

PRESENT-DAY RUSSIA: CHALLENGE FOR EUROPEAN UNITY?

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Introduction

“A Revanchist Russia is the greatest threat to European security”, claimed Gen. Philip M. Breedlove, the Commander of United States European Command (USEUCOM).¹ Similarly, Lt-Gen Frederick Ben Hodges, the Commander of the US Army in Europe termed Russia a ‘real threat’.²

Russia’s role in the Georgian and Ukrainian crises may be taken as proof of the perspicacity of the aforementioned American army leaders. At the same time, the growing US interest in European affairs, particularly Eastern Europe, is also quite apparent, since the past decade or so. The US may perceive the Russian interventions in Eastern Europe as a hindrance in its ambition to bring Eastern European states in its own circle of influence, perhaps as members of NATO.

Russia’s interventions in Georgia and Ukraine show that these states that had been part of the Soviet Union a quarter of a century ago, have still not come out of the clutches of Russian imperialism. Apparently, Russia still intends to maintain its predominant role in its former republics. Owing to the increasingly aggressive tone and actions of Russia in the affairs of East Europe and the South Caucasus, the European Union has become more proactive and alert in the broader region. Despite the differences of interests of the various EU member states they seem united about the need to control Russia’s aggressive proclivities, and therefore tough sanctions were imposed on it after it annexed Crimea in 2014.

However, here the questions arise: how long will they be united against Russia? How long can each member state of the European Union put its individual national interests at risk in order to protect the collective interests of the Union?

¹ Gen. Philip M. Breedlove, United States European Command: Theater Strategy (October 2015), available at www.eucom.mil.

² “Europe Faces a ‘Real Threat’ from Russia, Warns US Army Commander”, *The Telegraph*, 20 May 2016.

Though the long-standing military alliance of West Europe with the US in the form of NATO ensures the region's security, and this security assurance has, in recent years further extended to several East and Central European countries, it is limited to the military realm. The NATO shield does not directly include the protection of economic interests, which, in the contemporary world are deemed far more significant for a country's long-term survival. Western Europe already realized this during and after the first and second world wars.

During these crises, there was no indication that Europe was willing to confront Russia militarily for the sake of either of these countries. During the Georgian crisis, the EU countries seemed divided. Though they were united over the Ukrainian issue, they preferred a political rather than military solution and decided to impose economic sanctions on Russia.

At present, Europe is facing many problems, such as large-scale migration from war-torn areas in the Middle East, terrorism and the continuing economic crisis in some of its member states, particularly Greece. It apparently could not take the risk of confronting the military might of Russia, which would assuredly have proven to be a total disaster for the region, unless the US also got involved in it. The latter option of course was a far-fetched doomsday scenario.

This paper focuses on two case studies; the Georgian crisis that led to the declaration of independence of Georgia's two break-away areas, Abkhazia and Ossetia and the Ukrainian crisis that led to the annexation of Crimea by Russia. An effort has been made by the author to offer an analysis of the EU's stand in these crises. On the basis of these two case studies, the role of Russia in Europe has also been examined and the author has ventured to make some forecasts in the light of recent trends. In addition, the paper presents an in-depth analysis of the impact of these crises on the EU.

The crisis in Georgia basically marked the beginning of the Russian Federation's role as an interventionist power in the former Soviet republics. Here it must be recalled that soon after the dissolution of the Soviet Union, Moscow declared that all the former republics of the Soviet Union, constituted its "outer boundaries". This was the reassertion of Moscow's influence in its former empire. It was also a message to the West that though it had lost its clout in its former satellite states in East and

Central Europe, which were seeking to become part of mainstream Europe, the former Soviet empire straddling parts of East Europe, the Caucasus and the Central Asia were Russian turf, where the West would not be allowed to tread. Though the Russian Federation was no longer considered a super power, it was still the largest country in the world. It had a large reservoir of natural resources including oil, gas, gold and other minerals, a large army and a huge nuclear and conventional weapons arsenal. In short, Russia could not be taken lightly by anyone, including the sole super power, the US.

The Georgian crisis ended with the unilateral declaration of independence by the break-away regions of Georgia. The break-away regions had been backed by Russia, which had turned a deaf ear to criticism by the international community. The tame response of the international community, especially the EU, further emboldened Russia.

The result was its intervention in another former Soviet republic, Ukraine, which actually turned out to be more than intervention, for Moscow made Crimea a part of its own territory by conducting a referendum there. The EU then changed its tone and its member states took the decision to chastise Russia, for its breach of international law. However, the EU did not succeed in chastening Russia which stuck to its position. On the other hand, some of the EU member states were keen to normalize relations with Russia to secure their economic interests.

Background of the Georgian Crisis

As pointed out earlier, the Georgian crisis marked the first military adventure by Russia in a former Soviet republic since collapse of the Soviet Union. The action represented a major paradigm shift in Russian foreign policy in the neighbourhood of Europe.

The immediate impulse for the intervention could be traced to the unilateral declaration of independence by Kosovo, an enclave of Serbia, a traditional friend of Russia on February 17, 2008 and its recognition by the West. The latter had ignored Russia's strong reservations in this regard.³

³ Visit at <http://www.aljazeera.com/news/europe/2008/02/2008525124618498728.html>.

In response to Kosovo's declaration of independence, in March 2008, the Russian State Duma held a special session to discuss and approve the recognition of the independence of Abkhazia and South Ossetia from Georgia and the protection these territories.

Though the then Georgian president, Mikhail Saakashvili, offered the Abkhazians new initiatives for a peaceful resolution of the issue, the offer was declined by the Abkhazian leadership, for it was backed by Moscow.⁴

To assuage Russia's growing anger, NATO, during its summit in Bucharest in April 2008, avoided offering Georgia and Ukraine the green signal for their membership of the Alliance in the near future. This decision disappointed Georgia and Ukraine, which were very keen to become NATO members because of their deep sense of insecurity vis-à-vis Russia. However, the Western powers decided not to offer these former Soviet Republics membership of NATO to avoid the possibility of any retaliatory action by Russia in the region.⁵

However, Moscow accused Georgia of aspiring to restore its sovereignty over Abkhazia and South Ossetia with the backing of NATO.⁶

Nevertheless, the Western powers' decision to withhold membership of NATO to Georgia strengthened Russia's position and President Vladimir Putin issued a decree that pledged economic and agricultural aid to Abkhazia and South Ossetia. Georgia dubbed the Russian decision as a formal step in "a creeping annexation".⁷

Begining of the war

In August 2008, Georgia, violating the ceasefire agreement brokered by Russia in 1992, attacked its two break-away regions, Abkhazia and South Ossetia. Under the 1992 accord the areas were policed by Russian troops as peacekeepers of the Commonwealth of Independence States (CIS).

⁴ President Saakashvili offered to negotiate full autonomy for the province of Abkhazia in 2004, which was formally rejected by Abkhazian leader Sergei Bagapsh. See Joseph R. Rudolph, *Hot Spot: North America and Europe* (Westport: Greenwood Press, 2008), 206.

⁵ Paul Gallis, The NATO Summit at Bucharest 2008, CRS Report for Congress (5 May 2008).

⁶ <http://www.unian.info/world/111033-text-of-putins-speech-at-nato-summit-bucharest-april-2-2008.html>; See also <http://www.eurasianet.org/node/76381>.

⁷ <http://www.nytimes.com/2008/04/22/world/europe/22georgia.html>. See also <http://www.cbsnews.com/news/un-russian-jet-shot-down-georgian-drone/>.

Abkhazia and South Ossetia have been struggling to gain independence from Georgia since the disintegration of the Soviet Union in 1991. However, Georgia's determination to not only protect its territorial integrity but also to impose homogenization on the Abkhazians and South Ossetians pushed them to seek integration with Russia. The Abkhazian leader Sergei Bagapsh stated that unification with Russia was a priority for his government. In South Ossetia, a majority of the republic's population had adopted Russian citizenship.⁸

Russia's consolidation after the early period of turmoil in the wake of the dissolution of the Soviet Union, had restored its confidence and it began to show its determination to reclaim its sphere of influence in the former Soviet empire. President Vladimir Putin did not mince words in asserting that Moscow would continue to influence affairs in the former Soviet republics. The fact is that Moscow was perturbed by perceived Western attempts to "manufacture democracy" in the region it considered as its own "strategic backyard".⁹

The attack on Abkhazia and South Ossetia by Georgia triggered a full-fledged war with the direct involvement of Russia. The war culminated in the recognition of the independence of Abkhazia and South Ossetia by Russia despite condemnation by European states, which accused the former of violating the sovereignty and territorial integrity of Georgia.

Russia had accused Georgia of firing mortars in villages in South Ossetia, on which pretext it moved its troops forward to defend the ceasefire zones. Georgia, on the other hand, claimed that Russian patrolling forces had moved towards the border posts to get control of Georgian territory. The European Union Monitoring Mission (EUMM) which was stationed there since October 2008, held both sides responsible for the outbreak of war.¹⁰

From the above events it is evident that Georgia would only feel secure if it became a member of NATO. Membership of the Atlantic Alliance would enable it to reassert its writ over Abkhazia and South Ossetia and challenge

⁸ BBC Monitoring (online version), *Rustavi-2 TV*, Tbilisi, 12 November 2005.

⁹ Vladimir Putin, Annual Address to the Federal Assembly, The Kremlin, 25 April 2005, www.kremlin.ru

¹⁰ <http://news.bbc.co.uk/2/hi/europe/8186356.stm>.

Russia's interference in the South Caucasus. Georgia's inclusion in NATO may also help the West, especially the US, in cornering Russia. On the other hand, sensing Western designs, Russia is determined to keep out NATO and the US from its former dominions.

Division in the EU over the crisis

There was an open split among the EU member states on the Georgian crisis. One group of states including Poland, the Baltic states, the Czech Republic, Britain and Sweden wanted confrontation with Russia in collaboration with the US. They insisted that Russia should be expelled from G8. The other group, including Germany, France and Italy preferred seeking a peaceful way out, by resolving the issue through negotiations with Russia.

The fact is that Russia's energy resources caused the divisions in the EU. Russia is the largest single energy supplier to the EU. It supplies 28 per cent of the bloc's oil and 39 per cent of natural gas¹¹. The Baltic region and Slovakia depend on Russia for all their gas needs. Thus Germany and some other major EU member states have been eager to strengthen ties with Russia instead of quarrelling with it.

Nord Stream-2 initiated in September 2015 is a project for building a pipeline under the Baltic sea to move Russian gas to Germany. The project will raise Russia's share of Germany's gas supply from the present 40 per cent to 50 per cent. This project has created divisions between the EU member states.¹² The project is scheduled to be completed by the end of 2019.

This was the main reason behind the refusal to offer NATO membership to Georgia and Ukraine during the Atlantic Alliance's summit in 2008. Germany and France, in particular, were against taking in the two former Soviet republics. Britain wanted the EU to take action against Russia. It also

¹¹ Eurostat data 2013, available from ec.europa.eu/eurostat/statistics-explained/index.php/energy_production_and_imports.

¹² <http://www.dw.com/en/georgia-crisis-threatens-eu-bid-for-more-energy-sources/a-3605520>

exhorted the EU member states to reduce their energy dependence on Russia. On its part, Germany held Georgia chiefly responsible for the war.¹³

Background of Ukrainian Crisis

Outbreak of the crisis

The crisis began in November 2013 when then president, Viktor Yanukovych's cabinet decided to unilaterally terminate the free trade agreement with the EU and instead seek closer cooperation with Russia. As a result, anti-government protesters, who favoured closer ties with the EU, called for the resignation of the president and early elections. An uprising against the government began in February 2014, which toppled the government and the president fled to Russia.

Expressing concern over the political crisis in Ukraine, Russia claimed that the absence of legitimate authority in the country could put the predominant ethnic-Russians in Crimea at risk. It declared that the protection of Russians was its responsibility. So, finally, a referendum was held on March 16, 2014 to decide the fate of Crimea. The Crimeans were asked in the referendum whether they wished to join Russia or remain autonomous.

Russia had made it clear that it reserved the right to intervene militarily if its interests in the region were threatened, and had stationed thousands of troops near the border.

In the referendum, an overwhelming majority of Crimeans cast their vote in favour of seceding from Ukraine and joining Russia.¹⁴ Putin justified the verdict of the people by drawing parallels with the case of Kosovo. Hence, without any compunction, Russia annexed Crimea, making it a part of its territory.

¹³ "European Nations Divided over Georgia Crisis", 31 August 2008, available at <http://www.abc.net.au/news/2008-08-31/european-nations-divided-over-Georgia-crisis/494634>.

¹⁴ "Ukraine Sharp Divisions", BBC News, 23 April 2014.

The significance of Crimea

Crimea is politically and strategically significant for both Russia and Ukraine. The majority of its population is ethnic Russian and speaks the Russian language.

Russia has a centuries-old Black sea naval base in the Crimean coastal city of Sevastopol. The base was built by Prince Potemkin in 1783. With the help of this fleet Russia defeated Georgia in the South Ossetia war. This is the only warm water base owned by Russia. Its geographical position is such that Russia does not have any other coastal border in south east.¹⁵ After Ukraine gained independence, a leasing accord was signed between the Russian Federation and Ukraine in May 1997, which allowed the Russian fleet to continue operating from there. In 2010, this lease was “extended up till 2042 and in exchange Russia promised to supply discounted natural gas” to Ukraine.¹⁶

Naval base acts as military corridor for Syria

It is important to note that Russia has used and is continuing to use this naval base to provide its allies Vietnam, Syria and Venezuela (and up until March 2011, Libya) “logistics and repair services”. It is presently the main source of military and logistical supplies to the Assad regime in Syria.¹⁷

Crimea's development

Ignoring criticism by the international community in general, and the EU in particular, the Russian Duma approved a \$ 2.8 billion budget for the construction of a bridge linking mainland Russia with Crimea. The construction of the bridge confirms that Russia has no plan to return Crimea to Ukraine. Apparently, Russia is in no mood to bow to the international pressure.

Reiterating the position of Russia, Putin claimed that Tsar Nicholas II had planned to build the bridge in 1910 but the plan could not be implemented owing to the outbreak of the First World War. Again the vicissitudes of the

¹⁵ Visit at <http://www.independent.co.uk/news/world/europe/ukraine-crisis-why-is-crimea-so-important-to-russia-9166447.html>.

¹⁶ “Ukraine's Sharp Divisions”, 23 April 2014, at <http://www.bbc.com/news/world-europe-26387353>.

¹⁷ <http://www.theguardian.com/world/2014/mar/07/ukraine-russia-crimea-naval-base-tatars-explainer>.

Second World War hindered the Soviet Union's attempt to build the bridge.¹⁸

EU reaction over the annexation of Crimea

Unlike the Georgian crisis, the EU took a united position during the Ukrainian crisis. It not only condemned the annexation of Crimea by Russia, but also imposed sanctions on the latter. First, the EU applied travel bans and asset freezes against persons involved in actions against Ukraine's territorial integrity and later in July 2014, economic sanctions were imposed, which were reinforced in September.¹⁹

Despite these united actions, there were differences on the issue among EU member states. Earlier, Italian Prime Minister Matteo Renzi was reluctant with regard to the extension of the sanctions. Renzi termed the imposition of sanctions on Russia and at the same time the continuation of the Nord Stream-2 which is to be built under the Baltic sea, connecting Germany and Russia, bypassing Eastern Europe, as revealing the "double standards" of Germany.²⁰ The Italian leader pointed out that it militated against the spirit of the European Union.

Here it is important to note that the German Chancellor gave up Germany's Partnership for Modernization with Russia to support the US-initiated sanctions against Russia and pressed other EU member states to also do so.²¹ And it has now withdrawn from the South Stream project along with Italy and France and sold their shares to Gazprom.²²

Italy is very critical of the Nord Stream-2 project as it was approved after the cancellation of its South Stream project with Russia which would have been built in partnership with its ENI energy company. Bulgaria too was expected to gain from the South Stream project. Sofia is still hopeful that

¹⁸ <http://www.dailymail.co.uk/news/article-3499600/Vladimir-Putin-threatens-hang-historic-2billion-bridge-Crimea-Russia-not-completed-visit-illegally-annexed-region.html>.

¹⁹ http://europa.eu/newsroom/highlights/special_coverage/eu_sanctions/index_en.htm#5.

²⁰ "Italian PM Exposes Merkel's Hypocrisy over Nord Stream Pipeline", *Sputnik News*, 20 December 2015.

²¹ "Germany Abandons its Soft Power approach to Russia", *Le Monde Diplomatique*, March 2014.

²² "Gazprom Becomes 100% Owner of Abandoned South Stream Gas Pipeline", (30 December 2014), at <https://www.rt.com/business/218635-gazprom-owner-south-stream/>.

the South Stream project will be revived. Bulgaria would get the lion's share in transmitting gas to Eastern Europe and Italy, and that is why it was not among those countries which opposed the Nord Stream-2 project.

Italy and Poland are mainly dependent on Russian energy supplies and some of Russia's former Soviet republics – Latvia, Lithuania and Estonia too depend entirely on Russian gas deliveries. Moreover, the German economy was badly hurt because of the sanctions. Germany's exports to Russia totalled 38bn euros (£30bn; \$51bn) in 2013 - the highest among the EU countries.²³ It gets more than 30 per cent of its oil and gas from Russia.

In addition, since the past decade, Russia has become a booming market for western consumer goods. The EU's trade with Russia rose to 270 billion euros in 2012. In response to the sanctions imposed on it, Russia has slapped an embargo on a wide range of food items exported to it by the EU, the US, Canada and Australia. This has caused major losses for the EU food exporters who are already suffering great losses. Here the question arises, how long will these EU exporters be able to bear the losses.²⁴

The US also imposed sanctions against some of Putin's inner circle's business interests, including Novatek, Russia's second biggest gas producer.²⁵ Putin's close associate Igor Sechin is chairman of the oil firm Rosneft, which has energy partnerships with ExxonMobil and the UK's BP.²⁶

A pertinent question in this regard is why Putin was exempted from this list. Perhaps the explanation lies in the fact that the West needs Russia to resolve many international issues, such as that of Iran and Korea. Secondly, he was probably exempted because the West needed to maintain diplomatic pressure on him, which was only possible if he was not directly hit. Thirdly, sanctions on Putin's inner circle would help build pressure on him.²⁷

²³ <http://www.bbc.com/news/world-europe-28400218>.

²⁴ Ibid.

²⁵ Ibid.

²⁶ Ibid.

²⁷ Ibid.

German energy policy may lead to divisions in the EU

The German Chancellor's effective policies have brought Germany to the leadership position in Europe for the first time since 1945. Though the German Chancellor Angela Merkel did not approve of the proposal to find a military solution to the crisis, she agreed upon the ends, i.e. countering Russian aggression, albeit through economic pressure.²⁸

Merkel won acceptance of financial sanctions from the business lobby of Germany and then convinced her 27 partner countries in the EU to do the same. France, rather reluctantly suspended the promised delivery of two helicopter carriers to Russia. The United Kingdom too subordinated the commercial interests of British banks and realtors to the common cause. Even Hungary, despite its recent friendly overtures to Russia, realized that it would not be wise to be the odd man out in the EU. Thus Germany made all out efforts for the Union to unanimously agree to impose three tiered sanctions on Putin's wealthy inner circle.²⁹

Nevertheless, it seems that burgeoning energy needs and tensions with Russia may put EU unity to a severe test. To stop the expansion of Russia's Nord Stream-2 gas pipeline, the leaders of the Czech Republic, Estonia, Hungary, Latvia, Poland, Slovakia, Croatia, Romania and Lithuania have approached European Commission president, Donald Tusk. After completion of the project, gas supplies to Germany will be doubled to 110 billion cubic meters. Germany will be able to provide 40 per cent of gas deliveries to other EU member states.³⁰

However, according to the rules of the EU's Third Energy Package*, one country cannot be both the energy supplier and the owner of the transport network. In this case, it would be necessary to gain approval from Brussels. It is because of this caveat that the South Stream pipeline project for

²⁸ Elizabeth Pond and Hans Kundnani, "Germany's Real Role in the Ukraine Crisis Caught Between East and West", *Foreign Affairs* (March/April 2015).

²⁹ Ibid.

³⁰ http://rbth.com/international/2016/03/04/nord-stream-2-is-russian-gas-politically-incorrect_573273.

*The European Third Energy Package was enacted on March 3, 2011, with the aim of developing a more harmonized European energy market. See www2.nationalgrid.com/uk/industry-information/Europe/third-energy-package/.

carrying gas across the Black sea from Russia to Bulgaria and onwards to the southern EU countries was cancelled in 2014.³¹

Former Italian prime minister and ex-president of the Commission Romano Prodi warned that the Nord Stream-2 project would “divide Europe into the North and the South”. Russian gas will be supplied to Europe through Germany. Hence Germany will be simultaneously the chief supplier and owner of the transport network, which is against the Third Energy Package. Since the South Stream pipeline project was cancelled on this basis, it would be unfair if the same principle was not applied in the Nord Stream-2 project.³²

Moreover, Slovakia would lose 400 million euros each year if gas transit through Ukraine is stopped. Poland and Slovakia have given assurances of their solidarity with Ukraine.³³

The expansion of Nord Stream-2 may threaten the existence of the Union and result in serious geopolitical repercussions. It may further enhance the influence and clout of Russia in Europe, desperate for viable energy sources. In addition, Russia is very much in a position to use its energy resources as a political tool to further its interests.³⁴

To gain support from Italy and the Central and Eastern European states for ending the sanctions, Russia may make an offer to them to revive the South Stream gas pipeline project. The project would carry Russian gas across the Black sea to Bulgaria and via Serbia, Hungary and Slovenia to Italy. Its main shareholders would be Russia’s Gazprom, and Italy’s ENI.³⁵ Furthermore, there was a new development when Russia’s Gazprom signed an

³¹ Visit at <http://rbth.com/business/2016/03/22/fate-of-nord-stream-2-could-hang-on-germany-and-us> 577957

³² Visit at <http://rbth.com/news/2016/03/17/former-italian-pm-prodi-fears-nord-stream-2-may-divide-europe> 576477.

³³ Visit <http://rbth.com/international/troika/2016/03/02/whats-behind-ankaras-conciliation-overtures-to-moscow> 572405.

³⁴ Validimir Mikheev, “Nord Stream 2: Is Russian Gas Politically Incorrect?” (March 4, 2016), available at <http://rbth.com/international/2016/03/04/nord-stream-2-is-russian-gas-politically-incorrect> 573273.

³⁵ “Germany Seeks to Overcome Opposition to Nord Stream 2”, visit at <http://www.euractiv.com/section/energy/news/germany-seeks-to-overcome-opposition-to-nord-stream-2/>.

agreement in February 2016 with the Italian company Edison and Greece's DEPA to build an interconnector that would transmit Russian gas from Greece to Italy via the Black sea.³⁶

Key gas pipelines in Ukraine



Source: East European Gas Analysis, National Gas Union of Ukraine

EU members seeking a Russian change of stance on Syria

The imposition of sanctions and Russia's stubborn stand on Ukraine shows that decisions on the issue are not that easy for the EU. The region is already facing serious security problems, such as terrorism, the severe economic crisis in Greece and its near exit from the eurozone and more importantly the influx of refugees from conflict-torn Middle East.³⁷

European leadership wants Russia to restrain its role in the Syrian civil war, for it may greatly help stem the tide of refugees. The rollback of sanctions on Russia may be linked to a withdrawal of Russian support to the Bashar al-Assad regime in Syria. However, the EU will have to face tough opposition from the US.³⁸

³⁶ "A Comeback for South Stream?", *The James Town Foundation* 13, no. 57 (23 March 2016).

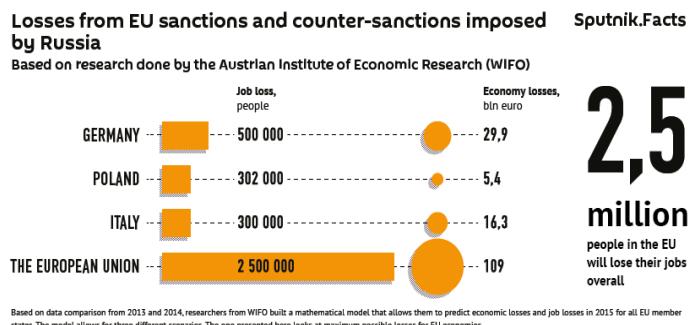
³⁷ See https://www.washingtonpost.com/world/eu-extends-sanctions-against-russia-amid-growing-splits-over-their-future/2015/12/21/16157de6-a381-11e5-8318-bd8caed8c588_story.html.

³⁸ "Syria Conflict: Russia to Continue Assad Military Aid", *BBC News*, 15 September 2015.

A unanimous approval by the European Council is required for the continuation of sanctions on Russia. Even if one of its member states vetos the decision then it will not be implementable. To emasculate the sanctions politics, Russia has to win an EU member state's support. Russia may thus make an offer to Italy to revive the South Stream project, if the latter agrees to exercise a negative vote on the sanctions.

Though many European states are against sanctions on Russia, there is pressure from the US to continue them. The US Vice President Joe Biden publicly stated that the United States "needed to force the EU to cooperate".³⁹ Former Italian prime minister, Romano Prodi had already warned of economic disaster for the EU, if sanctions on Russia were not soon removed. Russia, of course, will only remove its counter sanctions when sanctions slapped on it by the EU are removed.

Greece needs billions of euros for settling refugees, Hungary needs Russia's support for fulfilling its energy needs, France, on the one hand, like the others, imposed sanctions and on the other hand, has continued its cooperation with Russia. France has signed a defence cooperation agreement with Russia's naval defence industry since 2006 to strengthen the latter's shipbuilding. In addition, in September 2015 French and German foreign ministers expressed support for the Russian initiatives in Syria to end the civil war and eliminate the militants belonging to the IS.⁴⁰



Source: sputniknews.com/agency-news/20150728/1025121048.html.

³⁹ "Angela Merkel under Pressure: EU Countries Resisting Extension of Economic Sanctions against Russia", *Global Research*, 15 December 2015.

⁴⁰ "Germany, Europe Fully Back Russian Involvement in Syria", *Veterans Today*, 12 September 2015.

Factors behind Russia's aggressive policy

The following factors have apparently convinced Russia to adopt a more aggressive policy in its neighbourhood or “Near Abroad”:

- A series of revolutions in its neighbourhood – the Rose revolution in Georgia in 2003, the Orange revolution in Ukraine in 2004 and the Tulip revolution in Kyrgyzstan in 2005, ended Soviet era leadership in these countries and this development greatly disturbed Russia. These events made the Russian ruling elite apprehensive that the same could happen at home.⁴¹
- Recognition by the West of the unilateral declaration of independence by Kosovo in 2008, made Russia immensely angry, for it not only challenged the UN principle of respect for the territorial integrity of nation states, but also harmed its close ally Serbia. Moscow strongly condemned the recognition.
- The inclusion in NATO of ex-Soviet states and the installation of a US defence shield in Romania and Poland were perceived by Russia as an encroachment on its former sphere of influence and a direct threat to its own security.⁴²
- The laying of alternative pipelines that bypassed Russian territory altogether – such as the Baku-Tbilisi-Ceyhan oil pipeline and the proposed Nabucco natural gas pipeline caused deep annoyance in Moscow.⁴³
- Russia under Putin would be facing bankruptcy in 2017, when a large part of its foreign debts mature. In addition, its budget deficit lies at 7 per cent of its GDP, which it will have to reduce by 3 per cent to control inflation.⁴⁴
- Its economic growth stood at just 1.3 per cent in 2013, just after the Ukraine crisis began.⁴⁵

⁴¹ Jeffrey Mankoff, *Russian Foreign Policy: The Return of Great Power Politics* (Lanham: Rowman and Little Field Publishers, 2009), 127-28.

⁴² Brian J. Ellison, “Russian Grand Strategy in the South Ossetia War”, *Demokratizatsiya* 19, no.4 (2013).

⁴³ Mankoff, *Russian Foreign Policy*, 128.

⁴⁴ George Soros, “Putin is Bigger Threat to Europe’s Existence than ISIS”, *The Guardian*, available at <http://www.theguardian.com/commentisfree/2016/feb/11/putin-threat-europe-islamic-state>.

⁴⁵ See <http://www.bbc.com/news/world-europe-28400218>.

- The Caucasus region is crucial for oil and gas pipelines. After the war in Georgia in 2008, the US insisted on taking harsh measures against Russia, but the European leaders initially avoided doing so. During the Ukraine crisis, the US wanted to exercise the military option but it was rejected by the European leaders. The US and Russia are both seeking control over the strategic Caspian region.

Conclusion

If Georgia and Ukraine are given membership of NATO, the Black sea region will become part of Western sphere of influence. Russia would not allow the US to dominate a region so close to it. NATO presence in the region would be perceived by Russia as a serious threat to its security.

If sanctions on Russia continue then the latter may use the Syrian card to exert pressure on Europe to change its stance. The terrorist attacks in Paris and Belgium have worsened the security situation in Europe. The European Union area needs to tackle the refugee issue on a priority basis, which is not possible without Russia's support. To gain Russian cooperation, Europe has to revise its sanctions policy.

American interests in the region cannot be overlooked. The US is the most important partner of Europe in the economic and security realms. Europe must also pay attention to the fact that if it wants regional peace, it must normalize ties with the regional powers. Regional peace is dependant to a great extent on regional cooperation in all fields, particularly security, and a problem solving approach on all sides.