to prevent military and political confrontation. To move the process out of the deadlock the following steps appear feasible.

- To return to the regime of transparency and comprehensive control of the CFE, putting aside the subject of its ratification and upgrading until future. Additionally, to discuss a possibility of extending the regime (even without setting formal hardware quotas) to countries outside the CFE area (including the Baltic countries).

- Bearing in mind the existing state of affairs in the Caucasus, to exclude this area temporarily from the ceilings regime of the CFE with a view to returning to the issue later in the context of political settlement.
- To consider a prospect of launching in the foreseeable future negotiations aimed at signing a CFE-2 that would include a larger number of participants and provide for deeper armed forces and military equipment cuts, with higher transparency.

(ii) The controversy over the eventual deployment of the third positioning anti-ballistic missile region by the United States in Europe should be settled on the basis of considering concerns of all involved parties and forging a compromise that would take into account their security concerns.

The maximalist version of this approach would aim at creation of a joint ABM system providing anti-missile protection for the whole of Europe, with the tripartite partnership of the USA, Russia and NATO (and/or the EU).

In a more limited version, the BMD deployments in Poland and Czech Republic should be put on hold - until US and Russia find an agreement or until the nuclear weapons tests are carried out by Iran. Such an agreement could envisage access of Russian observers to ABM facilities, non-deployment of anti-missile rockets in their silos (for an agreed period of time or on a conditional basis), and so on.

The involved parties should tread very carefully on any issue involving an escalation of mutual military threats – both in case of BMD deployments and in case of counter-measures.

It is obvious that Washington and Moscow will be the main parties in any meaningful compromise to be reached. But they should also display sensitivity to the European political and psychological complexes. Efforts to invite Europeans on board should be encouraged rather than ignored. This concerns, for instance, the composition of an expert commission for assessing missile threats, the eventual joint use of the radar stations, the Centre for Data Exchange operations and so on.

(iii) In Europe, there exists a unique set of vast measures of military restraint, confidence- and security-building, that have been negotiated or unilaterally adopted and implemented during over thirty years. Those include: annual exchange of military information, risk reduction measures, military-to-military contacts, prior notification and observation of certain military activities, constraining provisions, on-site inspections and other compliance measures, and so on.

The main result of the implementation of all these measures consists in developing newly-shared confidence among the states that other parties do not engage in hidden military activities. But there were also situations when confidence and security-building measures failed either to be applied or to achieve results, as it happened on the eve of the Caucasus conflict in the summer of 2008. They still fall short of encompassing all militarily significant types of activity on the sub-regional level. They are equally ineffective for some new types of military activity in Europe.

To upgrade this segment of the European security architecture, it is worth carrying out the following:

- to confirm the importance of confidence and security-building measures, as well as military restraint;
- to proclaim commitment for their continuing implementation;
- to consent on abiding by all transparency regimes as agreed and/or formulated in the existing pan-European, regional and bilateral documents (such as the CFE Treaty, Russia-NATO Founding Act and others);
- to appeal for further development of such regimes and measures in various patterns - on a negotiated basis or unilaterally, as voluntary actions or in the framework of binding commitments, extending to the pan-European scale or on sub-regional level, covering various sectors or carried out selectively;
- to suggest updating the Vienna Document of 1999 containing the last agreed version of confidence- and security measures at the OSCE level.

DEALING WITH NEW SECURITY CHALLENGES

As far as 'new' threats to security and their prevention are concerned, no exhaustive or universally accepted list thereof exists. What is usually considered in this regard includes narcotics trafficking, terrorism, bio-terrorism, emergency situations, humanitarian crises, ecological challenges, climate change. Sometimes are added cross-border crime, corruption, illegal migration, sea piracy and others elements.

In many cases, the national and international experience in countering these challenges is quite limited in comparison to the traditional military threats to security of states. But there is wide recognition of the fact that full mobilization of the resources of international cooperation is required to counter them - sometimes by employing the existing multilateral institutions, in other cases by retuning some of their mechanisms, or else by creating special institutions that would be able to take into account the specificity of a corresponding sphere of concern.

The format of cooperation on the new threats will certainly be affected by disagreements between Russia and NATO or between Russia and the EU on the issues of traditional policy, military security, economic and energy interdependence and so on. But the very urgency of dealing with unconventional security threats requires joint efforts that would not fall hostage to the state of political relations. On the contrary – a spill-over effect might promote cooperation into new areas. Thus, the involvement of the Russian Emergencies Ministry amphibious firefighting aircraft fleet in joint efforts against wildfires in Europe could serve as a good example allowing for a broader cooperation than it was initially envisioned, extending it to building a permanent potential and infrastructure for providing urgent humanitarian relief of a pan-European scope.

At the same time, a political impulse is necessary for engaging into a new pan-European interaction. Russia, not a member of the EU and NATO, often finds itself de facto alienated from their activities in the field of new security threats. While restructuring the European architecture, it is expedient to minimize the political and institutional obstacles for trans-border cooperation against new security threats.

ADDRESSING CONTENTIOUS ISSUES

There are a lot of serious contradictions in this area. To set the maximalist task of resolving them all 'once and forever' would certainly be an over-ambitious and unrealistic task. Honing the wording of various political formulae in this context will of course be important. But it is even more important to pay special conceptual attention to the problems that are generating (or could be generating in the future) most tension.

Among them are:

- mutual responsibility of states regarding the issues of using natural resources and their transfer across borders;
- the collision between the right of peoples to self-determination and the territorial integrity of states;
- the means and the limits of external influence over the internal development of states, as well as their right to resist such influence;
- threats of international political destabilization on ethnic and confessional grounds, generated by separatism and irredentism, connected with demographic and migration processes.

All these issues require serious analytical and conceptual discussion, not just political negotiations. A certain parallel could be drawn with the work on the 'Helsinki decalogue' within the framework of the All-European Conference (1973-1975). But nowadays the above-mentioned problems deserve much more thorough, structured and diversified analysis.

Conceptual problems may be closely connected with practical challenges. The issue of the limits to sovereignty and legitimate external intervention was the subject of heated debate in Europe in 1999 on the backdrop of the NATO military operation against Yugoslavia, which did not have UN backing. It was reignited by the conflict in the Caucasus in 2008. In this context, the re-organization of the Euro-Atlantic security space urges to address at least three problems:

- to define the criteria and the rules of external interventions entailing the use of military force;
- to set in a practical way the patterns of such actions that would be militarily efficient and politically balanced;
- to consider their out-of-area use as joint trilateral operations (US-Russia-Europe).

NATO-RELATED DILEMMAS

No progress in consolidating Euro-Atlantic security space would be possible without unblocking Russia - NATO relations, both politically and psychologically.

(i) *Basic attitudes.* In Russia, NATO is predominantly perceived as a military threat and a political challenge.

In the military sense, the majority of Russian political elite and strategic community believe that the country would face the most serious threat if it is 'encircled' by NATO from three strategic directions - from the north-west (Baltic states), from the west (Ukraine) and from the south (Georgia and possibly Azerbaijan). The previous phases

of NATO post-Cold War expansion to the East have already increased the country's geostrategic vulnerability, allowing NATO weapons and armed forces closer to Russia's borders. In the future, NATO might get an advance of 1000 km eastward via Ukraine and a new 1000 km common border with Russia, plus possibly another 1000 km of border in the Caucasus.

This would give the alliance such a superiority that Russia, deprived of strategic depth in the European part of its territory, would stand no chance in a large-scale conventional conflict.

Politically, NATO is perceived as challenge to Russia's influence aiming at diminishing its ability to operate as a strong international actor. According to this image, NATO - by consistently broadening its membership, tasks, zone of action, self-imposed responsibility - is in fact looking for a status of the main (if not exclusive) force determining the political developments in Europe.

In retrospect, Russia's strong negative reaction was provoked by the military operation against Serbia in 1999, carried out by NATO without the mandate of the UN Security Council. This was viewed as a clear indication that NATO pretends to have the right to operate in disregard of the international law and to use force whenever it considers necessary without any restraint. Nowadays, the plans to include Ukraine and Georgia into NATO are assessed with great nervousness not only due to security reasons but also in political terms – they are perceived as pushing Russia out of the area of its traditional interests, undermining Russia's prospects in its immediate vicinity.

Although this role of eventual military opponent and political competitor prevails in Russia's attitude to NATO, there are also actual or potential non-confrontational elements in its positioning with regard to the alliance. The prospect of becoming its full-fledged member is considered nowadays as actually non-existent, but a possibility of developing a common language and building a certain 'modus operandi' is by no means regarded as unrealistic. This may even extend up to a partnership pattern (Afghanistan, fighting with piracy in open sea etc.) - although such a role would certainly contradict to Russia's self identification with respect to NATO in confrontational terms.

(ii) *NATO further enlargement eastward.* According to Russia, the issue should be totally removed from the agenda as fraught with grave destabilizing consequences. According to NATO, this is absolutely impossible – in particular, because this would mean recognizing Russia's veto right with respect to decisions on NATO membership. Hence, a substantive realistic solution is only possible somewhere in between.

In terms of immediate and shorter-range considerations, there are two main tasks for both sides of the controversy. First, to prevent a crisis between Russia and NATO that could erupt because of the issue of enlargement. A possibility of such a crisis should not be considered only as a theoretical perspective, since Russia regards the problem in a very emotional way, especially as far as Ukraine is concerned. Secondly, it is important to find a face saving solution (for both sides!), even on a temporary basis.

Such approach could include various elements.

- One may consist in deferring the solution as long as possible, without however removing the issue from the agenda. This will not satisfy the proponents of competing approaches, but at least would allow to avoid an open conflict.

- Also, both sides could promote alternative options with regard to candidate-states. Russia – by positioning itself as a better guarantor of their independence and territorial integrity. The West – by making them feel secure even without formal membership.
- Finally, upgrading Russia-NATO relations to a much higher level could make these relations, for each of the two sides, considerably more important than their stakes associated with the enlargement. This approach, first tested by the Founding Act of 1997, would aim at making the controversy on enlargement irrelevant or inappropriate.

(iii) *Enhancing the role of NATO-Russia Council*. It certainly depends first of all on broader political context. But there may be various ways of promoting its constructive function as a driver for positive developments.

- First, by providing it with more weighty competence and responsibility (even if only symbolically at the initial stage).
- Secondly, by involve the NRC into something real and sensitive that would be important for the current international developments. One example in this regard could be Afghanistan.
- Thirdly, the NRC could be entrusted with some contradictory files that the involved parties have been unable to resolve – such as the BMD deployment in Europe or post-CFE arrangements.

BROADER INSTITUTIONAL LANDSCAPE

Russia's obsession with NATO-centric character of the Euro-Atlantic institutional structure will push Moscow towards arguing more actively in favor of promoting role of other institutions. However, this development may have its own logic even without the 'Russian factor'; indeed, most institutions operating within the Euro-Atlantic space could contribute in various spheres and forms to consolidating security.

Some of them could certainly do it in a more efficient way. It is widely accepted that the OSCE could serve as the main platform for discussing the Russian initiative, some analysts would also see it as the ideal framework for its implementation. Within this logic, the main outcome of the reform could be a more powerful OSCE, with its role and functions reviewed and adapted to the new realities. There are also ideas to 'revive' the OSCE by giving it more authority in preventing and settling conflicts, including peacekeeping operations.

With respect to the latter, the EU may also become a serious pretender for playing a major role. In a broader sense, the role of the EU in organizing the Euro-Atlantic security space has considerable chances to be increased. Its role is crucial for forging a trilateral interaction between the USA, Europe and Russia.

Restructuring the security space in the Euro-Atlantic area should not be interpreted as a plan proposing a new 'overwhelming' construction that would replace the existing multilateral organizations. Discussions on how to make them more effective are quite legitimate, but most international actors seem to be reluctant both to eliminate them and to build a comprehensive substitute. On the contrary, Europe boasts the world highest density of multilateral mechanisms; the continent seems to be overburdened with them,

and arguments in favor of inscribing them into something more grandiose or creating new ones have little chances to be supported.

Also, the prevailing status quo approach would hardly make possible any dramatic institutional reform in the Euro-Atlantic security space. Even slight modifications - for instance, setting up a Euro-Atlantic Security Council – would most probably meet a cautious approach. For similar reasons, prospective steps aimed at limiting the current scope of authority of such organizations seem to be unlikely.

But some innovations may be helpful and promising. The overall line aimed at making the conflict-prevention and conflict-settlement more efficient may require reforming the existing mechanisms or building new ones - in the OSCE, in the EU, within a NATO-EU-Russia framework and so on.

The Collective Security Treaty Organization (CSTO) is nowadays a non-existent factor in the Euro-Atlantic security space. It may become one of its elements due to a number of current and prospective considerations.

- The CSTO is the only multilateral structure in the post-Soviet area capable of conducting military operations.
- In this capacity it can be used independently or as a partner of the EU, NATO or the OSCE.
- Its role may turn out to be outstanding in efforts to stop drug trafficking from Afghanistan to Europe.
- It could play a role in extending the Euro-Atlantic security space onto the Caucasus and Central Asia, both representing its strategically important vicinity.

It is true that Russia has its own interests in involving the CSTO into the Euro-Atlantic security space. This in itself is an obstacle - insofar as the CSTO is perceived first and foremost a "Russian tool" and also as guarantor of undemocratic regimes in Central Asia. To that effect efforts should be made to achieve greater CSTO transparency, broader informational support, and its democratic accountability.

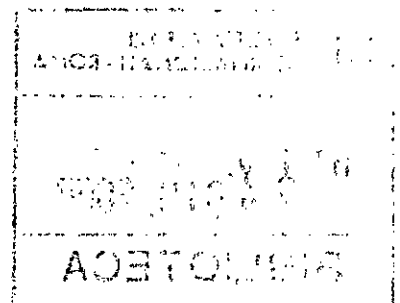
MORE THAN A TREATY

At the core of the Russian initiative is the proposal to work out and sign a European Security Treaty. Ideas regarding the key conceptual blocks of such treaty are still to be proposed, discussed and negotiated.

At the same time it would be short-sighted to narrow the new architecture of European security down to the signing of a new (even if comprehensive) treaty. Unless a pure formality, such a treaty would require long and hard negotiation – insofar as it is aimed at addressing truly significant security-related collisions and it will contain more than a set of some indisputable provisions. Moreover, the scale of the tasks that could be associated with security on the continent is significantly broader than what could be realistically addressed within one treaty. And with regard to some of these tasks, legally binding provisions, so dear to Russia's official position, are unattainable or are not of paramount importance. Ensuring security in the Euro-Atlantic area is a multifaceted problem requiring a whole set of various institutional and international legal instruments.

In fact, reformatting the architecture of European security entail considerably more than just working on the treaty and its signing. This should be only a part of the process – perhaps, politically the most important one and undoubtedly the most visible, but not the sole.

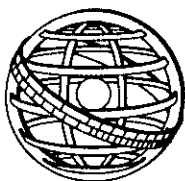
The logic of launching official negotiations as soon as possible may be supported by many strong arguments. At the same time, along with this central, pivotal line, it is expedient to initiate and promote in parallel other processes focused on upgrading the various components of the security architecture on the continent. Some important issues may be tackled under different formats. In its turn, the treaty could either contain references to these formats or officially launch them, or provide for some other forms of correlation with them; such diversity of interconnections inside the security structure in the making would provide an additional guarantee of its viability.



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*US-Europe-Russia Security Relations:
Towards a New Compact?*

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*Getting Trans-Atlantic Security Right: Nuclear Non-
proliferation and Strategic Stability*

By

Andrew C. Kuchins

Senior Fellow, CSIS, Washington, DC



Without question, the nuclear nonproliferation, nuclear security, and missile defense aspects of European security are riper if not for resolution then at least constructive progress by comparison with other issue areas under discussion at this conference including energy security, the shared neighborhood, and contemplating a new security architecture. These are also issue areas where Washington and Moscow carry a heavier responsibility for taking initiative.

Despite the overall breakdown of US-Russia relations in the wake of the August 2008 war in Georgia and the last months of the Bush Administration, Vladimir Putin and George W. Bush left a useful framework to develop with the Sochi Declaration from their last bilateral meeting in April 2008. It is the Sochi Declaration that effectively provides the framework for the Obama Administration's efforts to "press the reset button" in US-Russia relations.

Nuclear Security and Nonproliferation: The Return of Arms Control

Nuclear security and nonproliferation are areas that the Obama and Medvedev administrations will find most amenable to "pressing the reset button". The Russians would argue that they have been more responsible in this regard over the past eight years than the Bush administration. Even though Russia became more reliant on its nuclear deterrent due to the deterioration of its conventional forces in the 1990s, the continued aging of its nuclear arsenal leads Moscow to be interested in deeper cuts in strategic weapons.

Although the Russian economy has (until the global financial crisis) has rebounded impressively in the past decade, from a strategic military standpoint, Russia remains in decline. Even with its difficulties in Iraq and Afghanistan, to Russia, the United States still looks as though it's on the march—developing missile defenses, outspending Moscow on its military by a ratio of about 10:1, enlarging NATO, etc. Russian policymakers still perceive stabilizing the strategic competition with Washington and its allies as being in Moscow's interests.

In his speech in Prague in April 2009, President Obama announced that his administration would be committed to making significant progress on the path to "getting to zero" nuclear weapons in the world. This goal has recently garnered international attention since articulated by the "Four Horsemen", Henry Kissinger, Sam Nunn, William Perry and George Shultz in January 2008¹. Russian President Dmitri Medvedev endorsed this goal in his speech in Helsinki in the spring of 2009, and the two presidents agreed in London in April that their negotiating teams would convene discussions for a replacement to the START 1 Treaty, which expires in December 2009, quickly and report their progress when the two presidents are next scheduled to meet in Moscow in early July.

In addition to the urgency of the expiration deadline, the Obama administration's approach to nuclear arms reductions is more in line with Russian interests than that of the Bush administration. Russian negotiators have pushed for a new legally binding treaty that would replace START and supercede SORT (2002 Moscow Treaty). Moscow wants the new accord to be more detailed than SORT, whose limits they view as inadequate to ensure predictability and parity in the Russian-American strategic balance. Russian representatives have sought to require the United States to eliminate the warheads that are removed from its active stockpile, rather than simply place them in storage as they are concerned that the earlier agreements leave the United States with the ability simply to upload these warheads back onto US strategic systems.

Given the pressing time constraints to negotiate, the START replacement treaty will probably call for a fairly modest reduction in offensive arms, perhaps to 1500 while maintaining many of the monitoring and verification measures of the original START. Then hopefully the two sides would agree to immediately engaging in the next round of negotiations to take the cuts down to at least 1000 per side. The Russians have indicated that to get to this next level of deeper cuts, there will have to be some agreement about the limitations of ballistic missile defenses as Moscow is concerned that the combination of deep cuts, US developments in missile defenses as well as

¹ George P. Shultz, William J. Perry, Henry A. Kissinger, Sam Nunn, "Toward a Nuclear-Free World," *Wall Street Journal*, January 15, 2008.

powerful conventional weapons with near-nuclear capabilities, that the strategic balance may be upset. Both Moscow and Washington also agree that in order to make greater progress in strategic reductions once we are below a certain level (probably in the 500-1000 range), the bilateral negotiations will have to become multilateral to include the other nuclear-weapons states. ✕

Another lingering nuclear arms control problem is intermediate-range weapons, those with ranges of 500-5000 kilometers. The 1987 Intermediate-Range Nuclear Forces (INF) Treaty bans the two countries from developing, manufacturing, or deploying ground-launched ballistic and cruise missiles with these ranges. Russian dissatisfaction with the INF Treaty stems in part from how this bilateral agreement uniquely discriminates against Russia and the United States. In October 2007, Putin warned that Moscow would find it difficult to continue complying with the INF Treaty unless other countries ratified the agreement as well. Washington and Moscow subsequently agreed jointly to encourage other countries to join the INF Treaty, but this has fallen on deaf ears. The most serious concern for Moscow in this regard is China, and privately Russian officials express frustration with the lack of transparency in their "strategic partner".

Progress this year on replacing START 1 will also be timely in providing greater credibility for Moscow and Washington to fulfilling their NPT Article VI commitment calling with the 2010 NPT review conference looming. Given the NPT's call for nuclear weapons states to relinquish their arsenals, many other governments and international security analysts believe that the Russian Federation, the United States, and other nuclear powers must make more drastic reductions—with many calling for total elimination—to meet their NPT obligations. The Obama administration's desire to ratify the Comprehensive Test-Ban Treaty (CTBT) and to engage in negotiations for a Fissile Material Cut-off Treaty (FMCT) should also provide positive momentum for the non-proliferation regime that has been on "life-support" in recent years. The broader nonproliferation regime needs major reworking to endure effectively, but initial measures need to be taken in particular by Russia and the United States as their close partnership in these efforts is essential.

Iran

The Iranian nuclear and ballistic missile programs have been, along with differences over their shared neighborhood, the most persistent bones of contention between Russia and its Western partners since the collapse of the Soviet Union. In an effort to avert near-term challenges posed by Iran's nuclear program, Russia and European governments continue to urge Tehran to comply with UN Security Council resolutions to suspend its enrichment and reprocessing activities. While Russia joined with other UN Security Council members in supporting sanctions in 2006 and 2007, Moscow remains an unenthusiastic backer of punitive measures. Russian diplomats often work to weapon proposed sanctions, and, in addition, they have always defended Iran's right to pursue nuclear activities for peaceful purposes. Russian officials have also been especially stubborn in denying that Tehran is currently seeking a nuclear weapon or is developing long-range missile technology (although this may be changing—see next section in missile defense).

The urgency of resolving the challenge of the Iranian nuclear program is great as Tehran has already demonstrated the capability to enrich uranium, and the capacity to weaponize this material is not far off. Russian efforts in recent years to serve as an intermediary with Tehran were tacitly supported by the Bush administration, but ultimately they were unsuccessful; i.e. proposal to take back spent fuel to Russian territory. Moscow's leverage with Tehran is very limited, and the Russians have shown signs of being nearly as frustrated with Iran's intransigence on the nuclear question as the Americans and Europeans. The Obama administration has promised a new approach to engage Tehran in direct negotiations. Hope for success in this effort, while complicated over the current dispute over the presidential election, are quite limited. The fall-back strategy in event of continued intransigence even in bilateral negotiations, is that the Obama administration would probably have more success in then going to their P-5 partners to support much tougher

economic sanctions. In his most recent trip to Washington, Russian Foreign Minister Sergei Lavrov was remarkably enthusiastic and supportive of the Obama administration's approach to Iran.² It is an understatement to say this is a volatile situation, and time is running short. Obama has said there is a time deadline for Iran to reach agreement, and it is likely that the clock runs out in calendar year 2009. Israel has made it clear that it cannot accept a nuclear-armed Iran, and given their actions in the past against Iraqi and Syrian nuclear facilities, these statements are hardly idle threats.

The Missile Defense Connection

Along with NATO enlargement, US plans to deploy theatre missile defense system components in Poland and the Czech Republic has been a deeply contentious issue in Russia-trans-atlantic security relations for the past two years. This is likely the issue that pushed Putin over edge when he made his anti-American tirade in Munich in February 2007; having realized in January 2007 that the United States was serious about deploying missile interceptors in Poland and a radar in the Czech Republic. Although NATO endorsed the plans, the issue has been highly contentious within Europe including in the Czech Republic itself. Moscow responded with both carrots and sticks: threatening to target the planned deployments with nuclear weapons as well as reaching out to the United to offer use of Russian-controlled facilities. The Bush administration engaged the Russians in discussions of these proposals, notably the Gabala radar station in Azerbaijan, but these talks were not successful.

While there has always been a link to the missile defense plans and Iran, the Obama administration has made this linkage more explicit to Moscow since taking office in January. This was reportedly a topic in a not-so-secret letter from newly inaugurated President Obama to Russian President Medvedev in February—the less of a threat Iran proposes, the less theatre missile defense capabilities in Europe will be needed, thus the greater incentive for Moscow to exercise more leverage on Tehran. There is a virtual quality to this so-called “grand bargain” as both sides may in fact be giving little up. Moscow has little or no leverage over Tehran, and for a variety of reasons, the Obama team is not as enthusiastic as their predecessors about missile defense. To date the issue remains “under review” in the Obama administration, and for now the Russians have rejected various cooperative proposals unless the United States abandons the plans for Poland and the Czech Republic. Still, the negotiations go on, and Moscow has resisted delivery of the S-400 anti-missile system to Iran, likely holding this out as a piece of leverage with Washington.

The Obama has two reasons to work out a deal with the Russians on missile defense cooperation. The first is as discussed above, an incentive for Moscow to take a tougher stand on Iran. In an ideal world Washington would like for Moscow to support far stronger sanctions on Iran that would likely cut off Russian arms sales and civilian nuclear cooperation. The other incentive for Obama is facilitating progress on deep cuts in strategic nuclear weapons. While the stand-off over missile defense may not torpedo the modest cuts anticipated in the START I successor treaty, it would eventually present an impassable obstacle to furthering the “getting to zero” agenda. Along with putting NATO enlargement on the back burner and engaging Moscow in discussions over revision of the architecture of European security, missile defense cooperation is at the heart of the wiring of the “reset button”. Moscow looks at the current NATO-led security system plus enlargement and deployment of theater missile defense components as part of a broader expansion of a US-led security system from which they are excluded. This is the crux of our collective failure; twenty years after the fall of the Berlin Wall, to build the integrated trans-Atlantic security system “from Vancouver to Vladivostok.” The essence of solving this problem involves entrusting Moscow with some decision authority over a reformed European security system. We have in front of us another opportunity to get it right; who knows whether this will be our last.

² See Lavrov speech at Carnegie Endowment...

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Energy security: the Russia-EU dimension

By

James Sherr

Chatham House, London

COMPAGNIA
di San Paolo

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NATO
OTAN


Sixty Years On
1949-2009
Garantiti l'aver di notte la pace

... To the liberal mindset that still prevails in much of Europe, it is ironic that the most interdependent dimension of the Europe-Russia relationship should be characterised by discord and apprehension. Yet from the time of Rousseau, if not before, other traditions of thought have associated interdependence with rivalry and tension. Interdependence has always been a political as well as an economic relationship. The sources of our current difficulties in this political-economic domain are historical, cultural and institutional. Over the mid-to-long term, political pressure, economic necessity and technological possibility are more likely to stimulate change than rational argument and conventional methods of 'building trust'. Over the short-to-mid term, our difficulties are likely to persist, if not deepen.

Policy recommendations must take account of reality, despite the obvious fact that they are usually designed to change it. When it comes to energy, as on broader and more traditional terrains, we are unlikely to establish 'common security' in future if we do not first understand why current approaches to security are so divergent.

PROBLEMS OF CONCEPTUALISATION AND PRACTICE

Even before the Russia-Ukraine gas crisis of 2005-6, the geopolitical, as opposed to the commercial basis of Russia's energy policy has been the subject of much discussion. This is not surprising. Russia's economic revival has been the basis of its political revival. Geo-economics—the use of economic instruments for political gain—has been a *leitmotif* of the Putin era. The first paragraph of the (2003) *Energy Strategy of Russia in the Period to 2020* states that Russia's 'mighty energy sector' is 'an instrument for the conduct of internal and external policy' and that 'the role of the country in world energy markets to a large extent determines its geopolitical influence'.¹

Yet the geopolitical prism is distorting in two respects. First, it ignores the fact that the primary purpose for re-establishing the dominance of the state in this domain was internal. From the time of *glasnost* and *perestroika*, if not before, real power had steadily devolved from Party-state authority (the structures of 'command-administration') to the illicit 'shadow structures' that had come to exercise de facto control over resources and their distribution. Under Boris Yeltsin, the process of *nomenklatura* privatisation consummated this mutation. During much of the 1990s, Russia functioned less as a state than as an arena upon which very powerful interests competed for power and wealth, often at Russia's expense. Although the international impetus was always present, the primary purpose of Putin's restoration of the state was to restore order. By the same token, the fuel and energy complex has become integral to the cohesiveness of a state congenitally distrustful of decentralisation, beset by demographic crisis and increasingly conscious of China's power. The state dominated energy sector literally binds the country together. For this reason, it is likely to remain 'an instrument of internal policy' until the diseconomies associated with state dominance render the model untenable.

Second, the geopolitical prism filters out the entire spectrum of issues associated with self interest. Whereas in the mid-1990s, 50 per cent of Russia's GDP was controlled by seven relatively independent bankers, by 2007 five senior Kremlin officials chaired companies that produced 33 per cent of national wealth. This reversal of the relationship between business and the state has not diminished the difficulties of distinguishing between personal and state interests on the one hand and financial and geopolitical interests on the other. Whilst there are times when one or the other imperative becomes visible and dominant, we would be well advised to view each dimension—

¹ *Energy Strategy of Russia to 2020 [Energeticheskaya strategiya rossii na period do 2020]* (Government of the Russian Federation, 28 August 2003, No 1234-g).

commercial, geopolitical and 'subjective' (personal/clan/institutional)—as primary colours that must be combined if we are to see properly.

The sociological aspect of these realities is of crucial importance. Whereas in most mature democracies, property rights and sanctity of contract have well-established moral, normative and legal underpinnings, their foundations in Russia and many other former Soviet countries are weak or absent. So is entrepreneurship, which in a Western context implies business activity independent of the state, rather than in collusion with it. In much of the former USSR, 'understandings' matter more than rules, deals count for more than contracts, and the shifting power relationships between interests and networks tend to render deals provisional. These differences make the distinction between 'state' and 'private' business less significant than these terms imply—and the comparison between state energy companies in the EU and Russia misleading. Despite improvements in recent years, divergent models of corporate governance reinforce these differences.² So does the direction of operational activity. *Gazprom's* determined acquisition of downstream facilities and neglect of domestic infrastructure, its acceptance of any diseconomy that expands control, its indifference to gargantuan levels of waste and its willingness to forego core revenue in order to change long-term market conditions (*q.v.* the 2008-9 Russia-Ukraine gas crisis) distinguish it not only from commercially orientated business in the West, but from virtually any European state monopoly.

An equally crucial area of divergence is on the surface semantic, but it points to deep divergences in models of economics and economic security. To Russia's mega-economic actors, 'markets' exist wherever money-commodity relations exist, however unbalanced, inequitable or monopolistic they are. But from the perspective of the European Commission, monopoly is the antithesis of markets, which, in principle, mean choice for buyer and seller. To Alexei Miller, CEO of *Gazprom*, 'energy security' is guaranteed by a strong 'vertical' of integration and control: 'the regulation from a single centre of regimes of extraction, transport, underground storage and sales'.³ From the Commission's perspective, it is guaranteed by an impartial and effective regulatory framework and by 'diversity with regard to source, supplier, transport route and transport method'.⁴ Russian practice points not only to the importance of protecting this model but extending it to 'control the entire value chain' and hence, as far as possible, the evolution of the market itself. Whatever the intent behind this policy, its success risks rendering Europe unusually dependent on what the Russian authorities do or fail to do to address the looming supply problem and the imbalances and diseconomies of a highly monopolised system. Almost 70 per cent of Russia's gas production is consumed domestically, equivalent to the total consumption of Japan, Italy, UK and India, which have a combined GDP 13 times greater than that of Russia.

The final problematic element is the transnational, as opposed to purely international, aspect of the energy relationship inside as well as outside the former USSR. The transnational dimension is felt in the attempt to extend to Europe the 'system of understandings' linking the state and business in Russia. By means of such 'network diplomacy', official executive and regulatory mechanisms risk being bypassed. Allegations of such 'understandings' between local political

² Although it is an impressively pristine example, the corporate governance of StatoilHydro (in which the Norwegian state currently holds 67 percent of shares) institutionalises mechanisms of transparency, accountability and independence that bear little resemblance to large private Russian corporations, let alone state dominated joint-stock companies. See:

<http://www.statoilhydro.com/en/AboutStatoilHydro/CorporateGovernance/Pages/default.aspx>

³ Text of Alexei Miller's address to EU ambassadors, 18 April, 2006, Moscow (pg 1). He also stated that 'according to all experts, we have the most reliable system of gas supply in the world', and he was sufficiently impressed by this point to state it three times. [*Rasshirovka vystupleniya Predsedatelya Pravleniya OAO <Gazprom> Alekseya Millera na vstreche s poslami stran Evropeyskogo soiuza v rezidentsii posla Avstrii*]

⁴ 'Communication from the Commission to the European Council and the European Parliament: An Energy Policy for Europe' {SEC(2007) 12} (Brussels 10 January, 2007 COM(2007) 1 final), pg 3. [Hereafter, 'Communication']

leaders, Russian business and the Russian political leadership are growing in Central and Southeastern Europe. The transnational dimension can also be seen in the fluid and bewildering complexity of business structures and intermediary companies that have come to characterise the gas business. Untraceable ownership, shareholders, assets and corporate history have added to the burdens of national and EU regulation. The third is the increasingly aggressive use of lobbying structures and litigation to stifle investigation, debate and criticism.

Despite the regulatory powers of the European Commission, in this domain the EU is still uncomfortably dependent on the adequacy of national systems of monitoring, regulation and law enforcement. In several new member states, our starting point must be the inadequacy rather than adequacy of these institutions. Even though such inadequacies are not confined to 'new Europe', the fact is that countries only recently part of the integrated Soviet energy system are now vulnerable components of our own. This fact alone is making the status quo untenable for Europe.

So is the position of Ukraine. Its gas transportation system (GTS) plays a cardinal and increasingly neuralgic part in Russia's as well as Europe's energy security. At one and the same time, it is both an enabling and limiting factor in Ukraine's national independence. By pretending that the Russia-Ukraine-Europe gas relationship can be separated from the Russia-Ukraine gas relationship, we place ourselves in a position of blindness as well as impotence. By pretending that the EU has no answer this system's dysfunctions—and the subjective calculations that sustain them—we merely prolong our own helplessness.⁵ The notion that Russia and Ukraine can manage this relationship alone is the stuff of fiction.

The most recent (November 2008-January 2009) Russia-Ukraine gas crisis should lead us to question the emerging assumption of the global financial crisis's 'moderating' influence on the realities we have described. Financial pressure—the steep fall of oil prices and the rapid decapitalisation of *Gazprom*—played a major role in this crisis and its particularly destructive metabolism. So, predictably, has political discord in Ukraine, which in itself risks putting gum in every machine. The determination of several key actors in the EU to treat the issue as a 'purely commercial dispute' between two parties also played a substantial role in it, and it will continue to do so. After the full cut-off of gas supplies to Europe on 7 January, 'the parties themselves' came under mounting pressure by the EU to reach an immediate agreement, rather than a good one. The result is a set of terms which are primed to produce payment crises in Ukraine every quarter and which, even in the short-to-mid term threaten to become untenable. These terms, more or less imposed on Prime Minister Tymoshenko by Prime Minister Putin, do not appear to be the product of hasty improvisation.

PATHS TO IMPROVEMENT

Recommendations would come easily if the problems we described were largely of a situational nature. Because they are for the most part systemic—and because of the way that subjective interest and increasingly transnational networks reinforce these problems—many notional remedies risk having a purely rhetorical impact or, at the opposite extreme, risk falling beyond the bounds of political possibility. Realism would suggest four directions of activity.

First—and the point surely should not be confined to the question of energy—it is time that the EU devoted more effort to what unites it than to what divides it. The European Commission's commendable 'communication', *An Energy Policy for Europe* of January 2007 and the Council's

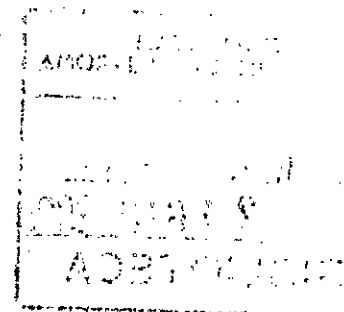
⁵ Edward Chow and Jonathan Elkind, 'Where East Meets West: European Gas and Ukrainian Reality', *The Washington Quarterly*, January 2009; Arnaud Dubien, *The Opacity of Russian-Ukrainian Energy Relations*, *Russie.Nei.Visions* No. 19, IFRI, Paris, May 2007.

subsequent Action Plan raise the contentious issue of 'unbundling' the EU's own vertically integrated energy companies. But they also call for action in domains that are in far less dispute, if not broad agreement. Of greatest mid-term import amongst these is the call to improve infrastructure within the Union and, in particular, interconnectors between member states. The existence of interconnectors between central and southeastern Europe would have greatly softened the impact of the winter gas crisis on several Member States. The failure to attach priority to implementing what has already been agreed is morally inexplicable, but easily correctible.

The second direction can only be joined in earnest by those who believe that the established models of 'interdependence' and 'partnership' works to Europe's disadvantage. Although a majority of Member States now subscribe to this view in principle, far fewer are prepared to draw practical and effective conclusions. Lines of division now run only between member states but within them. A prerequisite to resolving any difficulty—whether we wish to repair the model or replace it—is the effective enforcement of the EU's body of regulations and codes of practice within its own space. Those who oppose this should be asked to explain why. This will be far more easily done if, yet again, we proceed from consolidating areas of agreement to areas that are more contentious. The latter process will be vastly more prolonged if those who agree fail to 'talk amongst themselves' and to interested publics and elites in Member States.

The third dimension has been addressed at the declaratory level in the Eastern Partnership and by the joint declaration of 23 March by Ukraine, the EU, the World Bank and a group of investors to commit €2.4 billion the modernisation and reform Ukraine's grotesquely derelict and opaquely managed gas transit system. Making the heroic assumption of intent to transform aspiration into practice, there might be areas in this undertaking that make coordination with Russia advisable, some that simply call for consultation and some that might not call for either. But there is no reason in practice, let alone principle, for Russia to sit at every table of this discussion.

The fourth dimension is EU-Russia negotiation and dialogue. But as already implied above, both will continue to produce disappointment and frustration until the EU first demonstrates a will and capacity to put its own house in order.



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