

## **Walk—But Learn to Chew the Gum Too**

### **After the Russo-Georgian War of 2008: Transatlantic Approaches to a New Eastern Policy**

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The 2008 war between Georgia and Russia, far from having been a minor regional conflict in the outermost Eastern backwaters of Europe, was a watershed moment. It was a disaster for Georgia, because of the deaths and destruction it suffered, but also because the war was a setback for the country's efforts to attach itself to the West. It also sent a shock wave across the post-Soviet space, leading countries from Belarus to Central Asia to wonder if they were next. Arguably, it was a major setback for Russia, too. The war showed up its military shortcomings, saddled it with additional Caucasus headaches (the occupied territories of Abkhazia and South Ossetia), alienated even its friends, and, above all, seriously undermined its policy of *rapprochement* with Europe.

Yet the Russo-Georgian war was also a defining moment for the United States and Europe—and by implication, for NATO and the EU as well. It drastically showed up the flaws of Western policy for the region. In fact, it demonstrated the extent of dissent within the Western political community. To this day, the challenge of crafting a coherent and effective policy for Eastern Europe remains unresolved, on both sides of the Atlantic. What such a policy ought to look like is the subject of this article.

#### **Why care?**

Neither the United States nor the European Union or individual EU member states were participants in the conflict. Yet a considerable part of the blame for what happened rightly resides with them. This is not the place for a full forensic examination of the events of 2008; suffice it to say that sins of commission (an unbalanced and misguided policy) on the part of the Bush Administration were matched on the European side by sins of omission (an absence of policy and coordination amounting to dereliction of responsibility). The fact that Americans and Europeans were unable during the run-up to the crisis—and even for some time thereafter—to agree on the outlines of a mutually acceptable approach, or for that matter on the importance of the event, threw a stark light on the extent and depth of strategic divergences within the transatlantic alliance. No doubt this was duly noted elsewhere.

Indeed, an innovative interpretation of international law might argue that Western democracies ought to be held to higher standards in international affairs when their meddling (or, alternatively, turning a blind eye) has a tangibly detrimental impact on weaker, conflict-prone countries. (A model might be the criminal and torts law

concept—the German word is *Ingerenzhaftung*—under which responsibility may be engendered by third-party behavior which contributes to, perhaps even provokes, another’s culpable actions.) Even if it falls short of producing legal consequences, surely such behavior engenders a moral responsibility?

Yet even by traditional realist standards, Russia’s behavior in its Western “near abroad”, and the stability of the territories between the EU and Russia, ought to be first-order strategic priorities for America as much as for Europe. And the classical idealist, surely, will find that the democratic aspirations of the Eastern European periphery (as well as those of civil society in Russia) generate a moral obligation: an obligation, if not actively to support and nourish such movements, then at the very least, not to undercut them.

### **A changed context**

Any definition of policy for Eastern Europe has to take into account that the geopolitical context has changed significantly since the fall of 2008: with a new U.S. administration, a new Russian foreign and security policy, and the entry into force of the Lisbon Treaty.

The **United States**, under President Barack Obama, initially veered away sharply from the previous administration’s policy. The Bush presidency had emphasized the U.S. commitment to “Europe Whole and Free” (on the basis of a definition of Europe that ended only at the border of the Russian Federation); it was also frankly dismissive of Russian demands to be treated as an equal.

For the Obama administration, improving (“resetting”) the relationship with Russia was, from the outset, a key foreign policy goal. However, policymakers in Washington see Russia (unlike China) neither as a future strategic competitor, nor as a potential responsible co-stakeholder in global governance. The gamut of options with Russia, from the official standpoint, appears to be far more limited: seeking cooperation on a number of key U.S. concerns (Iran, nuclear proliferation, counter-terrorism), and otherwise preventing Russia from reverting to spoiler mode. Eastern Europe, meanwhile, was initially treated very much as a second-order concern, an attitude evidenced by the diplomatic bungling of even sensible policy shifts (e.g. on missile defense). Privately, one administration adviser added that it was about time for Europe to take responsibility for its own backyard; the none-too-hidden implication being: if not there, where? (Indeed, that would be hard to disagree with.)

The Russia “reset” appears to have worked—somewhat. Russia signed the New START treaty on strategic nuclear disarmament with the United States. It is being supportive of American policy on Iran and Afghanistan.

Yet by now the Obama administration also seems to have taken to heart a barrage of criticism from Eastern Europe that it was pursuing a “Russia First” policy (including the July 16, 2009 “Open Letter to the Obama Administration from Central and

Eastern Europe” signed by twenty-two public figures from the region). During an extended visit in early July, Secretary of State Hillary Clinton was careful to emphasize that the United States, far from subordinating relationships in Eastern Europe to its newfound amity with Russia, is supportive of the region’s democratic aspirations and the right of its states to choose alliances freely: “We can walk and chew gum at the same time”, she said.

What the Secretary of State meant is that the U.S. sees no zero-sum-game, no either-or choice in its relations with Russia and Eastern Europe. Perhaps even more importantly, she referred to Russian actions in Georgia in 2008 as an “invasion”, and its continued presence there as an “occupation”.

But the fact remains that U.S. policy, while now more evenhanded, remains one of cautious, selective engagement. It continues to shy away from overt democracy promotion or pushing a further eastern enlargement of NATO. Compared to the Bush administration’s hyper-activist stance, this still amounts to a discreet partial retreat. And it leaves a vacuum for other powers to step into.

**Russia** has also been making some notable changes in its foreign policy recently. Initially, the Obama administration’s overtures were met with aloof distrust in Moscow. Russia also seemed to believe its economy to be immune to the economic crisis. But the sharp drop in oil and gas prices, a -10 percent growth rate and most Europeans’ polite but firm rejection of a draft Eurasian security treaty published in November 2009 (it would have given Russia a veto on all security issues on the continent) have clearly caused Moscow to recalibrate, if not its basic attitudes and convictions, at least its approach.

Besides finally reacting to the Obama administration’s “outstretched hand”, Russia has signed a maritime border demarcation agreement with Norway, is regaining lost ground in Ukraine and—even more remarkably—mending fences with Poland (possibly encouraged by the discovery of huge shale gas deposits in the country). Finally, Moscow has also signed a “modernization agreement” with the EU. In a foreign-policy paper leaked in May, the Russian government sets out a pragmatic and flexible new foreign policy which emphasizes the need to form “modernization alliances with our main Western European partners and with the European Union as a whole.”

Rather ironically, it was Georgian President Mikheil Saakashvili, responding to the U.S. “reset”, who put his finger on the key assumption underlying the EU’s modernization partnership with Russia: “If it leads to a more modern, more open Russia, that’s only good for all of us around it.”

Unfortunately, most current signs point in the reverse direction. Russia appears to be determined to achieve economic modernization in a state-centric and top-down manner, which is bound to be unwieldy and unattractive to private investors. Worse, it appears to want to do so without political liberalization; in other words, without wrestling with endemic corruption, the symbiosis of state power with private financial

interests, the lack of rule of law, and human rights abuses. This is a plan that is unlikely to succeed. And failure might produce blowback not just for Russia's relations with Western partners, but for Russian civil society as well.

Nor does Russia's revamped foreign policy promise any deviation from tradition in its attitudes to Eastern Europe. Nothing, in fact, suggests that Russia's policy on this issue is anything else than what it has always been: fixated on a 19<sup>th</sup>-century view of itself as a great power, and aimed at regional dominance in Europe's eastern neighborhood, which it continues to see as a zone of privileged interest. (Its aggressively critical stance towards Belarus is one highly visible indication of this attitude.)

**Europe**, meanwhile, after an agonizingly protracted ratification process, saw the Lisbon Treaty enter into force on December 1, 2009. With it came two new leadership positions as well as "permanent structured cooperation" in foreign policy. Yet, just over six months later, Europe seems to be still digesting these changes. For the outside observer, the EU must look rather like a boa constrictor that has swallowed a goat: the bump appears to be inching down the boa, but the snake itself is clearly rooted to the spot. Unsurprising, then, that the EU has made little or no headway on effective common policies for its Eastern neighborhood and beyond.

The "Eastern Partnership" (EaP), adopted at the May 2009 Prague Summit and designed to give greater impetus as well as a more multilateral framework to EU relations with six post-Soviet states (Armenia, Azerbaijan, Georgia, Ukraine, Moldova, Belarus), is getting mixed reviews at best. It is an improvement on its predecessor framework, the European Neighborhood Policy (ENP)—but that is saying very little. Its focus on promoting regional cooperation could be very useful. But its funding is half-hearted (600 million Euros over four years). Crucially, it has neither the instruments nor the political backing from Brussels or the EU member states to push the EaP states to genuinely transformational reforms.

Moreover, as an excellent recent study points out (Jos Boonstra/Natalia Shapovalova, "The EU'S Eastern Partnership: One year backwards", FRIDE Working Paper # 99, May 2010), there are two underdeveloped or missing elements whose addition would do a great deal to enhance the EaP's impact: sustained support for civil society actors, and genuine EU engagement in regional security issues.

Indeed, the European Union—this was an unpleasant surprise for Russia—sprung into action after the Russo-Georgian war to mediate, and then sent a military observer mission to Georgia. Yet the fact that it has proven unable to implement the terms of the ceasefire (evidenced by continued Russian occupation of Georgian territory, and the failure of the observers to gain access to the occupied territories of Abkhazia and South Ossetia) only undermines the credibility of Europe's effort. On the other, "frozen" conflicts in the region, the EU is largely invisible. Nor does the EU's Common Security and Foreign Policy (CFSP) possess a framework in which to engage with its neighbors on security sector reform.

As for Russia, the EU celebrated the “modernization partnership” concluded at the Rostov Summit in early June as a success—but in reality, it marks a distinct lowering of the level of ambition compared to the “strategic partnership” to which the EU had aspired before the Russo-Georgian War. (The term “strategic partnership”, which is particularly popular in Germany, manages to be both grandiloquent and meaningless at the same time; strategy is involved at best in homeopathic doses.) Modernization, in this context, is a two-way exchange only in the economic sense of payment for goods, information and services traded. In every other sense, it is a one-way street: development aid for a former superpower.

The renewal negotiations for the 1994 Partnership and Cooperation Agreement are churning away in their seventh round; nor have the Russians come any nearer to the visa-free travel regime they have been pushing for. President Medvedev’s draft European Security Treaty, meanwhile, has been shunted off into the OSCE’s “Corfu Process”, the political equivalent of death by slow cooking over low heat. (Even in EU capitals more sympathetic to Russia, such as Berlin, policymakers make no secret of the fact that they consider the draft agreement a non-starter.)

Last but not least, Katinka Barysch, of the London-based Centre for European Reform, points out that there has been “no progress in the areas that matter most: trade and energy” (“Can and should the EU and Russia reset their relationship?,” CER Policy Brief, February 2010). She concludes, rather grimly, that “on the whole, the EU-Russia relationship is stagnating”.

It was Germany which, in early June, made a modest effort to push the relationship back into a less sluggish mode—with a memorandum agreed between Chancellor Angela Merkel and President Dmitri Medvedev at a bilateral summit in Meseberg, near Berlin. The brief document proposes “to explore” the establishment of a ministerial-level EU-Russian political and security committee, with a brief to establish “ground rules” for civil/military crisis management, and perhaps even a “joint EU-Russia engagement” in Transnistria. Predictably, this rang a couple of alarm bells in eastern parts of the EU. German diplomats contend that they are simply taking Russia up on its promises of more constructive behavior.

Since Moldova, with its determinedly pro-Western government, is currently the only real success story in the region, this makes sense. It is, moreover, a welcome indication that Germany has learned to pursue its relationship with Russia in an EU framework, rather than in a mostly exclusive bilateral relationship (as it did before the Russo-Georgian war). The initiative was duly endorsed at a “Weimar Triangle +1” (Germany, France, Poland and, on special invitation, Russia) meeting in Paris. However, German policymakers say that the test of the initiative (and condition for any further movement on it), will be Russia’s willingness to return to formal talks on the status of Transnistria.

Perhaps the most interesting aspect of this seemingly minor and still-unfinished episode were the roles played, respectively, by Berlin and Warsaw. An older generation of German politicians (think Helmut Kohl) would have picked up the

phone and made the rounds to make sure that all countries with a stake in the issue were on board. As it happened, much of the irritation in the EU was due to the circumstance that the Chancellery had consulted only a handful of “large” member states (“informed would describe it more precisely”, said one diplomat)—rather than a broader group including stakeholder countries, like Romania. It was the endorsement by Warsaw—which is playing the role of bridge and mediator between Russia and the EU with increasing suppleness and skill—that rescued the initiative.

In sum, the Russo-Georgian war had a manifest impact on Europe: European positions are closer together than before, and on average more disillusioned with regard to Russia. There is a tangible determination to draw unmistakable red lines: a key message, repeated over and over again, is that there can be no zone of privileged interest for Russia in Eastern Europe. Even Germany and France, usually to be found on the more pro-Russian side of the divide in Europe, appear resolved not to let Moscow play games of divide-and-rule among the EU member states.

The bad news is that this is all there is. Whatever resources, energy and imagination Europe has available to deal with the issue of its Eastern near and far abroad appear to be just enough to preserve a minimum of unity and balance, but at a very low level of ambition.

Presumably, this reserved stance is due to a pessimistic assessment of the potential for transformation, both in the post-Soviet space and in Russia itself. This skepticism is reinforced by a shortage of credible democratic leaders in the region, as well as a gloomy take on the current generation of Russian elites (“we may just have to wait for the next generation”, one senior official in Berlin said recently). The economic crisis has sharply limited the funds available for foreign and development policy. Add to that a sense, among European policymakers, that they possess limited *political* capital for the conduct of any foreign policy, because their publics want them to focus on domestic reforms—or, in the words of Barack Obama, because voters want their elected leaders to work on nation-building back home rather than abroad. Last but not least, *Europamüdigkeit*—disenchantment with the European project—is palpable across the continent. A new generation of Europeans has yet to find a coherent political narrative for a European Union encompassing 27 member states in an increasingly multipolar world.

Nonetheless, this is not enough. For Europe to remain at this self-ordained minimum level of ambition would mean to miss what transformational opportunities there are in the region. It would risk its pessimism becoming a self-fulfilling prophecy. And it would allow Russia (and others, such as China) to operate, unchecked, in the strategic vacuum left in Eastern Europe by the greater reticence of the United States.

## **A new Eastern Policy for Europe: five criteria**

An effective Eastern Policy for the post-Caucasus war era must fulfill five criteria to be successful: it must be balanced, coordinated, vigorous, courageous—and patient.

**Balance:** this means avoiding zero-sum-games and false dichotomies; refusing to choose between walking and chewing gum. The European Union, as well as its member states, must continue to reject any suggestions that it or they should choose between Eastern Europe and Russia (see also Stefan Meister’s very good “Recalibrating Germany’s and EU’s Policy in the South Caucasus, DGAP Analyse, July 2010). Nor should it, or the U.S., suggest to the Eastern Europeans that *they* have to choose between the two sides of the transatlantic alliance. On the contrary, Europe must hope and work for stability, prosperity, rule of law, and eventually—that would be the ultimate success of an Eastern Policy—democratic transformation throughout the strategic space that lies eastward of its borders.

Europe should also reject the accusation—made by countries such as Ukraine and Georgia—that an Eastern Policy is nothing but a sop for the denial of membership in Western alliances and institutions, specifically NATO and the European Union. At this point, membership in NATO (the commitments made at the March 2008 Bucharest Summit to Ukraine and Georgia notwithstanding) or the EU is neither a realistic nor a useful prospect for any of the countries in Europe’s Eastern neighborhood. Either accession process would at best create more problems than it actually solved. At worst, it would actually destabilize the situation. Specifically, NATO asks too little of a country’s internal governance (the Russo-Georgian war provides evidence for this). The EU’s stringent requirements, meanwhile, may prove utterly overwhelming for post-Communist nations with still-fragile institutions, political cultures and civil societies (as the experience with the accessions of Romania and Bulgaria shows).

As it happens, the reverse is true: a properly-designed Eastern Policy would be aimed at enabling its neighbors to make the changes that would render a country’s candidature realistic in the first place. Of course, this presupposes that the question of enlargement is not excluded from the outset by the European Union, but is in fact left open deliberately and explicitly. To do this is in the EU’s own self-interest: the benefits of access to Western clubs like NATO and the EU remain the ultimate incentive for economic and political transformation.

Finally, Europe must reject suggestions that it should work either with established state institutions, *or* with civil society; on the contrary, it must find—the mix will vary country by country—the adequate balance between the two. Currently, there is a strong EU bias in favor of the state; this should be redressed.

**Coordination:** The toxic divides within the transatlantic alliance and Europe itself over relations with Russia vs. Eastern Europe seem to be mostly history—again, thanks in no small degree to the Russo-Georgian war. But actual coordination still leaves a great deal to be desired.



The United States is right, of course, to point out that the eastern periphery of the EU is, first and foremost, the responsibility of the EU itself. It is also entitled to disentangle itself from the “infantilizing” (Witney/Shapiro) codependency which has essentially allowed Europe to continue to free-ride on the U.S.’s security guarantees in the region after the demise of the Cold War and the demise of the Warsaw Pact. Twenty years onwards, the task of fulfilling the promise of “Europe whole and free” (and secure!) is indeed Europe’s, not America’s.

Nonetheless, the U.S. has genuine strategic interests in Eurasia, which range from an effective EU able to join the U.S. in addressing a wide spectrum of global challenges, to a Russia that is able and willing to cooperate on at least the most urgent of these; and shaping the future of the post-Soviet space is central to both. Conversely, Europe’s credibility rises when it has backing from the U.S.; each can leverage the other, both are most effective when working in tandem. Certainly, one thing ought to be blindingly obvious by now: Europe and America both lose (to Russia, mostly, but increasingly to China, too) when they compete against each other in the post-Soviet space.

Americans and Europeans must find a forum in which to discuss and coordinate these issues; NATO may be too narrow, the EU too broad. To make this the subject of official summits would be to ensure failure. Perhaps it could be made the subject of a series of thematic working groups between the U.S. and the EU’s new external action service? Whatever the framework, a pragmatic solution should be sought quickly—not least because it would help re-build some of the trust that has eroded in the transatlantic relationship around these questions.

Coordination also remains an issue within the EU. If anything, it is even more urgent, as its absence cripples the Union’s foreign policy. By all accounts, coordinating “at 27” is tantamount to preventing all and any action. However, the diplomatic history of both the EU and NATO offers a rich trove of relevant models, from the Contact Groups to the Quads, Quints, and so on. The key to their composition—to making them work—is to find the right balance between power (“big countries”) and stakeholders (neighbors, traditional allies).

There ought also to be a natural leadership and mediator role here for some of the new EU members. Recent Polish diplomacy is clearly based on that recognition. But there is work to do here for all the New Europeans, not least because their own historic experience with living in under Soviet dominance gives them a special right to be heard (and perhaps a special responsibility to speak out). This much, at any rate, ought to be obvious: in an EU with 27 member states, merely “calling the big countries” is no longer going to cut it.

**Vigor:** the Eastern Partnership for Eastern Europe and the Modernization Partnership for Russia are a beginning, but in many ways a half-hearted and incomplete one. Much more effort and investment is needed to make both frameworks transformational. This does, of course, involve the transfer of large sums of money. But even more importantly, it requires an energetic and generous transfer of



experience, best practices, institutional and personal networks, and ideas. These should cover the entire spectrum of political life, from high diplomacy via business, cultural, academic and civil society exchanges. Nor should the EU be prudish about using incentives and conditions to help nudge change along. To put it metaphorically, the EU's current frameworks for working with Eastern Europe and Russia are like a net that is both large-meshed and flimsy. What is needed is something much denser and stronger.

The United States, as the world's sole remaining superpower, can choose to engage selectively with some of its partners, or even with its neighbors. Europe—hybrid, fragmented and diverse—does not have that option with its eastern neighbors; it must necessarily engage broadly, and comprehensively.

Finally, it is crucial that the EU stop shying away from conflict resolution and security, not least for the sake of its own credibility in the region. If the U.S. will help here, fine; certainly Europe can use American advice and support. But this is our job. Again, as the Russo-Georgian war showed, a bit of firmness from Europe—especially when backed by Washington—goes a long way. This is also a field where the EU's Common and Security Policy badly needs some new ideas. Here is a suggestion: an EU version of NATO's Partnership for Peace, to support security sector reform.

**Courage:** Transformation, liberalization, democracy—for the nations of Eastern Europe as much as for Russia, these are sovereign choices. Many of their citizens would add: and their sovereign responsibility. Still, despite the labor of civil society organizations across the region for twenty-odd years (and longer), current evidence suggests that most countries in the region are not ready to make that choice yet.

But that was once also true of Latvia, Spain, Portugal—and, in fact, Germany. Our own historical experience of democratic transformation against all historical odds alone ought to make us resist all those who argue that Western efforts at democracy promotion and nation-building are merely symptoms of imperial overstretch, or of hegemonic hubris masquerading (perhaps even to itself) as human rights universalism. Courage, here, begins with sticking to our convictions.

Nor can we accept that Europe's future should be that of a gated and anxiously guarded fortress, unwilling to share its prosperity and ever fearful of onslaughts from the jungle of the have-nots beyond our walls. In reality, the magnetic pull of the European utopia, the key source of its soft power, resides in the fact that it is an exporter of prosperity, stability and the best model for good governance—the liberal, open society. But the truth is that the European Union has lost a great deal of ground and credibility here since the early 1990s. To quote the Bulgarian thinker Ivan Krastev: "Contrary to its behavior in the 1990s, the European Union today is a risk-averse power. It has been paralyzed by a deficit of solidarity, imagination and sound leadership." (in *The American Interest*, July-August 2010)

In other words: in the post-Soviet space, neutrality is not an option for Europe. It is true to say that transformation in Eastern Europe is in Russia's enlightened self-

interest; but as long as that self-interest is framed in unenlightened terms (e.g. zone of privileged interest) we must face up to the fact that we are engaged in a systemic competition. Russia's Foreign Minister Sergei Lavrov was right when he said, in March 2009: "We are accused of trying to have spheres of influence. What is the 'Eastern Partnership'? Is it a sphere of influence, including Belarus?" The answer, of course, is yes.

This also means that if a country in the post-Soviet space finds its right to choose denied or impeded by another power, Europe must not hold back. These are rights we must defend. Our history, our interests, our values: all these impel us towards solidarity. Even if that means standing up to Russia.

**Patience:** achieving stability, prosperity and democratic transformation in the post-Soviet space is a generational challenge. This certainly does not preclude reacting flexibly and imaginatively to opportunities—changes in government, the emergence of new leaders or democratic movements. But it does require long-term strategic thinking. Here, it is worth recalling a less well-known factor that contributed to the success of the democratic transformations of Spain and Portugal, after being ruled by right-wing dictators for more than forty years: many of those who helped to create the *movida* (as the democratic transformation was called in Spain) had spent years, if not more than a decade, living in Western Europe as dissidents—and had been put through university with the help of grants from European political parties and foundations.

This, then, is the missing piece in Europe's Eastern Policy: Europe should (as many American universities already do) create an ambitious and long-term plan to bring talented Eastern European students to EU universities, public policy, law and business schools, with the explicit aim of teaching them how liberal, open societies work, and endowing them with the necessary tools to work towards the transformation of their countries once they return home. The model for such a program would be Erasmus, the EU grant program that allows students from the EU (as well as Iceland, Liechtenstein, Norway, and Turkey) to spend an academic year in another participating country. It should be extended to the post-Soviet space (including Russia), and funded so as to allow the best students to stay for an entire course of studies.

Compare this idea with that other grand project of Eurasian integration, the gas pipeline: at estimated costs of several tens of billions of dollars for one pipeline, an "Erasmus Goes East" program is almost certainly guaranteed to be cheaper—and to have a greater beneficial effect for the region.