



Luxembourg Institute for European and International Studies
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EXECUTIVE SUMMARY

Round Table

Developments in the post-Soviet space

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Introduction

The Luxembourg Institute for European and International Studies (LIEIS), in cooperation with the Russian Center for International Scientific and Cultural Cooperation (Russian Ministry of Foreign Affairs) and the Moscow-based Europe-Forum, organised a roundtable on “Developments in the post-Soviet space” on 10 October 2006 in Luxembourg. About 25 participants from Russia, the Ukraine and Western Europe debated the political and socio-economic evolution in the former USSR and the members of the Soviet bloc. In the course of four sessions, the discussions focused on the relations between Russia, the former Soviet states and the EU, the developments in the Ukraine and Belarus, as well as the situation in the Caucasus and the Baltic States.

In his introductory remarks, Anatoly Blinov, Representative for Luxembourg of the Russian Center for International Scientific and Cultural Cooperation, described the background to this meeting in terms of the collapse of the Soviet Union and the emergence of a post-Cold War order. The main cause of the end of the Soviet experience was a lack of economic efficiency and growth. Once Russia, the Ukraine and Belarus had decided to abandon the Soviet regime,



the dissolution gave way to the Commonwealth of Independent States (CIS). One of the most acute problems since the collapse of the USSR has been the fate of Russian minorities.

According to A. Blinov, the purpose of the roundtable was three-fold. First, it was an opportunity to analyse facts and tendencies; secondly, to refute prejudice about Russia and its impact on its neighbours; thirdly, to consider possible policies for future cooperation.

Armand Clesse, Director of the LIEIS, said in his opening remarks that this was a timely meeting, especially so in the context of the current tensions between Russia and Georgia and the repercussions for relations with the EU and the USA. He also raised the question of the internal developments in Russia, above all the rolling back of the frontiers of democracy and the rise of nationalism, xenophobia and racism.

I. The relations between Russia, the former Soviet States and the EU

The first session was divided into four presentations and a discussion. Tatyana Poloskova, Head of the Department for the Relations between Russia and the CIS at the Russian Center for International Scientific and Cultural Cooperation in Moscow, noted that there are many platforms for exchange among experts and that this in itself testifies to the vibrancy of civil society in Russia and across the post-Soviet space. She developed two related points, perception and culture. First, current perceptions are misleading insofar as the relations between East and West are seen almost exclusively through the lenses of official tensions. This perspective neglects the fact that at the level of experts, reason and argument prevail and discussions are both critical and constructive. Moreover, the real situation and evolution of Russia is not properly reflected in the national and the international press. Instead, the focus tends to be either on the actions of the state or on the rate of economic growth. In reality, Russia's predicament is much more complex and requires careful analysis. As for the post-Soviet countries, it is simply false to assert that all of them seek full integration with the West through membership in NATO and the EU. 85% of Uzbeks are in favour of close economic ties with Russia. The Latvian population wants normalised relations with Russia. More generally, support for cooperation with the EU is much higher than with the USA. There are of course significant exceptions like the case of Georgia, but this is not surprising given that the Georgian President Mikhail Saakashvili is on the payroll of the US State Department.

On culture, she said that the Russian language and cultural heritage is much more popular than hitherto assumed, including in countries where governments are openly hostile to Russia, e.g. Poland and the Baltic States. The populations in the former Soviet republics and satellite states tend to be russophile and do not embrace the propaganda of their ruling economic and political elites. They are aware of the extent to which Western powers like the USA interfere in domestic affairs, not least the Ukrainian elections. They do so through a complex web of financial aid and powerful vested interests embodied by NGOs and the private mass media.

A. Clesse wondered what kind of country Russia is and where it is heading. He argued that all the critical views on contemporary Russia can hardly be dismissed as expressions of Russia-phobia. On the contrary, a number of events highlight the dangers of the current politics and policies: first, the recent wave of targeted assassinations and contract killings, that of the journalist Anna Politkovskaya and, before her, the Deputy Governor of the Russian Central

Bank, Andrei Kozlov; secondly, the dirty war in Chechnya which is being waged by a demoralised army that is in a disastrous condition and practices the bullying of young conscripts (this is not to deny that a much-better financed and equipped US army wages an equally dirty war in Iraq and engages in the torturing of the civilian population).

One question, which arises from these events, is whether Russia might be becoming increasingly brutal and whether it is suppressing press freedom, thus creating a moral vacuum where references to common values and norms are void of any meaning. Will it perhaps become once again a totalitarian country, as evinced by the rise of extreme xenophobia, racism and murder of foreigners, above all in St. Petersburg? The rise of nationalism is not confined to Russia but can also be observed in Western, Central and Eastern Europe. But Russia does not seem to be preoccupied about such and similar tendencies. Nor does the Putin regime make any serious attempts to curb the influence of extreme-right forces. On the contrary, it deploys right-wing rhetoric and supports movements that are populist and nationalistic. As such, it creates a climate of impunity and moral sanctioning of targeted violence.

Perhaps it is the increasing focus on national self-interest that drives Russia in the early twenty-first century. This is reflected in Moscow's relations with the Ukraine and Georgia. But does Russia actually know what it wants? Does it once again wish to be a major global power? What can be said with some assurance is that Russia is in a state of anxiety, weakness, frailty and uncertainty about its own identity. The USA as the only superpower is perhaps suffering from imperial hubris and is self-destructive, but this does not make Russia's global role any clearer. The EU does not get its acts together and lacks any proper vision, but Russia is not benefiting from European weakness on the international stage. The rising power of China represents a threat to Russia's interests in Central Asia and elsewhere but Russia does not seem to be able to reverse its fortune. In short, Russia lacks a well-defined geopolitical project and a distinct national identity.

Moreover, it is not evident what role Moscow plays in some of the most extreme regimes in the post-Soviet space, namely Uzbekistan and Turkmenistan. There are legitimate concerns about the authoritarian and totalitarian tendencies in Central Asia. Russia's nuclear arsenal and its energy resources provide it with sufficient leverage in order to bring about changes in its 'backyard'. However, Russia seems to be suffering the consequences of both Yeltsin's and Gorbachev's mistakes. To say the least, the policies of the 1980s and early 1990s were unfortunate: the Soviet Union embraced reforms without a clear vision and it surrendered some of its most precious assets without an adequate return – namely the GDR, which was granted reunification with Western Germany in the absence of any appropriate compensation. Even the Brezhnev era is important for understanding Russia today: the emergent despotism has much in common with the hardened stance of the late 1960s and 1970s, after a period of relative openness (there are some parallels between Khrushchev, Perestroika and the early Yeltsin years). In short, Russia exhibits many paradoxes and complexities, and it is wrong to categorise it in any straightforward way.

Edouard Malayan, Russia's Ambassador to the Grand Duchy of Luxembourg, said that he understands and appreciates A. Clesse's spirit of polemics and provocation. Such an approach is welcome among friends and it is conducive to lively debates. But it runs the risk of obfuscating the complexity of Russia's real intentions. The excessive focus on sensationalist



and tragic events in the Western media does not promote an objective understanding of Russian reality. What all observers, commentators and actors need to acknowledge is that Russia is still in a transitional state. There is an ongoing open debate about ideology and policies. Likewise, Russians from all sides of the political spectrum admit that mistakes have been made. Moreover, there are serious attempts to deal with some of the most pressing challenges, including the fate of minorities. However, such and similar cases should not detract from the concrete problem of the treatment of Russian minorities in the Baltic States and elsewhere across the post-Soviet space.

Adrian Pabst, Researcher at the University of Cambridge, argued that the dominant views in the EU and Russia can and must be questioned. At best, Russia is viewed as an unreliable partner which pursues its own national interest with increasing ruthlessness. At worst, Russia is considered to be a colossus which refuses to abandon its imperial agenda and attempts to subjugate the countries in its ‘natural sphere of influence’. Likewise, the EU is either portrayed as a bureaucratic construct which fails to deliver on its promises of a strategic partnership with Russia or it is accused of applying double standards (e.g. condemning human rights’ violations in Russia while condoning discrimination against the Russian minorities in EU member-states). The result is increasing alienation and distrust. If anything, recent years have marked a regression in EU-Russia relations, as little substantive progress on the main objectives of the Four Common Spaces has been achieved. Moreover, bilateral relations with countries in the shared neighbourhood like the Ukraine, Moldova and Georgia have poisoned the climate between the EU and Russia. Over time, Brussels could abandon its policy of engaging Moscow, and Russia could leave Europe in favour of other strategic partners like Iran, India and China. The main problem is that the current strategy and policies are ill equipped to deal with the current divergence and address the common challenges. Stagnation and regression are self-reinforcing and could set a dangerous dynamic – a downward spiral of worsening relations. As Europe suffers a demographic decline and an economic crisis, the geopolitical weight could shift to the EU’s borders – Turkey, the Ukraine and Russia. The decline of Europe, albeit relative, may inaugurate the rise of Eurasia.

Thus, what is needed is nothing less than new foundations for relations between the EU, Russia and the post-Soviet space. Brussels and Moscow must reaffirm their shared commitment to the strategic partnership which was initiated in 1999. More importantly, they must give this partnership some substance, not by focusing on some priority areas like energy but by applying it to all areas of strategic importance, especially foreign, security and defence policy. Moreover, once such an alliance based on a substantive vision has been established, the EU and Russia must offer participation to all the countries which are currently in the so-called shared neighbourhood, such as the Ukraine, Georgia, Moldova and the Caucasus. This region has euphemistically been termed the European and Russian ‘near-abroad’, but in reality it is a geopolitical grey zone, a vast space that has received more military aid from the USA than from the EU and Russia combined. As such, it has been drawn into America’s global sphere of influence.

To integrate these countries as well as Central Asia into a new strategic alliance would of course require a profound transformation of the European and the Russian political cultures, but the inclusiveness this would involve can only be beneficial. Over time, this would confirm the shared vision and demonstrate the ability to stake a credible claim to a global role. Finally, such a Eurasian alliance could not only pose a counter-weight to the USA but also engage

Iran, India and China. Thus, the multi-polar world, which is once again emerging after the end of *Pax Americana*, would no longer be beholden to any superpower, present or future.

A. Clesse remarked that Gorbachev's idea or dream of a common European House had all but vanished and that specifically European organisations such as the OSCE make little, if any, difference to the prevailing *Realpolitik*. The entire European space is at stake and the question is how to reconcile conflicting tendencies. How can vastly different countries with divergent interests comply with and apply common values and norms? Moreover, how to confront and fight the rise of the extreme right in the new EU countries such as Hungary, Poland, the Czech Republic and Slovakia? Could and should the EU offer the guarantee of containing and defeating totalitarianism in each and every of its member-states?

Maxim Meyer, Director of the Europe-Forum, said in his presentation that this meeting is a testimony to Russian involvement in discussions and debates and an example of active Russian participation in open and frank exchanges of idea. At the same, he cautioned against excessively general approaches and called for a shift from larger to lower levels of analysis in order to capture more accurately the reality of the post-Soviet space. He referred to *Absurdistan*, a book published in the USA which outlines an extremely negative view on the countries in question. Such and similar views are examples of bias and prejudice and thus obfuscate rather than clarify the complexities on the ground. For example, the gas dispute with the Ukraine, the current tensions with Georgia and the difficult relations with Belarus are only one side of the Russian foreign policy coin. Beyond these divisions, there exists a complex web of cooperation and mutual understanding between Russia and its neighbours.

However, given the difficulties of the CIS structure, Russia must propose a new set of rules for itself and the post-Soviet space. This is not a gratifying role, especially when the change of the 'rules of the game' occurs after having voluntarily relinquished control in the early 1990s. Indeed, in the period 1991-95, national states were established on the ruins of the Soviet Union. In this situation of flux and uncertainty, extra-regional forces played an increasing role, not only the EU and USA but also Poland (before joining NATO and the EU), Turkey, Iran and China. Today, the Trans-Caucasian countries tend increasingly towards the Middle East, while Central Asia has strong affinities with China. But Belarus, the Ukraine, Georgia and Moldova are all part of the European space and as such have an interest in cooperating with Russia – one of the biggest European powers.

In this light, Russia is cautious about not being the only or dominant player, for this would cause alienation and conflict. At the same time, rather than retreating, the Russian sphere of interests is expanding: good relations with Caucasian countries require enhanced cooperation with Turkey and Iran, which Russia is pursuing. Likewise, China is a key partner in many ways and ties will continue to grow. More widely, Russia is engaged in a certain kind of new *Realpolitik*: the main priorities are to restore order (e.g. fighting against illegal immigration), to ensure economic stability (by negotiating energy prices with all post-Soviet states) and to resolve the fate of the diaspora in Russia and the weight of remittances in the national economies of neighbours. In conclusion, M. Meyer said that the future of the post-Soviet space is to engage in an ongoing process of reflections and discussions, discarding stereotypes and recognising the fundamental issues that are common to all the countries which compose it.

The discussion that followed the four presentations centred on the wider origins of the current situation and on possible strategies to improve the relations across Eurasia. A. Clesse reiterated his argument that Gorbachev lacked a comprehensive ‘strategic design’. He further explained that this was the major weakness and the cause for disarray and turmoil in the 1990s, from which we still have not recovered. The ensuing imbalance raises the question whether it is wise to argue and reason in terms of the category of balance of power and whether there is any genuine alternative. Furthermore, it seems as if Russia were afraid of isolation, in the context of EU and NATO expansion. Does this suggest the possibility and desirability of new institutions or a single new institution for the post-Soviet space?

Heinz Timmermann, Associate Researcher at the *Stiftung Wissenschaft und Politik* in Berlin, argued that the official political level does not adequately reflect the reality of Russia and the former Soviet republics and satellites; instead, we ought to look at the social and societal life that prevails in the countries which constitute the post-Soviet space. To do so reveals many more commonalities than hitherto assumed. Moreover, by contrast with the EU where there are several medium-sized players, the CIS features a single big power and many much smaller ones. This has repercussions for political as well as social and cultural relations. Interestingly, President Putin described the CIS during a visit to Armenia 2005 as an instrument of ‘civilised divorce’, thus acknowledging the centripetal forces that can dissolve the ties between its members. Indeed, countries like Georgia have stated their intention of leaving the CIS. It is not so much Western imperialism that poses a threat to Russia and its neighbours.

On the contrary, the single biggest challenge is the economic and political attractiveness of the EU. This is why Alexey Arbatov from the Russian liberal party Jabloko has called for the Russia-CIS relations to resemble those between USA and Canada or Germany and Austria, a close integration of really independent states based on a common market, shared institutions and joint commitment to values.

Against the view that Russia uses its energy resources as a tool of intimidation and blackmail, M. Meyer contended that this sort of idea is incompatible with the importance of oil exports and the reliability of Russian supplies to its neighbours. A. Clesse disagreed with this point and said that oil dependency creates political dependency and thus the possibility to put pressure on regimes that are hostile to Moscow. He raised the question whether the counter-project championed by the Kremlin will be pro- or anti-European. Mario Hirsch, Director of the Pierre Werner Institute, argued that the rules have changed, but the EU and Russia are not the only ones to have done so. The USA is trying to change the definition of the Black Sea and thus the criteria according to which countries belong to the Black Sea area. This could have far-reaching consequences for the geo-political balance in one of the strategically most important regions of Eurasia. By contrast, the EU is not a relevant actor in the Black Sea, even though two of the most important Black Sea countries will join the Union on 1st January 2007. As so often in the domain of foreign and security policy, the EU is not living up to the expectations which are associated with it.

Mark Almond, Lecturer in Modern History at Oriel College, Oxford University, wondered whether the EU is not becoming a post-imperial power before being an imperial one, in the sense that its success has paradoxically made it less civil – new EU member-states like Poland, the Baltic States, Romania and Bulgaria have all been co-opted by the USA, as are other post-Soviet states such as Georgia. The implication is that the EU lacks a coherent

project that can command the loyalty and allegiance of its new members. This undermines any attempt to shape the geo-political present or future of the Eurasian space.

II. The developments in the Ukraine and Belarus

The second session focused on the Ukraine and Belarus as two contrasting examples of post-Soviet countries which have evolved in different directions. In his presentation, Dmitri Wydrin, Director of the European Institute for Integration and Development in Kiev, analysed the Russian-Ukrainian relations after the ‘Orange Revolution’ and the 2006 parliamentary elections. The so-called Orange Revolution has been variously described as a revolt of millionaires against billionaires, as a popular uprising against a pro-Russian regime or as a democratic revolution. Commentators from Russia accused the Orange Revolutionaries of taking money from US organisations, but Russian parliamentarians were even more present in the streets of Kiev. More significantly, the Russian President frequently visited the Ukraine in the run-up to the Presidential Elections. Many Russian political consultants meddled in Ukrainian internal affairs by advising the pro-Russian party on electoral strategies. As a result, relations between Russia and the Ukraine deteriorated markedly in the wake of the fraudulent second-round vote and the re-run that culminated in the election of Victor Yushchenko as President.

However, both sides made serious mistakes. Moscow was impatient with the Ukrainian process of reforms and rushed to create a common economic space. The hastiness and lack of preparation undermined mutual trust and led to the failure of this project. Instead of deciding and imposing it from Moscow, such a project should have been discussed at the level of the CIS. For its part, Kiev was too lax and too slow to respond to European offers of help and assistance. This contrasts with the positive results of implementing EU requirements in countries as varied as Hungary and Cyprus. Given the recent history of acrimonious relations, common projects between Russia and Ukraine are for the foreseeable future impossible because the governing elites are not ready. Russia has suppressed political competition and is consolidating central power. Meanwhile, the Ukraine is faced with a struggle between the three branches of the state. While there is no chance of devising and adopting a shared political project, economic cooperation is in the interest of both because it is mutually beneficial. In the short term, political relations may even worsen.

H. Timmermann began his presentation by recalling that back in 1995-96, the EU was not interested in the Western part of the CIS, but since then this has radically changed. The main challenge for ‘old Europe’ is to develop closer relations with the Ukraine, Belarus and Moldova while also maintaining good ties with Russia. In this sense the New Neighbours are asked to keep relations between them and Russia as conflict free and partnership oriented as possible. For troubled relations between two of the three partners – EU, Russia and New Neighbours – could destabilise the whole region. The balancing act could be undermined by unilateral moves that may be construed as being directed against Russian interests, including the stationing of an anti-missile defence shield in Poland and elsewhere (based on bilateral agreements with the USA).

Regarding the Ukraine, H. Timmermann explained that the ‘Orange Revolution’ marked a qualitative change away from the semi-autocratic regime of Leonid Kuchma towards a

parliamentary presidential democracy. This shift is now accepted by all political parties, including the Party of the Regions. As such, the new political configuration secured a convergence and consolidation but also a shared purpose of guaranteeing the unity of the country and working towards the reconciliation of its various parts. However, the ‘Orange Revolution’ has also bequeathed a number of difficulties, e.g. implanting European values, modernising the country, deciding on whether to join NATO and how to deal with the disintegration of Yushchenko’s party and political support. The new governing coalition, which was formed after the March 2006 parliamentary elections, has agreed to pursue membership in the EU. On the other side it has made the quest to join NATO dependent on a positive referendum. The outcome of such a referendum would certainly – at least in the near future – be negative, since popular support for such a step roughly counts only 20 per cent.

What has changed between Kuchma and Yushchenko is a shift from symmetric unpredictable politics between Brussels and Moscow towards an asymmetric commitment to the EU. At the same time, enthusiasm in Kiev about the soon admittance to the EU has given way to more realistic expectations and conceptions based on the realisation that an essential precondition for interlacing and integration of Ukraine with the EU is the country’s willingness and ability to enter into a sustainable phase of reforms by its *own* efforts. On the other hand, Brussels has accepted the election of Yanukovich as Prime Minister and is working with his government. The EU in general and Germany in particular are keen on good relations with both Russia and the Ukraine. NATO membership continues to be championed by the US but it is viewed sceptically by the EU. In Moscow, such a move would be seen as the single biggest anti-Russian decision in the post-Soviet era.

As for Belarus, the last fifteen years have to a large extent seen the restoration of most elements of the Soviet system. Having said that, President Alexander Lukashenko would have won the recent elections in any case. This is because economic stability has led to social and political stability. This is predicated upon cheap energy imports and the substantial profits which Minsk generates by refining crude oil imported at subsidised prices from Russia and by selling it on to the West. This artificial boom could crumble if Russia raises prices for energy exports to Belarus or gains control over petrochemical plants and the pipeline system which channels oils from Russia to Europe. Were either scenario to materialise, economic growth and stabilising basic social guarantees, the main sources of the President’s appeal and political power, could be in danger. Lukashenko has said that the realisation of Russia’s intentions would be worse than Stalin’s blackmailing. He has also threatened that in this case Belarus could turn into a second Chechnya.

The EU’s response has been to adopt a double strategy, involving talks with both the opposition and the regime at the official, secondary level. At the same time, what is needed is an EU Action Plan in case there is a political change. Lukashenko is still backed by Russia, his repressive system is still dominating and the population is enjoying socio-economic stability; the opposition is absent from the parliament and the media. Despite this bleak outlook, EU enlargement has intensified contacts with Europe and a younger generation is emerging which is prepared to work with the West. Over time, this will also happen in Belarus.

M. Almond drew a different picture. He argued that the absence of mass impoverishment had removed any urgency to make political change or to deal with Western NGOs. The popularity

of the regime is not entirely the product of propaganda and repression but partly the result of job security and strong opposition to privatisation. Lukashenko has also deployed the threat of fostering Chinese immigrants to Western Europe via Poland in order to consolidate his position vis-à-vis Brussels. By contrast, the USA is much clearer in viewing places in terms of their military and strategic importance before promoting economic cooperation. The EU tends to confuse these two dimensions and ends up with empty hands.

D. Wydrin mentioned a proverb according to which the most faithful women are former prostitutes and the worst democrats are former democrats. Applied to the post-Soviet, this helps explain how those who try to abolish democracy are lauded as democrats and those who work for democracy are denounced as corrupt. Thus Belarus is hailed as a sovereign nation by Russia, while the Ukraine is dismissed a Western puppet regime. A. Pabst contended that the Ukraine and Belarus cannot be opposed in such a simple way. Instead, the contrasting experience in both countries raises questions about what the conditions for genuine indigenous political transformation might look like. On the one hand, the Ukraine has seen a palace coup where one elite has been replaced by another – a process partly orchestrated by the West via the use of ‘people power’. On the other hand, Belarus has been denied genuine political pluralism. The challenge is how to restore domestic ownership in the political process and foster local participation, such that a properly configured and truly sovereign system may emerge.

III. The Caucasus Region

The third session turned to the Caucasus region and analysed the political and socio-economic evolution since the collapse of the USSR. In his wide-ranging presentation, M. Almond recalled his first visit to the Trans-Caucasian area in 1992. He described the problem of democratisation in terms of Western support for former Communist leaders, e.g. Shevardnadze was backed against the first elected leader of Georgia. In this the West seemed to adapt Lenin’s motto in such a way as to say that ‘democracy is good, but a democrat we can trust is better’. Indeed, from a narrow Western perspective, figures such as Edvard Shevardnadze and Geidar Aliyev were much easier to deal with than romantic nationalists who sought to pursue a non-Western project. Aliyev was a typical ‘locuto-crat’ who paid lip service to Western ideas while repressing his own population.

What is odd about the current Georgian President Mikhail Sakaashvili is that he received Communist socialisation and basic education, then tertiary education in the USA. Yet at the same time, he also embraces romantic nationalism and political savvy, with quite extreme statements in fluent English on CNN or the BBC World Service. After Shevardnadze’s drift back into the Russian orbit, he is like a sorcerer apprentice who deploys black magic to vilify Moscow and worship Washington. The way Sakaashvili has run Georgia since the so-called Velvet Revolution raises questions about his ‘Western’ credentials: he may just be more of a gangster with a Dutch wife than a Columbia-educated Westernised leader.

Beyond the personal ties of its elite with the West (via education and Western wives), the Caucasus and Central Asia also feature hard-core economic interests. Oil companies are not exactly known for engaging in democracy promotion, as evinced by BP’s involvement in Iran and Saudi Arabia. Based on such experience, it is better to be the enemy of Britain/USA



because they will definitely buy you – but as their friend they will definitely sell you! So democracy is very much in the eye of the beholder: the West decides who is democratic by their looks and whether one can do business with them.

Curiously, the least important and powerful Caucasian country – Georgia – is asserting itself most; in a context also dominated by Turkey, Iran and Russia, things are much more complex than the official rhetoric in Tbilisi and Washington would suggest. If Russian ties are fragile, then relations with Iran and Iraq will take priority. Iran is fast becoming the main energy source for countries such as Georgia and Turkey. But Sakaashvili is a pawn in a wider geo-political game, not a knight, bishop and certainly not the king he – backed by his Western friends – purports to be. At the same time, Russia's role is boosted by its 'victory' in Chechnya; this has produced a more assertive stance, reinforcing the risk of an armed conflict with Georgia over territorial disputes.

More generally, this and other infamous frozen conflicts can only be described as a 'clash of hypocrisies' between both sides of the geo-political divide. On the one hand, the West will sanctify Kosovo's independence which is fiercely resisted by Russia. On the other hand, Russia will support Southern Ossetians in their quest for more autonomy and independence, a move which has been denounced by Western-backed Georgia. The same applies to Abkhazia, Transnistria and the Republic Serpska in Bosnia.

Another theatre of tension and conflict between East and West is the construction of rival oil pipelines. Already in 1919, Balfour objected to Churchill's idea of sending British troops to the Caucasus to fight the Bolsheviks and said that Britain was only interested in 'railways and pipelines', leaving 'the tribes to fight it out between themselves'. Not much has changed since: Western multinationals are strongly involved in controversial projects such as the BTC pipeline from Baku in Azerbaijan via Tbilisi in Georgia to Ceyhan in Turkey. Azerbaijan, perhaps the least democratic of the Trans-Caucasian states, is in a stronger and better political position than most other countries of the region. But a reunified Azerbaijan would not be a guarantee for President Ilham Aliyev. This is because the largest Armenian diaspora lives in the USA and the second largest in France, which represents a strong lobby and makes for Western support (even though Armenia has also very close ties to Iran). Indeed, when thinking of the recent law passed about the Armenian genocide, it is not hard to see the subtleties of French domestic and foreign policy. Moreover, Nagorno Karabakh provides a strategically very useful platform for intelligence operations. In this light, Georgia is the crucial hinterland behind the frontline in Azerbaijan and Armenia. So instead of pipeline and pipedreams, the USA will tell Sakaashvili to 'pipe down'.

Following the presentations, the discussion focused on the relations between Russia and the former Soviet countries. Based on his experience of Chechnya and Russia, D. Wydrin explained that Europeans are wrong to think that the choice is black-and-white, pro- or anti-democratic. Instead, in certain circumstances the choice is between democracy and a country's existence. Moreover, the situation is similarly complex in Iraq and Yugoslavia as it is in Georgia: either democracy and dissolution or unity and authoritarianism. Currently, Georgia is trying to combine democracy with unity but this is also proving impossible.

T. Poloskova said that there is an interesting contrast between East and West: even though more Armenians live in Russia than in Armenia, their lobbying power does not influence

Russia's domestic or foreign policy. In the case of Azerbaijan, the Azeri who work and live in Russia send back remittances and the country also benefits from oil receipts. Back in 2004, Sakaashvili enjoyed large support among Georgians and there was high hope for closer ties with Russia, but in democracy there are other actors than the state and there were many forms of interference. The assassination of Politkovskaya is truly horrifying, especially the fact that it was a woman who was killed in cold blood. As for Chechnya, it is an internal issue and Russia needs to sort out the horrible legacy of the Yeltsin era. A. Clesse said that it is necessary to apply the same standards of elementary rights to Chechnya than to the USA in Iraq, Afghanistan and Guantánamo Bay. Anything else would amount to hypocrisy and double standards.

Paul Mertz, former Ambassador of Luxembourg, argued that pipelines which terminate either in the Black Sea or the Mediterranean could cause an environmental disaster: due to the intrinsic danger of shipping oil via the Istanbul Strait, any large-scale transportation of crude oil is a constant threat to maritime biodiversity. M. Almond responded that the BTC pipeline involved environmental considerations but was built primarily for political purposes, in order to supply the West with oil, independently of Russia's energy resources and its extensive pipeline system. Turkey itself is energy-poor and will need the oil supply from Azerbaijan. Thus it is Poland which is now the favourite Western ally in the East. Regarding the nature of the so-called Colour Revolutions, he said that the basis for people power is both cynicism and popular discontent: without both of these conditions, there is no chance of orchestrating an uprising. But the mere change of rulers is a joy of fools: old rulers grow tired, whereas young rulers are hungry and steal much more, such that corruption is likely to worsen after power has changed hands. He also narrated that he had his camera confiscated when photographing the Presidential palace which is being built in Tbilisi.

IV. The Baltic States

The final session analysed the evolution of the Baltic States since independence, especially the treatment of the Russian minorities and relations with Moscow. Andrei Zarenkov, Chairman of the Constitution Party of Estonia and Secretary of the Estonian Anti-Fascist Committee, began his presentation by saying that his country is not internationally as well known as its neighbours Latvia and Lithuania who have American-educated leaders – the Lithuanian President Valdas Adamkus who graduated from the Illinois Institute of Technology and the Latvian President Vaira Vīķe-Freiberga who was educated in Canada. Given its current political tendencies, Estonia has moved from being the guarantor of security in the Baltic States towards the hothouse of anti-Russian sentiments. The ambitions of the current president exceed even those of the Georgian leader as the guru of anti-Russian policies. The EU is not genuinely worried about the treatment of Russian minorities – nationalism is not being contained or challenged by Brussels. As a result, citizens from Belarus and other former Soviet states have been denied visas to visit Estonia.

Moreover, across the three Baltic States there are attempts to rewrite history and to emphasise the crimes of the Soviet rule: this involves erecting a monument to the Latvian members of the *Waffen SS*, whereas memorials to Baltic people who fought with the Red Army against the Nazis are left to decay and fall into oblivion. Even at the level of school education and exams, the anti-Russian pro-nationalist propaganda is at work. Moreover, the large number of

stateless people in Estonia who are denied citizenship contrasts with the case of a Chechen leader who along with his family has been granted Estonian nationality and full political and civic rights. As long as economic considerations prevail over political and cultural ones, the relations between Russia and Estonia will not and cannot improve structurally, even though the Russians who live in Estonia love and speak the Estonian language.

For his part, M. Almond described how it is shocking for visitors to Latvia and Estonia to witness nostalgia about fighting with the Nazis during the Second World War. What is more, the Latvian Prime Minister recently referred to the Latvian members of the *Waffen SS* as pioneers of NATO. This is totally unthinkable in Germany, Austria and Italy. Moreover, the demographic proportion between native Latvians and Estonians and ethnic minorities, above all Russians, is slowly shifting in the latter's favour. As a result of obtaining EU membership, the native population is entitled to migrate and work across the entire common market of the EC. Many in the West might not be aware of the scale of the East-West movement – the huge net outflow of workers from the Baltic States.

According to M. Almond, the economic depression throughout the 1990s means that the average person still lives on about € 300-400 per month and many on less than € 200, not to mention pensioners or peasants who live at or below the level of subsistence. Estonia is portrayed as an e-economy but in reality Estonia is to the EU what Honduras is to the USA. The outflow of Baltic people to other EU countries is threatening the socio-economic stability because dependence on remittances is dangerous: if this were a recipe for success, El Salvador would be like California. The irony is that politics may be in the hands of ethnic Latvians, whereas the economy is controlled by ethnic Russians. As such, they are dividing up the spoils of privileges between each other. Neither the native nor the ethnic Russian elite has created an economy capable of producing growth like post-war Germany. Official statistics which are proclaiming 11% of GDP growth are like state figures in the Soviet Union in 1932 – little more than propaganda. On the contrary, the Baltic States are borrowing and importing foreign goods instead of saving, investing, producing and exporting. Soon they could experience a 'credit crunch', i.e. an economic and financial contraction due to unsustainable indebtedness, a phenomenon already visible in Hungary and perhaps also Poland. The question then is how the new fragile democracies will cope with a real capitalist crisis. This is not to deny that the crisis of political and economic legitimacy also affects older democracies in Western Europe.

Finally, M. Almond addressed a question to A. Zarenkov: is it true that despite official nostalgia for the Nazi period, one possible positive development is that among ordinary Latvians, spoken Russian is more acceptable and practiced? A. Zarenkov replied that only 25% of Estonians believe that there should not be any ethnic Russian MPs, but the Russian language is respected and accepted by a vast majority of native Estonians. He also mentioned that the programme of wild privatisations had led to a restitution of property but that Russians had not received anything, even those who had been living in Estonia for generations. T. Poloskova contended that property had been restored to people living there before 1939, including ethnic Russians and that ethnic Russians have moved from politics into business and acquired property in this way. The mistake of the Russian political establishment was the failure to establish links with pro-Western people who were not anti-Russian. M. Almond spoke of a widely spread form of niggling discrimination which is backed by a large bureaucratic structure. But there is no direct political repression. The problem is that the EU

did not think through the implications of labour-market liberalisation and the denial of citizenship to ethnic Russians; as young Latvians leave to work elsewhere in the EU, young Russians might mobilise, especially in case of an economic downturn.

V. Wrapping up the discussions

At the end of the sessions, M. Hirsch proceeded to summarise the debates. He made four related points. First, in the post-Soviet space, democracy is a relative concept and this is something we Westerners must be honest about. At best, there are approximations of democracy in the West, which are all in dire need of perfection. The EU, when put to the test, does not meet its own criteria or meet the expectations of others. The relativity of democracy is crucial and extends to the East, to the point where the choice is not between democracy and totalitarianism but between democracy and the survival of the country.

Secondly, Russia is no longer in control of the post-Soviet space. To some, this will come as a relief. To others, this is very worrying. But both views are but two sides of the same coin – the idea that political identity is defined exclusively with reference to Russia. However, this is not true, insofar as post-Soviet states share a European or Eurasian identity which cannot be reduced to Russian culture.

Thirdly, much to our disarray, Europe is not at all visible in the post-Soviet space: it lacks both coherence and determination and thus it leaves the European ‘backyard’ to others, i.e. the USA. This includes the Black Sea. In fact, the Black Sea will be an interesting test case for the evolution of European influence – a situation that will force us to pay much closer attention to this region and take more seriously a number of issues such as the Russian minorities and other latent crises.

Finally, regarding relations with Russia, the EU must not act as a schoolmaster but instead should be understanding and helpful. There cannot be any unilateral solution imposed upon Russia. Instead, Brussels must engage Moscow critically but constructively. To alienate Russia by treating it with contempt is to push it away from Europe and into the arms of emerging powers like China or India.

Following M. Hirsch’s summary, A. Clesse provided some concluding reflections. He said that we are left with a number of existential questions. What is the future of the European continent, its borders and its identity? Are we not facing an asymmetry or imbalance: while some countries have taken root in the EU (even though it is not a genuine political community), others are stuck outside, without any prospect of joining. For example, the chances of Turkey joining are receding by the day, despite all the rhetoric which is nothing other than hypocrisy. Will there be regional or sub-regional arrangements in the Caucasus, or individually, or against each other? Are we seeing an explosion of nationalist hatred? Who has thought through the big mess on the doorstep of the EU? What may be the fate of Serbia, Bosnia and Albania? The rise of nationalism and xenophobia may induce us to wonder whether the current paradigm of capitalism and liberal democracy will prevail or whether another paradigm may replace it and take over. There are no easy answers and no one should think that we have the monopoly of wisdom or any superior insights.

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Round Table

Developments in the post-Soviet space

10 October 2006

Konschthaus beim Engel, Luxembourg

Programme

09.15 **Welcome by Anatoly Blinov**, Representative for Luxembourg of the
Russian Center for International Scientific and Cultural Cooperation
at the Russian Ministry of Foreign Affairs

**Chairman for morning sessions: Armand Clesse, Director of the Luxembourg Institute
for European and International Studies (LIEIS)**

09.30-10.00 Preliminary statements regarding Russia's situation after the collapse of
the Soviet Union. Isolation or cooperation? Its relations with the EU,
NATO and WTO
by Armand Clesse and Maxim Meyer

10.00-11.30 **Session 1: The relations between Russia, the former Soviet States and
the EU**

The relations between Russia and the former Soviet States
*by Tatiana Poloskova, Head of the Department for the Relations between
Russia and the Community of the Independent States, Russian Center for
International Scientific and Cultural Cooperation, Moscow*

Problems related to the integration of the former Soviet States into the EU
by Maxim Meyer, Director of the Europe-Forum, Moscow

The evolution of political society in East and West – converging or
drifting apart?
by Armand Clesse, Director, LIEIS

The demise of Europe and the rise of Eurasia?
by Adrian Pabst, University of Cambridge

Discussion

11.30-11.45 Coffee break

11.45-13.00 **Session 2: Ukraine and Belarus**

Russian-Ukrainian relations after the “Orange Revolution” and the 2006 parliamentary elections

by **Dmitri Wydrin**, *Director of the European Institute for Integration and Development, Kiev*

Internal developments and foreign policy perspectives of Ukraine and Belarus: a European view

by **Heinz Timmermann**, *Associate Researcher, Stiftung Wissenschaft und Politik, Berlin*

Discussion

Chairman for afternoon sessions: Maxim Meyer, Director of the Europe-Forum, Moscow

14.30-15.15 **Session 3: The Caucasus region**

Russia and the Caucasus: relations with Georgia and developments in Chechnya

by **Rovshan Mustafayev**, *Director of the Institute for Human Rights, Azerbaijan*

Pipelines and democracy promotion: Pipedream or possibility?

by **Mark Almond**, *Lecturer in Modern History, Oriel College, Oxford*

Discussion

15.15-16.00 **Session 4: The Baltic States**

Russia and the Baltic States: Russian citizens in Lithuania, Latvia and Estonia

by **Andrei Zarenkov**, *Chairman of the Constitution Party, Estonia and Secretary of the Estonian Anti-Fascist Committee*

The Baltic States: Migration and minorities between the EU and Russia

by **Mark Almond**, *Lecturer in Modern History, Oriel College, Oxford*

Discussion

16.00-16.45 Wrapping up the discussions

by **Mario Hirsch**, *Director, Institute Pierre Werner*

16.45-17.30 Meeting with the press

