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A Short Overview of the Kremlin's Perception of the Gradual Worsening of EU–Russian Relations over the Past Two Decades

This paper, focusing on its perception by the Kremlin, identifies two core contributors to the deterioration of EU–Russian relations: firstly, the clashing integrational attempts in Eastern Europe – namely the conflict between the EU's Eastern Partnership (EaP) and the Russian Eurasian Economic Union (EEU) – which Moscow interpreted as a Western intrusion into its private sphere of influence, the "Russian near abroad", and secondly, the Kremlin's response to this growing geoeconomic friction in the form of initiating a new campaign of coercive diplomacy that escalated the situation into a geopolitical crisis.

By the end of the Yeltsin era, in 1999 Russian–European relations were nothing alike the rivalry and mutual distrust that describes much of the second half of the twentieth century. Less than a decade after the dissolution of the USSR, Russian lawmakers not only considered the European Union a diplomatic partner, but also a community that Russia is regrettably not a member of.[1] A continuation of this amicable relationship can be observed in the early years of Vladimir Putin's presidency as the growing economic cooperation, the reliable energy supply and the alliance in the 'war on terror' further strengthened the Brussels–Moscow axis. This 'strategic partnership', albeit considered an unmatched opportunity to affect world affairs for the better, lasted less than a decade as both parties began expressing their dislike of the hostile behaviour of the other.[2] While Russia saw malicious intent in the EU's ever-growing integration of Central and then Eastern Europe, lawmakers in Brussels started to give voice to their concerns regarding Russia's return to its autocratic roots both in its domestic affairs and, more importantly, in relation to the post-Soviet space. This gradual worsening of EU–Russian

[1] Anna-Sophie Maass: *EU–Russia Relations, 1999–2015. From Courtship to Confrontation.* Abingdon: Routledge, 2016.

[2] Javier Solana: *The EU–Russian Strategic Partnership.* Speech by the High Representative Designate of the European Union for Common Foreign and Security Policy, 13 October 1999, Stockholm.

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relations culminated in the Ukraine crisis and more specifically in the Russian annexation of Crimea.

Troubles in the shared neighbourhood

The EU's 2004 and 2007 enlargements have created a shared neighbourhood of the block with the Russian Federation. Motivated by the success of "spurring and shaping Central Europe's transformation",[3] the European Union wanted to further capitalise on the integration of post-communist countries, now in the post-Soviet space. However, the growing 'enlargement fatigue' of the mid-2000s blocked any initiative suggesting the accession of further states to the block.[4] To solve this dilemma, the EU created the European Neighbourhood Policy (ENP), which essentially allowed Brussel to assert influence over non-member states, by offering financial aid, visa facilitation and privileged access to the internal market in return for political, economic and administrative reforms. For the regionalisation and instrumentalisation of the ENP in the former Soviet space, in 2009 the EU created the Eastern Partnership (EaP) involving Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine.

Although the EaP incorporates some political ambitions, such as the promotion of democracy and the rule of law, Sasse argues that the program has clear limitations on this field.[5] The two core constraints of the EaP's political objectives are its relatively small budget of €600 million, and its reliance on the cooperation of domestic actors such as governments and elites. These factors render the Eastern Partnership a negligible geopolitical factor and restrict it to its economic reality. A particular piece of evidence that verifies this hypothesis is the worsening freedom house indicators of all but one EaP countries between 2006 and 2011.[6] When assessing the EaP's economic effectiveness, it is important not to oversimplify and prematurely conclude

[3] David Cadier: *Eastern Partnership vs Eurasian Union? The EU–Russia Competition in the Shared Neighbourhood and the Ukraine Crisis.* Global Policy, 07 October 2014.

[4] Anna Szolucha: The EU and 'Enlargement fatigue': Why Has the European Union Not Been Able to Counter 'Enlargement Fatigue'? *Journal of Contemporary European Research,* 13 May 2010.

[5] Gwendolyn Sasse: The ENP and the EU's Eastern Neighbours: Ukraine and Moldova as Test Cases. In Richard G. Whitman – Stefan Wolff (eds.): *The European Neighbourhood Policy in Perspective.* Palgrave Macmillan, 2010, 181–205.

[6] Kerry Longhurst – Beata Wojna: *Asserting the EU's Mission in the Neighbourhood: Ten Recommendations for an Effective Eastern Partnership.* The Polish Institute of International Affairs, September 2011.

that it does not exide fundamental trading deals. Integrational frameworks, in general, have a long-term transformative potential commonly referred to as 'structural power', which is best defined as: "power to shape and determine the structures of the [regional] political economy within which other states, their political institutions and their economic enterprises [operate]".[7] Hence, as the EU is making conditional offers to former Soviet states, in effect it is practising a form of structural power that entirely relies on the willingness of the domestic governments and elites to 'obey'. This consequently means that the EaP is not an ideal tool for rapid, top-down change or coercion, but it holds the potential for significant reforms if deployed in a cooperative environment.

There is a twofold explanation to why Moscow interpreted the EaP as a significant threat: first, a set of preconditions imply the weakening of the Russian Federation suggesting a state of alerted cautiousness in the Kremlin and second, the EaP's real or perceived harmful potentials to Russian interests in the region, ranging from general economic cooperation to social and in certain cases military concerns.

In the aftermath of the dissolution of the USSR, all of its former members had to (re-)define their relations with Russia. While Georgia and most prominently the three Baltic states firmly distanced themselves from the 'mother bear', the remaining countries created a rudimentary integration block, the Commonwealth of Independent States (CIS). Although it was intended to be a Moscow lead, loose integration framework, the CIS eventually turned into a mechanism distancing post-Soviet states from Russia.[8] While Moscow was occupied with its own transformation and had difficulties managing its neighbours, the EU and its Western allies only strengthened. A clear sign of this powershift was the 1999 NATO intervention in Kosovo that commenced despite its strong Russian opposition.[9] Moreover, in the same year, three former Warsaw Pact countries joined the Western military block, only to be followed by Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovakia and Slovenia five years later. These conditions reveal that Russia was in 'retreat' both in its close proximity and in the wider international theatre of politics by the mid-2000s. However, the most important precondition of the fierce Russian opposition of

[7] Susan Strange: *States and Markets.* Bloomsbury, 2015.
[8] Cadier (2014): op. cit.
[9] Ibid.

the EaP is the 2004 Orange Revolution which Moscow interpreted as a "western coup threatening Russia's interest in the region".[10]

Regarding its implications on Russian economic interests, the EaP is not an explicitly anti-Russian initiative. However, a well-integrated Eastern Europe, structurally reorganised by the EU could cause a recession in Russian trade by introducing lower tariffs on European products or alternatively, cause further economic setbacks for Moscow by joining future EU lead sanctions.

Although regularly overlooked, the EaP is also, implicitly harmful to Moscow's social interest in Eastern Europe, which concerns the minority rights of ethnic Russians in former Soviet states. While it might seem out of ordinary to portray Putin as a defender of human rights against EU sponsored oppression, it is important to emphasise that the discriminatory attitude towards ethnic Russians in the aftermath of the Orange Revolution and the Euro-Maidan had little to no repercussions on EU–Ukrainian relations. Nevertheless, this argument is disproportionately present in the Russian media, it is worrisome for Moscow that the EU actively values a good economic relationship with Ukraine more than civil rights.

The final, and possibly most important aspect of Moscow's interest in Eastern Europe is the matter of Russia's military defence. While Russia still relies on the Soviet doctrine of 'strategic depth', meaning that a line of allying, or at least neutral countries acting as a buffer between itself and NATO is of crucial military importance, the Western military block consumed the Warsaw Pact countries that traditionally fulfilled this buffer's role.[11] Furthermore, with the accession of the Baltic states, NATO secured a shared border with Russia. However, this limited borderline is only 1,215 km long, which approximately measures half of the border between Ukraine and Russia.[12] Therefore, Ukraine's NATO membership is a strategic nightmare for Moscow, which can explain the Kremlin's paranoiac assumption that the EaP is a stepping stone for NATO, although there is no direct link between the two.

As a response to the EaP's aforementioned harmful potentials, in 2010 Russia and its closest allies, Belarus and Kazakhstan created the Eurasian Customs Union (ECU) and in 2015 the Eurasian Economic Union (EEU) with the addition of

[10] Ibid.

[11] Mikhail Tsypkin: *Russian Politics, Policy-Making and American Missile Defence.* International Affairs, 01 July 2009.

[12] *NATO–Russia Relations: The Facts.* NATO, 22 October 2021.

Armenia and Kyrgyzstan.[13] Although it is debatable whether the ECU was meant to be a competitor to the EaP or its real intention was to mitigate the effects of the 2008 and 2009 economic crisis,[14] the EEU's purpose is unquestionable. As Vladimir Putin described in the article announcing the EEU: major powers increasingly rely on their pedestals of strong and well-integrated countries, hence, the EEU is both inspired by the (structural) power of the EaP and meant to compete with it in order to reinforce Moscow's strategic position in the region.[15]

While the political ambitions of the EEU are clear, the economic rationale opposes them. Data not only shows that the ECU membership has had a negative effect on the economy of the participating states[16] but also, as Stefan Meister argues that "the EEU makes little economic sense"[17] even for Russia. Nevertheless, domestic appetites for trade-offs of other nature, such as the Lukashenko regime's reliance on Russian support and Armenia's demand for security guarantees, create alternative incentives for EEU membership.[18]

It is worth mentioning that Ukraine is a particularly unique example, as it seems that Russia

could not pursue Kiev to join the EEU or to reject the EaP and had to resort to coercive diplomacy to pressure Ukraine into abandoning the negotiations of even closer integration with the EU.

The response of the cornered bear: Coercive diplomacy

As discussed in the previous segment, the Ukrainian Orange Revolution was one of the first milestones in the deteriorating EU–Russian relation, however, it is now argued that this seemingly domestic conflict has not only played

[13] David G. Tarr: *The Eurasian Economic Union of Russia, Belarus, Kazakhstan, Armenia, and the Kyrgyz Republic: Can It Succeed Where Its Predecessor Failed?* Eastern European Economics, 25 February 2016.

[14] David G. Tarr: *Applied Trade Policy Modeling in 16 Countries. Insights and Impacts from World Bank CGE Based Projects.* World Scientific Publishing, 2014.

[15] Vladimir Vladimirovich Putin: *Vladimir Putin Answers Journalists' Questions on the Situation in Ukraine.* Kremlin.ru, 04 March 2014.

[16] Tarr (2014): op. cit.

[17] Stefan Meister (ed.): *Economization versus Power Ambitions. Rethinking Russia's Policy towards Post-Soviet States.* Nomos, 2013.

[18] Timofei Bordachev et al.: *The Geopolitics of Eurasian Economic Integration.* LSE, 2014.

a vital role in the rivalry of the EaP and the EEU, but also initiated Russia's coercive diplomacy.

Strengthening this paper's previous evaluation of Ukraine's importance to Moscow is the Kremlin's heavy involvement in the country's 2004 election campaign which climaxed in the personal visit of President Putin only weeks prior to the election. Although the Russian president advocating for Yanukovych was undoubtedly concerning from a liberal democratic viewpoint, it falls short to be considered direct foreign intervention. To put it into context, it is hardly different from the European diplomats' contribution to the developing protest in the aftermath of the election, who "conducted their most aggressive intervention yet in the affairs of the former Soviet space".[19] The fall of the pro-Russian regime in this manner, assisted by the EU, not only changed Moscow's perception of Brussels, but also proved that 'conventional diplomacy' even at its extremes, such as a presidential visit, was not sufficient to keep Ukraine in the Russian sphere of influence hence a new approach was necessary which Russia found in coercive diplomacy.

In general terms, coercive diplomacy is a strategy that aims to alter the will or incentive structure of the opposing actor in order to achieve compliance with one's demand.[20] While 'classic diplomacy' recognises coercion as a "remote contingency"[21] and focuses either on negotiation and other peaceful methods or on full-scale military involvement, coercive diplomacy acts strictly in the 'grey area' between the two, by applying pressure. The methods of coercion are infinitely diverse and mostly dependent on the characteristics of the relationship between the two actors, consequently, the analysis of this subject can only be expedient if executed in the framework of a specific case. In the context of this paper, the most influential example of coercive diplomacy is the Russian involvement in Ukrainian politics, therefore, this case study will be used to illustrate how coercion contributed to the worsening of EU–Russian relations.

The first wave of Russia's coercive actions can be observed in the period between the Orange revolution and 2009, when Ukraine joined the EaP. At this stage, Moscow's primary instrument was the Russian state-controlled energy

[19] Maass (2016): op. cit.
[20] Jack S. Levy: Deterrence and Coercive Diplomacy: The Contributions of Alexander George. *Political Psychology,* August 2018.
[21] Bruce W. Jentleson: *Coercive Diplomacy: Scope and Limits in the Contemporary World.* Stanley Center for Peace and Security, December 2006.

company, Gazprom,[22] which shut off gas supply to Ukraine first in 2006. This initial shock, however, did not deliver the expected results, as Ukraine continued negotiations with the EU, which by 2008 announced the plans of the Eastern Partnership (EaP). To deter Kiev from joining the EaP, in January 2009 Gazprom temporarily shut off the supply of gas to Ukraine for the second time over a disagreement concerning an unreasonable increase in price.[23] Ultimately, Ukraine's EaP membership is the decisive evidence that this sort of meddling with subsidised gas prices and occasional threatening shutoffs is an outdated Soviet relic rather than a functional strategy. Furthermore, the one and only clear result of this weaponisation of Gazprom was the change in Brussels's perception, which has no longer considered Russia a reliable supplier of energy.

The dawn of the Euro-Maiden marks the second wave of Russian coercion. In 2013, after years of preparation, Ukraine was ready to sign the Association Agreement (AA) with the EU, taking the integration of the country to a new, higher level. However, Russia's new, extended portfolio of coercive mechanisms was more effective than in 2009 and altered the incentive structure of Kiev to such an extent that it backtracked from the AA.[24] It seems that the Kremlin has learned its lesson from the past and matched up deterrence with persuasion: as Putin did not only temporarily increase controls and restrictions on the Russia–Ukraine border, essentially paralysing trade relations for the summer, but also signed a deal with Yanukovych some weeks after the rejection of the AA that granted reduced gas prices and a $15bn loan for Ukraine. However, this increased Russian interference in Ukrainian politics had unforeseeable consequences. What started as a small pro-AA protest on Maidan square in Kiev, has grown to be a revolution referred to as the Euro-Maidan, eventually overthrowing the pro-Russian Yanukovych regime and consequently fatally weakening Moscow's influence in the region, turning Ukraine westwards overnight.

In a hasty manner, as one of the first actions of this fresh, post-Yanukovych parliament, a proposal was passed that repealed the right of Ukraine's minorities for the official use of their native languages. Although the law was later vetoed by the Ukrainian President, this proposed legislation played perfectly into Moscow's image of an increasingly anti-Russian Ukraine and

[22] Jonathan Stern: *The Russian–Ukrainian Gas Crisis of January 2006.* Oxford Institute for Energy Studies, 16 January 2006.
[23] Timeline: *Gas Crisis Between Russia and Ukraine.* Reuters, 11 January 2009.
[24] Cadier (2014): op. cit.

gave the bare minimum justification for the appearance of "local self-defence units"[25] on the Crimean peninsula populated by majority ethnic Russians. These "little green men"[26] acted out what this paper considers the third wave of Russian coercion and Alexei Yurchak describes as the "political technology of non-occupation",[27] the process of taking over a foreign territory by using non-affiliative proxy armies and legally dubious political reforms. In the case of Crimea, the political changes followed the military actions rather closely. As the unidentified military personnel cut off the peninsula from the Ukrainian mainland and isolated the Ukrainian military bases, local gunmen seized the Crimean Autonomous Republic Parliament and held a session that met no legal requirement but elected Sergei Aksyonov the head of the Crimean Government.[28] This new parliament then staged a referendum that was used to legitimise Crimea's secession from Ukraine and its annexation by Russia, regardless of voter irregularities, the boycott by the ethnic Tatar population of the peninsula and the presence of suspected foreign armed forces on the streets.

These actions have numerous and long-lasting implications, however, in many cases, they fall outside of the scope of this analysis. The two core aspects that directly affected EU–Russian relations are: the punitive actions, such as visa bans, asset freezing and trade embargos on Russian products, and the institutional break between the West and Russia which took the form of the termination of EU–Russian summits and the exclusion of Moscow from the G8s.[29]

To summarise, this paper introduced and discussed how and to what extent did the mutual intention to integrate Eastern Europe and Moscow's increasing reliance on coercive diplomacy contribute to the worsening of EU–Russian relations in the first fifteen years of the 21st century and attempted to do so from a Russian point of view. The case study of Ukraine was heavily used to illustrate both incentives for and implications of this geoeconomic competition which further escalated into a geopolitical rivalry in the aftermath of the Orange

[25] Vladimir Vladimirovich Putin: *A New Integration Project for Eurasia: The Future in the Making.* Izvestiya, 04 October 2011.
[26] Vitaly Shevchenko: *"Little Green Men" or "Russian Invaders".* BBC, 11 March 2014.
[27] Alexei Yurchak: *Little Green Men: Russia, Ukraine and Post-Soviet Sovereignty.* Anthropoliteia, 31 March 2014.
[28] Vladimir Socor: *Russian Putsch in Crimea under Pseudo-Legal Cover.* The Jamestown Foundation, 01 March 2014.
[29] Maass (2016): op. cit.

revolution. However, recognising that the topic of EU–Russian relations is more complex than these two factors would suggest, and admitting that even within these topics certain aspects could not have been attended, such as the very modern and understudied field of cyber coercion, this essay leaves one key question open: Have EU–Russian relations reached the point of no return?

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