



EXECUTIVE SUMMARY

Conference on

EU, Russia and Central Southeast Europe (Ukraine, Belarus and the Caucasus)

24 April 2009

Maison de l'Europe, Luxembourg

Introduction

In cooperation with the Russian State Agency for International Cultural and Humanitarian Cooperation (Russian Ministry of Foreign Affairs) and the Moscow-based Association for Euro-Atlantic Cooperation, the Luxembourg Institute for European and International Studies (LIEIS) convened a one-day conference on 'EU, Russia and Central Southeast Europe (Ukraine, Belarus and the Caucasus)' on 24 April 2009 in Luxembourg. This event was supported by the Business Association Luxembourg-Russie and the Luxembourg Ministry for Culture, Higher Education and Research.

Following seminars in 2006, 2007 and 2008 in Luxembourg, this conference was the fourth in a series of events on Russia in recent years organised by the LIEIS in cooperation with the State Agency for International Cultural and Humanitarian Cooperation (formerly the Russian Center for International Scientific and Cultural Cooperation). Whereas the earlier seminars had explored Russia's role in international relations, its cooperation with the EU and societal models for the upcoming Russia, this conference focused on relations between Russia, the Union and the countries in their shared neighbourhood. More than 20 participants from Russia and Europe debated the main economic and political challenges confronting the EU, Russia and Central Southeast Europe, the volatility in the geo-strategic interspaces, the possible need for a new pan-European dispensation as well as the potential for integration and cooperation or the prospect for conflict and disintegration (cf. programme and list of participants in the appendix).

Armand Clesse, Director of the LIEIS, explained at the outset that the objective of this meeting was to generate new insights and ideas in order to go beyond conventional discourse

and the platitudes of most politicians and diplomats. On the basis of presentations and interventions, the discussions were meant to be free-wheeling and centred on critical comments and debate. The goal was to have a conceptual brain-storming exercise, with the aim of making a contribution to ongoing discussions about EU foreign policy strategy, Russia's ties with her neighbours and relations within the shared European space.

Anatoly Blinov, Representative for Luxembourg of the Russian State Agency for International Cultural and Humanitarian Cooperation thanked the Luxembourg Ministry for Culture, Higher Education and Research and the Business Association Luxembourg-Russie for their support. He also acknowledged the input of the Association for Euro-Atlantic Cooperation, above all its Executive Director Evgeny Silin. According to A. Blinov, EU-Russia relations are absolutely indispensable to peace and prosperity in Europe. Since both sides have an interest in stability in their neighbourhood, cooperation with Ukraine, Belarus and the Caucasus should be a key focus of cooperation between Brussels, Moscow and the national capitals in Europe.

Ambassador Edouard Malayan began his short address by stating that the Commonwealth of Independent States (CIS) and the adjacent regions are an absolute priority of Russia's foreign policy. The foundation for relations between Moscow and the post-Soviet space is not simply material interest or power politics but instead the vast and growing economic, cultural, political, family and personal ties between all the countries involved. Moreover, he warns of new dividing lines between East and West or the choice of siding with Russia against the West or vice-versa. Such binary thinking is obsolete because there are multiple interests on the part of many different nations, and cooperation with both Russia and the EU could and should be complementary. In fact, Brussels must welcome the existence of the CIS: now in its 18th or 19th year, the CIS is more relevant than ever before because globalisation and the current crisis require increasingly close cooperation among sovereign countries in order to protect and enhance their joint interests.

I. Central-Southeast Europe: What is politically and economically at stake?

At the start of the first session, Vladimir Baranovsky raised the question of whether we can identify cycles in terms of economic, social, political and foreign policy in Russia and Europe since 1985. In spite of many changes and breaks with the past, there are certain continuities but the discontinuities seem to prevail. First, we have a shift of what is perceived to be Central, Eastern and South-eastern Europe. At first, twenty years ago Luxembourg was located in the centre of Europe and Poland and other Visegrad countries were thought to be in Eastern Europe but now they are considered to constitute Central Europe. In fact, Central Europe has expanded to include Ukraine and Belarus. Similarly, Southeast Europe used to be Romania and Bulgaria but at present has shifted to the Caucasus. Second, these developments mean that Russia is part of the wider European geo-political space and cannot be relegated to the Central Asian periphery. Third, as a result of the various shifts, Moscow has had to adapt her own strategy and policy vis-à-vis her neighbours. When the USSR collapsed, one of the biggest challenges was to forge links with newly independent Ukraine (and also Belarus and Georgia). Henceforth relations with Kiev, Minsk and Tbilisi were matters of foreign, defence and security policy, but Moscow has repeatedly struggled to formulate a new coherent vision and strategic concept.

In his opening remarks, Dov Lynch referred to President Dmitry Medvedev's first major foreign policy speech on 5 June 2008 in which he called for a new binding European security treaty. This initiative took everyone by surprise because security dialogues are rich and multifaceted, and they already take place at all sorts of different levels. In fact, the European security question is plural. First of all, there are the hard political-military questions which are primarily addressed by NATO. Second, how do we preserve and extend comprehensive security across Europe? This question includes economic and social issues and is debated in a variety of frameworks, institutions and organisations. Third, how do we improve concrete cooperation among all the players? Here the NATO-Russia Council and the OSCE are indispensable, as are Russia-EU relations (though to a lesser extent).

However, more progress is needed in order to deal with security crises, both in terms of perception and reality. The reality is that the arms control framework is fragmented and that there is a rising malaise about the lack of progress and the multiple dangers of suspending or cancelling past commitments to disarm. There are also unresolved 'frozen' and open conflicts, especially in post-Soviet space and on the Balkans. Moreover, the ongoing economic crisis raises the prospect of growing unemployment and higher migratory flows, thus increasing the need for greater solidarity between states and stronger relations between governments and civil society actors. Finally, energy security is a key item on the agenda and there are many outstanding questions that all sides need to address.

Beyond this reality, the perceptions of security and conflicts differ vastly between Russia and the rest. Moscow believes that EU and NATO enlargement preclude a pan-European security structure. Furthermore, the West stands accused of deepening dividing lines and enforcing double standards in terms of the use of force, the protection of minorities and the recognition of new states. Add these two misperceptions together and you have a genuine crisis. This will not spark a return to Cold War but rather a rising sense of dissonance and competition between rival views and models. As such, it would be right to respond to the spirit rather than the word of President Medvedev's proposal and to discuss the question of security in the only pan-European forum – the OSCE.

In the discussion that followed these two introductory presentations, it was said that the EU is considered by Russia to be a major strategic partner, politically and economically. Even though the Georgian conflict provoked very different reactions in East and West and also among European partners, there is now an opportunity for new and better relations (Sergei Goncharenko). However, the dominant approaches fail to take into account the new geographical and geo-political realities. From the Baltic Sea to the Black Sea, we are seeing a region of countries that is too weak to sustain itself – the 'Europe in-between', torn between the two major geo-political powers, Russia and the EU. The sheer existence of both polarises societies in these countries, especially in Ukraine and Georgia (perhaps with the exception of Armenia and Azerbaijan). At present there are no common institutions or frameworks to deal with weak states, failing states and shared security threats. All the existing organisations have changed significantly since the end of the Cold War, but at present neither the OSCE nor NATO nor EU can play this role alone. So the only real option of dealing with security in Europe as a whole – including 'the Europe in-between' – is to upgrade the NATO-Russia Council (Peter Schulze).

In his intervention, Vladislav Inozemstev argued that what is at stake is leadership in Central and Southeast Europe, which is contested by both Russia and the EU. Even though it is a latecomer on the geo-political stage, the Union is a seductive force and a pole of attraction for Belarus, Ukraine, Moldova, etc. – politically, economically and socially. The EU has, in contrast to Russia, the tradition of treating smaller countries as equals. At the same time, Russian influence in post-Soviet republics and former satellites will grow (except perhaps in the Caucasus) on issues such as energy, trade and political ties. Indeed, energy security is an important economic challenge for both Brussels and Moscow, but it should not monopolise the debates. Other areas of mutually fruitful cooperation include technology transfer and human capital. The excessive focus on energy is largely Russia's fault because the country is now more dependent on oil and gas exports than ever before. This 'de-modernisation' of Russia has been a significant problem for both domestic development and foreign policy. As a result, it is imperative to separate economics from politics and to support all those who are committed to economic and political modernisation. President Medvedev's proposals on European security on 5 June 2008 and on energy on 21 April 2009 were met with silence, but the EU would be well advised to take him seriously.

Richard Sakwa agreed with earlier speakers that there are potentially new dividing lines, whether between the EU and Russia or between Russia and the Ukraine. Instead of old-style Cold War thinking, the conceptual challenge is how to theorise the liminal, open time (both institutionally and ideologically) which we are entering. After the Cold War (1945-1989) and the shadow post-Cold War era dominated by institutional inertia (1989-2008), we are now at the threshold of a new age of post-Cold War politics that promises institutional flux. What are the main features of the current crisis and predicament? First, all existing institutions are questioned. Second, inter-state war is back with the tacit support from Western countries and the active support from Russia. Especially the EU of 27 since the enlargement of 2004 and 2007 is now seen as an instrument to perpetuate and reinforce the logic of division, conflict and war – rather than a vehicle of peace. The EU's own discourse about European 'soft power' is highly problematic because it is a 'continuation of war by other means'.

Third, Russia is a hegemonic power in Central Asia. Russia's neighbours in the post-Soviet space could adopt and adapt a Mexican proverb: 'so close to America, so far from God'. As such, Moscow is both a geo-political reality and a norm-maker (and no longer just a norm-taker, as in the 1990s). In fact, President Medvedev's proposal for a Treaty on European Security was not so much met with silence as it was dismissed as unworkable because most Western countries are unwilling to diminish the power of NATO and to make substantial concessions to Russia. Finally, we need forces and figures that are as creative as – if not more creative than – Jean Monnet and the other founding fathers. We also need a pan-Eurasian concept and a pan-European framework in order to transcend the old asymmetries of the Cold War and new dividing lines.

For his part, Michel Duray contended that geography is not at stake, since Australia and Japan are both part of the West but neither is located in the 'Western hemisphere'. Nor are EU and NATO enlargement the main problem. Not even institutional rivalry really matters. Contested leadership in 'the Europe in-between' is real but not decisive. What is at stake is the need to recreate a stronger sense of security without creating new dividing lines. Three issues are of particular importance. First of all, the perception of security differs between Russia, NATO and the EU. At present, totally different philosophies are at work. But the threats are common,

including terrorism, WMDs and ecological factors, so there is an even greater imperative to devise a common language in the face of many different notions and connotations. Second, international organisations are more, not less, relevant. What is required is a comprehensive settlement between all the parties. No existing institution has a monopoly on truth or security, not even NATO.

Third, there is an imperative to engage and cooperate with Russia. Neither containment nor self-isolation will be in Moscow or anyone else's interest. Asked about which understanding and conception of security led France to re-join NATO's military structures, he replied that this move has sent a strong political signal – European defence policy will neither compete nor disappear but become the second pillar in NATO because security in Europe is about partnership, not simply US leadership.

In response to the preceding interventions, V. Baranovsky focused on a number of specific points. Russia's real interests encompass both military and economic security, as well as a struggle for influence in her wider neighbourhood. The contemporary security challenge is about how to overcome traditional approaches to power – the EU shows both the potential and the limits of such attempts. As for the 'Europe in-between', Russia's current problems are, first of all, post-imperial thinking and a lack of respect for national sovereignty, as deals between EU-Ukraine without involving Russia are still deemed an affront by the Kremlin. Second, the status of post-Soviet states is not yet settled and Moscow does not view the current borders as set in stone. Third, the Russian leadership will continue to insist on taking the country's interest into account before it considers any changes to the *status quo*.

Finally, some circles within the Russian elite seem to suffer from excessive self-confidence, a situation that contrasts strongly with the trauma of the 1990s and especially after the crash of 1998. As a result, there is insufficient sensitivity towards neighbours in 'the Europe in-between' (e.g. vis-à-vis the Ukraine on the status of the Black Sea fleet in Sevastopol), an excessive focus on NATO (which is adversely affecting relations with Georgia) and the dangerous tendency of the Kremlin becoming hostage to its own rhetoric. Thus, the challenge is to marry idealism with realism and pragmatism. This will not happen in the near future, but the point about President Medvedev's proposal is to question the *status quo* and to re-assert Russia's power politics.

Following this exchange among participants, Robert Goebbels concluded the first session by stating that EU-Russia relations include the countries of 'the Europe in-between' and that actual relations are better than frequently supposed – from economic cooperation via trade to tourism. The question of energy security has absorbed a lot of time and attention: the Energy Charter first proposed by the EU in the 1990s will not be signed or ratified by Moscow as it stands. Not even Norway will ratify the transit protocols drawn up in the 1990s. More roadmaps will lead nowhere, which is why a new approach is desperately needed in order to avoid further stand-offs and disruptions to the supply of oil and gas to Europe's most vulnerable populations. More fundamentally, the EU is a 'soft' power, with little to offer other than enlargement, but the Union has not yet coped with the 2004 wave of accession. Brussels does not set the international agenda, but now there is a window of opportunity with the new US administration to shape international relations in more constructive ways.

II. Coping with the volatility of geo-strategic interspaces

The second session started with a number of short interventions. Some participants claimed that Russia has no clear status in international affairs and that in the 1990s there were ideas and plans to dismantle Russia. Russian imperialism or the Communist past is not the only problem. Nowadays the US is the predominant power centre. As a result, Russia must make a choice between either wielding power or facing the prospect of destruction (Svetlana Glinkina). Other participants argued that Russia, like Turkey is too big to handle for the EU. The US is of course the largest power in the world, but in Europe the power differential cannot be easily bridged. Neither the 27 member-states nor the largest countries outside the Union have come up with a proper concept of how to promote cooperation and integration without full membership (Mario Hirsch).

A key problem facing countries such as Serbia but now also Georgia (and perhaps Ukraine in future) is how to deal with territorial loss – a phenomenon which could be summed up as ‘coping with shrinking’. This casts a different light on relations and it also changes the significance of the idea of re-integration with Russia as advanced by people like Andranik Migranyan. At present, there are many open questions, and all relations are in flux with uncertain outcomes (A. Clesse).

It was also said that the five-day war between Russia and Georgia was a war without winners and that it has adversely affected trans-regional stability. The spectre of the unresolved ‘frozen conflicts’ is back to haunt both East and West. At the same time, the importance of inter-regional cooperation has never been greater, as smaller and bigger countries like Armenia, Azerbaijan, Turkey and Russia seek to diversify their market outlets and forge closer links with neighbouring nations. Both the Black Sea and the Caspian Basin will play a crucial role in economic development and political partnerships (Alla Yazkova).

According to Oleg Kokoshinskiy, it’s the state of the relations between EU and the mentioned countries of the “in-between” region which, in different ways, has repercussions on their relations with Russia as well as EU-Russian relations. And although being asymmetrically dependent on trade with the EU, Russia prefers to be not a European-values based norm-taker but instead a norm-maker. This can be clearly seen when looking at the current relations not only with Georgia but also with Belarus (where recent polls show that 55% of its citizens reject a union with Russia), Ukraine (annually threatened by Gazprom to be cut off from gas supply) and with some other CIS members. Those countries see their officially called strategic partnership gradually turning into a strategically dependent relationship, although they are or should in theory be strategically independent.

However, Russian-Ukrainian relations should not be viewed through the sole prism of Ukraine’s possible membership in the North-Atlantic alliance which was not seen as a problem until 2004. During recent years Moscow and Kiev have drawn up a working agenda which addresses the principal problems in their bilateral relations, including some open questions over final border settlements. There were also not so successful attempts to create a common economic space. However, ideas on re-integration with Russia are seen as potentially dangerous from a Ukrainian perspective because they suggest that the country’s future lies predominantly in the East rather than both East and West and that the Kremlin would try and block Kiev’s entry into the EU. The anti-Western rhetoric notwithstanding, Russia is already

part of the West insofar as Euro-Atlantic cooperation since the presidency of Boris Yeltsin has overcome the old divide. In May 1997, the NATO-Russia Founding Act and the NATO-Ukraine Charter on Distinctive Partnership not only promoted their cooperation but also helped the two countries to normalise their bilateral relations on the basis of internationally recognised principles within the framework of a Friendship Treaty. Since the creation of the NATO-Russia Council in 2002 which has led, based on consensus, to more than 20 cooperation agreements Russia enjoys *de facto* informal NATO membership and ever closer links with the EU. By contrast, the NATO-Ukraine Commission works according to the format of 28 +1 with 5 cooperation groups that have limited power because of lack of consensus among some European members. We also should not forget that in December 2004 during the presidential election the EU and OSCE failed to solve the crisis. It was the NATO-Russia Council which on 9 December 2004 succeeded in reaching an agreement that neither Russia nor the West would interfere into Ukrainian internal affairs and so could be seen as an instrument of crisis management.

Yet at the same time, the ties between Moscow and Kiev are at an all-time low, with increasingly bitter and venomous disputes over border issues, energy supply and transportation and the future of the Black Sea fleet. This is further complicated by the problem of double citizenship and Russian as official language disputes in Ukraine, which can be explained by an unfinished self-identification process in both countries (although with some differences) and which leads to the still continued perception in Russia that Ukraine is not an independent country with equal rights and not a real strategic partner for her.

Here, NATO has played a balancing role in improving bilateral Russian-Ukrainian relations by promoting democracy, equality and mutual understanding. These values matter even more in the present context of the economic crisis, as both Russia and Ukraine are still dominated by oligarchic elites and lack a strong middle class that could influence politics and gradually change the ruling classes through the ballot box. By aiming to strengthen democracy and local accountability, annual NATO-Ukraine Action plans are facilitating social change and political reform.

Asked about the legal issues surrounding the island of Smyn and implications for the Crimea (Sergei Goncharenko), O. Kokoshinskiy responded that Smyn was solved to the satisfaction of both Ukraine and Romania and that the Crimea is much more complex. At present, Kiev's position is that after 2017 the Crimean peninsula will be a de-militarised zone and will not host a NATO basis. Crucially, NATO membership will only be decided by referendum, not by a parliamentary vote or a presidential decree.

Responding to this presentation, some participants contended that the role of democracy is decisive but that the meaning of democratic rule differs widely, for example when comparing Georgia and Ukraine. Simplistic calls for more democratisation ignore the experience on the ground (e.g. the democratisation of Eastern Germany) and specific domestic dynamics. Moreover, there are many polls that show majority support in Ukraine for closer ties with Russia and opposition to NATO membership (S. Glinkina). Others argued that the West has acted against Russia's interests and thereby increased the potential for conflict, e.g. Western actions in the former Yugoslavia and elsewhere in the East. Moreover, to ignore the CIS as a political bloc is to neglect Belarus, Ukraine and many other countries. By contrast, Russia has played a constructive role in forging closer ties with her neighbours, including the creation of

a customs union with Belarus and Kazakhstan (to be completed in 2009) which Kyrgyzstan and Tajikistan have been invited to join. The inter-dependency among the countries in the post-Soviet space is grounded in a common understanding, a shared history and intimately intertwined economies (Anatoly Korendjasev).

In his reply to these comments and objections, O. Kokoshinskiy contended that the recent polls in Ukraine really demonstrate a 91% support for the promotion of friendly relations with Russia (three times more than in Russia) and the current support for NATO is approximately 33% and geographically more complex and controversial (one third is in favour, one third is against and one third has no opinion). The result of these opinion polls reflects not only some old and new generational stereotypes but also shows that today's agenda is more related to the current transformation and reforms practical issues and not the question of whether or not to join NATO.

In the current situation where the programmes of the two last governments were even not approved by the parliament, the Ukraine's Action plans with NATO and the EU as well as its membership in the Council of Europe remain the only internationally agreed obligations to promote reforms and legislative changes in order to strengthen Ukraine's democratic system. By contrast, political transformation in Russia seems much less likely in the present configuration which can be seen as a challenge for her neighbours and CIS partners.

Adrian Pabst concluded the second session by arguing that the neo-liberal 'Washington consensus' prevalent since the late 1970s has been inimical to a pan-European geo-strategic project. By removing international capital controls, nations surrendered sovereignty to global finance and unaccountable supranational institutions like the IMF, the World Bank and (more recently) the WTO. At the same time, states expanded – rather than reduced – the size of the public sector in the economy, by extending central state expenditure and regulation in a number of key areas such as the military-industrial complex, public services and the newly privatised utilities.

Privatisation changed ownership and brought in a culture of shareholder values rather than concern for the public common good. The state retained influence and maintained its weight in the economy by setting up public regulators to oversee the privatised companies. In the case of railways in the UK, central government even expanded its share in the economy through private-public partnerships in public sector investment projects. Elsewhere too, the state put in place a whole system of auditing and quality control policed by an armada of managers and accountants – a phenomenon which John Gray has aptly described as the 'audit state'. As such, Thatcher's and Reagan's mantra of rolling back the frontiers of the state is a bit of a myth.

Ultimately, what happened was that formerly public monopolies became private monopolies and the investment-based high-growth Keynesian model was replaced by the low-growth monetarist model driven by volatility-inducing financial speculation. Representative government and the institutions of civil society were increasingly marginalised in favour of the executive branch of government, plutocratic elites and oligarchic capitalism

III. Is there a need for a new structural and institutional pan-European dispensation?

The third session began with an introductory presentation by Elena Korosteleva-Polglase. She drew a distinction between norm-takers and norm-makers and argued that the notion of ‘soft power’ implies making and perhaps even imposing norms. As such, ‘soft power’ and ‘hard power’ are complementary rather than opposed, and countries like the USA have tended to deploy both in a mutually reinforcing way. More fundamentally, Europe faces competitive, rival notions of security promoted by the West and Russia. The question is how feasible any common project might be given the conceptual and other differences. Indeed, the dividing lines between Russia and the rest of Europe appear to be deepening. Based on Michael Smith’s idea of boundary politics, it is arguably the case that key values in politics and society differ across Europe. Crucially, the sort of liberal democratic values promoted by the EU do not correspond to the reality of values practiced by populations in Belarus, Moldova and also Ukraine and Georgia (though to a lesser extent), as evinced by the absence or the failure of the so-called ‘colour revolutions’. In fact, the distinction between people and government made by the West is dubious, as many regimes in Central and Eastern Europe do enjoy high levels of popular legitimacy. In terms of the values of authority, order, peace, tolerance and social protection, the regime of Alexander Lukashenko is not contested by a majority of the Belarus people.

In response to the introductory presentation D. Lynch contended that societal values like authority and stability are cherished and therefore the current leadership seems to have legitimacy, but other political figures could represent these values equally well if not better. In other words, the specificity of societies in the East is not and cannot possibly be monopolised by a single regime and its leader.

Moreover, what really is the social and political reality on the ground? How popular is the Lukashenko regime and what is happening to those dissidents who are not pro-Western (A. Clesse)? Presumably there is a whole spectrum of alternatives to the *status quo* beyond the narrow choice between either pro-Lukashenko or pro-Western forces (A. Pabst).

Other participants commented that Russia is not as yet a norm-making power because the norms change all the time and Russia is still trying to adapt to norms defined elsewhere – so much so that the country’s leadership is even tinkering with the norms they have defined and enforced at home (V. Inozemtsev). There is also the danger of positivism, as an impoverished variant of Hegelianism seems to have taken hold among the ruling elites in the East. Their logic seems to be that what is real is rational and what is rational is real (G. M. Ambrosi).

Indeed, R. Sakwa argued that positivistic existence does not ensure the legitimacy or justify the continued existence of any regime currently in power. Nor does the diversity in regime forms and international orders preclude geo-political contests among rival models. In fact, Europe has seen a flattening of diversity and difference over the past 20 years or so. This was the problem of the Anglo-American hegemony. But now that the dominant geo-political and geo-economic consensus has collapsed, there is once more a window of opportunity to develop models of economic and political organisation that are specific to a country’s values and traditions. Since there are more players in the international system than before, Russia is a norm-maker in this more restricted sense and her relative weight in inter-state relations is

greater than in the 1990s when the country was weak and the West more powerful than now. Moreover, dual state theory highlights the crucial difference between the normative constitutional world and the shadowy system that has its own values. When the two systems coincide, a country seems less prone to being a norm-taker and might in fact become a norm-maker.

In response, it was said that Russia may not be a norm-maker but is definitely an agenda-setting power. In the 1990s, Russia struggled to adapt to the new post-Cold order dominated by the West. By contrast, the country's growing status in international relations is synonymous with the power of setting the agenda on issues as varied as arms control, energy security and terrorism (V. Baranovsky).

All the interventions in this third session of the conference raised the question of the meaning of norms and the difference between values, norms, interests and agendas (A. Clesse). Agendas imply norms but a country's agenda-setting power does not equal the power to make and enforce norms. Norm-making requires defining agendas and policy implementation if it is to be effective and more powerful than agenda-setting (D. Lynch, A. Clesse, A. Pabst).

In response to comments and questions following her presentation, E. Korosteleva-Polglase replied that the Western strategy of democracy promotion can and must be questioned and it is imperative to contextualise democracy. Liberal democracy is not the only model of democracy and other types must be recognised as legitimate. Values, understood broadly, are plural. This is certainly true within the EU, but liberal norms imposed by the West in Central and Eastern Europe are monolithic and they tend to ignore local and national specificities. The EU-proposed partnerships have potential, including the principle of joint ownership, but thus far these initiatives are EU-driven and therefore the values are enforced by Brussels rather than shared by all parties involved. Incidentally, President Medvedev re-asserted Russia's own sets of norms and values and was not trying to promote pan-European integration (with shared norms), but the clash of interests between East and West remains.

IV. The potential for cooperation and integration (as well as the risk of conflict and disintegration)

The final session featured a number of short interventions on the prospect for cooperation, integration, conflict and disintegration between the EU, Russia and the countries of Central and South-Eastern Europe. Some participants like P. Schulze contrasted economic interests with political values, saying that in Germany business with Russia overrides other considerations such as human rights and democratisation. More generally, there is no capitalist development without the participation and support of the state. The neo-liberal fallacy consisted in privileging economics over politics. In terms of population and territory, Russia is an intermediary country because territory in and of itself does not matter: after all, Russia has fertile land and dense population between Belarus and the Urals, whereas the area beyond is of relatively little economic or political worth. In terms of GDP, Russia is a small country similar to Brazil. Finally, Richard Sakwa's vision of a Pan-Eurasian concept is for the future, but at present when the OSCE is defunct, the only realistic option is to work within the framework of the NATO-Russia Council and the nascent EU CFSP and ESDP (going back to the Maastricht ambition of a common foreign, security and defence policy).

D. Lynch argued that the debate on President Medvedev's proposals for a Treaty on European Security is already happening within the OSCE. Neither East nor West should forget that the OSCE is a platform where in 1975 (Helsinki), 1990 (Paris) and 1999 (Istanbul) crucial talks took place on a new basis for European security. In fact, President Medvedev is proposing Helsinki +, not Helsinki 2. In other words, he seeks to revisit the norms first articulated and agreed in 1975. The foreign ministers of the OSCE countries will consider any proposals at their regular meetings, but the organisation remains the only pan-European forum and should not be dismissed too easily.

In a similar vein, other participants suggested separating economic interest from politics, e.g. the protection of the environment has to take precedence over the exploitation of energy and other resources in the Black Sea. Moreover, it was said that those who call for a pan-European union might in reality destroy this idea because high politics tends to lead to conflict. Fortunately or unfortunately, trivia are the basis of everything, so it is preferable to start small and grow a project gradually (G.M. Ambrosi). Yet other participants rejected the opposition between 'high' and 'low' politics, arguing instead that there are different agendas and that countries must focus on concrete issues and tangible results in all areas of policy-making (V. Baranovsky).

However, other participants disagreed, saying that Dov Lynch was wrong about the OSCE summit in Istanbul in 1999. That meeting was a moment of crisis and not a manifestation of OSCE effectiveness. More fundamentally, the conceptual point to make is that the distinction between integration and disintegration is a false choice. Rather, what countries and organisations in Europe should aim for is cooperation and 'a working peace system' (David Mitrany), and not a new overarching security architecture (R. Sakwa). Moreover, is it not the case that NATO enlargement has already destroyed the delicate balance in East-West relations and that NATO's continued existence and expansion is the single biggest factor of division and destabilisation? If so, then the challenge is how to transcend the current obstacles and achieve a more lasting settlement (A. Clesse).

Yet other participants questioned some of the underlying concepts. Politicians and diplomats like to talk about common values, but what about common rules? Values are not just abstract ideals but also opportunities for dialogue about cooperation based on shared meaning and signification. In fact, values are not independent from material structures, but instead conditioned by historical realities. One key challenge is how to enhance trust and solve problems rather than just discussing issues (Alexandros Koutsoukis).

In relation to Russia, it was said that Foreign Minister Lavrov did not imply that Russia tries to undermine the EU to bolster her own hegemonic position. What he meant is that Russia is still not being given sufficient importance. Furthermore, EU-Russia relations are better than they appear, as concrete progress is hard and complex (S. Goncharenko). Leading on from this point, it was also suggested that EU-led mediation worked in the case of Georgia and that President Medvedev's proposal for a Treaty on European Security is a stone thrown into the water in order to cause a stir, and not a concrete set of ideas. Russia first needs to do her homework before she can reshape the global order. Crucially, Europe is still profoundly divided between the pro-Atlantic, the pro-European and those who have no position at all. As

a result, EU enlargement towards Ukraine and Georgia is off the agenda, as is NATO's expansion to these countries (P. Schulze).

According to A. Pabst, the current crisis in East-West relations is a crisis of ideas. All the old concepts and policies have failed to deliver a common project in which all sides can participate. NATO is deeply divisive; the EU is profoundly divided; the OSCE lacks political clout; the CIS is losing members; the Shanghai Cooperation Organization (SCO) will not develop into a military alliance as a result of China's opposition; the Collective Security Treaty Organisation (CSTO) is dominated by Russia. Crucially, all the existing institutions lack a coherent conceptual basis to address contradictory principles and the reality of diffuse sovereignty and a complex power matrix. As such, there is a window of opportunity to put in place a new framework. States and all existing organizations could come together and develop new concepts and policies in order to adapt the norms of international law to the new geo-political constellation. They could also devise new ways of blending global principles with local practices (e.g. contextualising democracy as suggested by E. Korosteleva-Polglase).

A first step would be to set up a high-level U.S.-Russian commission charged with rethinking bilateral relations. Based on the wide-ranging agreement signed in April 2008 by former Presidents Vladimir Putin and George W. Bush, such a commission could recognise shared interests in addressing common security problems in the Eurasian space and coordinate joint action to fight the most pressing threats. Coupled with confidence-building measures, improved Anglo-Russian relations are a *conditio sine qua non* for an overarching Eurasian security structure. A second step would be to convene a security conference with the participation of the USA, Russia, the EU, possibly China, separatist regions and their (former) masters as well as all existing organisations. Not unlike the Annapolis summit, such a meeting could begin by acknowledging mutual security interests and recognising the problems of unilateral declarations of independence such as in the case of Kosovo, Abkhazia and South Ossetia. The participant parties to this conference could then debate and devise new policies and mechanisms for crisis prevention and crisis management. In addition, they could devise new criteria for dealing with unrecognised states, and agree new rules of military engagement in the event of separatism that would be binding on all parties.

If successful, such a security conference could gradually evolve into a pan-Eurasian 'security community' (Karl Deutsch). Building on the achievements of the OSCE, such a community could help develop a shared security strategy. One concrete purpose could be to invent new concepts and policies dealing with the tension between national sovereignty and territorial integrity, on the one hand and national self-determination and the "Responsibility to Protect", on the other hand. In the event of sufficient political support from the main powers, such a community could set up a permanent security council and regular ministerial meetings to exchange information and best practices, oversee the implementation of peace accords and political settlements, as well as work on arms control and the reduction of nuclear warheads.

Conclusion

The conference produced a number of insights that are of interest for policy- and decision-makers. First of all, there was widespread agreement that East-West relations are at a critical juncture and that the new US Administration has the chance to abandon the failed Western policies of the 1990s and the first decade of the new millennium. Likewise, President Medvedev has the opportunity to recast Russia's role in Europe and beyond by cooperating on energy and by revisiting the issue of the 'frozen conflicts'.

Second, the EU's economic weight has increased in Central and Eastern Europe as well as the Eurasian space, but neither its diplomatic stature nor its political clout have grown proportionately. What the Union urgently requires is a coherent foreign, security and defence concept coupled with concrete institutional reforms and policies to translate the European promise of peace and prosperity into reality.

Third, the Ukraine, Belarus and the countries of the Caucasus could and should eschew the false choice between East and West in favour of a more balanced approach that delivers closer cooperation with both the EU and Russia. EU membership is not on the horizon, but better ties with Moscow will not solve all domestic economic and political problems either.

Adrian Pabst
Research Fellow, LIEIS
May 2009

**The Luxembourg Institute for European and International Studies,
the Russian State Agency for International Cultural and Humanitarian Cooperation at
the Russian Ministry of Foreign Affairs,
the Association for Euro-Atlantic Cooperation, Moscow
*with the support of the Business Association Luxembourg-Russie and
the Luxembourg Ministry for Culture, Higher Education and Research***

Round Table

EU, Russia and Central Southeast Europe (Ukraine, Belarus and Caucasus)

24 April 2009

**Maison de l'Europe, 7 rue du Marché-aux-Herbes
Luxembourg**

PROGRAMME

- 09.00** Welcome by **Edouard Malayan**, Ambassador, Russian Embassy in Luxembourg, and **Armand Clesse**, Director of the Luxembourg Institute for European and International Studies
- 09.15-10.45** **I. Central-Southeast Europe: What is politically and economically at stake?**
- 10.45-11.00** Coffee break
- 11.00-12.30** **II. Coping with the volatility of geostrategic interspaces**
- 12.30-14.00** Lunch
- 14.00-15.15** **III. Is there a need for a new structural and institutional pan-European dispensation?**
- 15.15-15.30** Coffee break
- 15.30-17.00** **IV. The potential for cooperation and integration (as well as the risk of conflict and disintegration)**
- 17.00-17.15** **Wrapping up the discussions by Adrian Pabst**

PANELLISTS

Ambrosi, Gerhard M., Dept. of Economic Policy, University of Trier

Baranovsky, Vladimir, Deputy Director, IMEMO (Institute for World and International Economic Relations), Moscow

Blinov, Anatoly, Representative for Luxembourg of the Russian State Agency for International Cultural and Humanitarian Cooperation at the Russian Ministry of Foreign Affairs

Clesse, Armand, Director, Luxembourg Institute for European and International Studies

Duray, Michel, Director, NATO Information and Documentation Center, Kyiv

Glinkina, Svetlana, Professor, Deputy Director, Institute of Economics, Russian Academy of Sciences, Moscow

Goebbels, Robert, Member of the European Parliament, Luxembourg

Goncharenko, Sergei, Deputy Director, Department of Economic Cooperation at the Russian Ministry of Foreign Affairs, Moscow

Hirsch, Mario, Director, Institute Pierre Werner, Luxembourg

Inozemtsev, Vladislav, Founder and Science Director, Centre for Post-Industrial Researches, Moscow

Kokoshinskiy, Oleg, Acting Vice-President, Atlantic Council of Ukraine, Kyiv

Korendjasev, Anatoly, Parliamentarian, Deputy Head, Commission on Relations with CIS-Countries and Russian nationals living abroad, State Duma of the Russian Federation, Moscow

Korosteleva-Polglase, Elena, Lecturer in International Politics, Aberystwyth University

Koutsoukis, Alexandros, Visiting Research Fellow, Luxembourg Institute for European and International Studies

Lynch, Dov, Senior Political Advisor to the Secretary General, OSCE, Vienna

Malayan, Edouard, Ambassador, Embassy of Russia, Luxembourg

Pabst, Adrian, Research Fellow, Luxembourg Institute for European and International Studies

Sakwa, Richard, Professor of Russian and European Politics, Dept. of Politics and International Relations, University of Kent

Schulze, Peter W., Professor, Seminar of Political Sciences, University of Göttingen

Yazkova, Alla, Professor, Head, Centre for Mediterranean and Black-Sea Region, Institute of Europe, Russian Academy of Sciences, Moscow