

# The Eastern Partnership: Challenges and Opportunities for European Integration

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## Caught Between East and West: The Tricky Position of the EaP

The Vilnius Summit of the Eastern Partnership (abbreviated EaP), held in November 2013, reiterated the stated goal of the previous summit in Warsaw of “building a common area of shared democracy, prosperity, stability and increased interactions and exchanges.”<sup>1</sup> Both the European Union and its partners came to an important conclusion: that the peaceful resolution of conflicts through building trust and good neighborly relations is essential to economic development, social development, and cooperation in the region. Before the EU and EaP countries can reach this laudable goal, however, this partnership needs to address the shared security threat revealed by the current crisis in Ukraine: Vladimir Putin’s Russia.

The goal of this analysis is to depict both the potential for the EaP initiative to successfully promote integration of the partner countries with the EU, while also acknowledging the major weaknesses within partner countries and the challenges they pose to closer integration. These weaknesses generally represent a security threat not only to the partner countries, but also to Europe as a whole. Of course, it is impossible to raise the question of closer ties between partner countries and the EU without acknowledging the presence of a large third party: the Russian Federation. Under the leadership of Vladimir Putin, Russia has aggressively sought to prevent countries that it perceives to be in its economic, political and cultural orbit from seeking closer ties with Western Europe. The recent crisis in Ukraine is only the latest manifestation of these aggressive policies. The EU therefore needs to critically examine the numerous weaknesses contained within the EaP region since such weakness, if discovered, could be potentially exploited by Russia.

Our argument proceeds as follows:

First, we analyze the security threat posed by Russia to the EaP initiative. While the EaP was not designed as a security institution, its geographical position close to Russia means that security issues will always form a part of its policy planning. Despite regular efforts by Brussels to reassure Moscow as to the nature of the Eastern Partnership, moves by EaP countries towards closer integration with the West have, as predicted by the “security dilemma” of international relations theory, been perceived as threatening by Russia.

Second, we note some of the relative success stories for EaP countries in fostering closer ties with Europe. While these successes could admittedly be greater, they are important to keep in mind when assessing the challenges the partner countries face in combatting Russian interference. Even incremental changes, such as visa liberalization or low-level trade deals, represent small steps towards the larger goal of closer integration with the West.

Third, we lay out in depth the challenges that the EaP initiative faces in terms of both external actions by Russia and internal weaknesses. Despite our optimism

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<sup>1</sup> “Eastern Partnership: The Way Ahead”, Council of the European Union, Joint Declaration of the Eastern Partnership Summit, Vilnius, Lithuania, 28-29 November 2013, document 17130/13

regarding the relative successes accomplished by the EaP, it is important to realistically understand the root causes of potential difficulties that might arise in the future. Externally, partner countries face the prospect of direct intervention, whether militarily or economically by Russia. Internally, there are three main weaknesses that partner countries face: 1) “frozen conflicts” and separatist movements; 2) corruption and weak political cultures; and 3) economic/energy dependency. It is important to note that the flexible nature of the political and cultural situation in partner countries means that differentiating between external threats and internal vulnerabilities is in many respects arbitrary. The two oftentimes co-exist and are mutually supportive. Despite these weaknesses, however, there are also many ways that the EU can work to both combat and correct them.

Fourth, we introduce the idea that the internal debate over whether partner countries should pursue closer ties with the EU or Russia may in fact be a generational one. It would certainly appear that democratization and liberalization strongly appeals to consumer-oriented tech-savvy youth populations across Eastern Europe. The notion of nostalgia for the Cold War and even the comfort of Soviet-style programs is a real phenomenon in Eastern Europe among some older sections of society; accordingly, it is possible and even likely that this question of East vs. West will be resolved through natural demographic change—especially if the EU and partners are able to build momentum from their relative successes thus far.

## **The Eastern Partnership and Eastern European Security: Securing the Battlefield against Future Conflicts?**

The EaP is, most importantly, a formal political and economic instrument that seeks to promote ties between the European Union and its neighbors to the East. Still, the EaP is dogged by the shadow of security issues, even if such issues have never been its primary focus. The interaction between the EU and the partner countries is also complicated by the presence of a large third party—the Russian Federation—which remains an influential player. In line with previous ICDS reports,<sup>2</sup> we suggest that a strategic emphasis on security threats should form an important part of policy planning in both the EU and EaP.

The outbreak of protests in Ukraine following its leaders’ decision to turn away from closer cooperation with the EU provided a grim reminder of the security issues at play for EaP countries. The resulting popular political and social uprising escalated to the point where the Russian Federation had the opportunity to formally annex Crimea and foster further unrest and instability within the rest of Ukraine. While recent events in Ukraine have revealed the inherent risk that a geographic location close to Russia represents, strategic thinking needs to evolve

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<sup>2</sup> See Emmet Tuohy and Anna Bulakh, “Narrow Focus, Broad Vision: A Strategic View of the Eastern Partnership” (Tallinn: ICDS, 2013), available at: [http://icds.ee/index.php?id=73&L=1&tx\\_ttnews\[tt\\_news\]=1383&tx\\_ttnews\[backPid\]=165&cHash=9581868c20](http://icds.ee/index.php?id=73&L=1&tx_ttnews[tt_news]=1383&tx_ttnews[backPid]=165&cHash=9581868c20)

by focusing concurrently on long-term planning as well as immediate responses to the crisis.

The EaP region has always been viewed as an informal battlefield between the EU and Russia. While for two decades the debate over the EaP centered on a conflict of ideas and interests between Russia, the EaP countries, and the EU, there is now a concern that the EaP region will turn into a potential physical battlefield. Conventional military operations may not be the only scenario for this physical conflict. The Ukraine crisis has demonstrated how Russia can use non-linear, asymmetric, and non-traditional forms of conflict, including trade wars, propaganda and the use of security and intelligence services, to great effect. All EaP countries have experienced some of these methods, though Ukraine has of course bore the brunt most intensively.

An important question to ask is where Russia might go next with its Ukrainian-tested playbook. In a certain sense, further Russian aggression would appear counterproductive. Russia already has significant influence if not de facto control over Armenia and Belarus through proxies, has severed Abkhazia and South Ossetia from Georgia, remains on the ground in Moldova, annexed Crimea, and destabilized eastern Ukraine. In many of these regions, however, such as in Transnistria, Russia's position may weaken unless it chooses military escalation. Despite the sizable pro-Russian populations in the regions of Transnistria and Gagauzia, the idea of turning towards a European future is beginning to take root in Moldova.<sup>3</sup> Given the weakening of Russian influence, the EU has a window of opportunity in which to develop a preemptive strategy to thwart potential further Russian aggression in Moldova as well as Ukraine and Georgia. It can thus stay one step ahead of the Kremlin in exerting future influence over the region.

Why is it possible to develop such a strategy now? Both the EU and EaP countries have experienced a large amount of third-party interference in their bilateral relations. These countries have seen the use by the Kremlin and its agents of both soft power and hard military tactics. They therefore have practical experience in observing and experiencing Russian aggression, which can be welded to the substantial material powers of the EU and partners to develop a new manual and toolkit to secure Central and Eastern Europe against future Russian power-moves.

Creating this new strategy would require 1) identifying the main weaknesses in the EaP region (which help bolster the potential success of Russian aggression); 2) focusing on effective institution-building to anticipate events ahead of time; 3) swiftly identifying common security protocols within the EaP framework; and 4) ensuring that EU member states all navigate with the same roadmap. As the Ukrainian crisis has once again highlighted, EU member states differ in their historical experiences, as well as in their political and economic orientations. A new neighborhood policy based on the idea of shared security interests must be created and sustained by a single, agreed-upon logic.

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<sup>3</sup> Mary Elizabeth Malinkin, "In Search of Peace", Woodrow Wilson Center, available at: <http://www.wilsoncenter.org/publication/search-peace>

Europe at present chiefly relies on the use of “soft power” to achieve its security objectives. It generally eschews the use of military force to accomplish its goals. Of course, soft power is not enough to assure state security in and of itself—at least some integrated defense capability is necessary.<sup>4</sup> In contrast, not only does Russia utilize “hard” military power in a judicious manner, it does so through creative means. Russia is one of the best states at using non-linear or asymmetric tactics to great effect. For instance, it was able to systematically utilize propaganda as part of a successful “information war” during the Ukraine crisis. Such tactics might be similarly effective in a conflict against countries where minorities often rely on Russian media sources for information, such as Latvia and Moldova.

Even if the EU might lack effective “hard” capabilities to threaten Russia, and therefore must rely predominantly on its soft power, that does not mean that Europe is powerless to stop Russian aggression. Just because Russia has demonstrated its willingness to use “hard” tactics does not mean that it will have a *carte blanche* to continue such actions in the future. Furthermore, soft power can often be a powerful tool in blunting the use of military force since it can restrict not only the effectiveness of hard power (through economic leverage and other avenues) but also the moral or ideological appeals the opposing side can make.

### **On the Road to Europe: Relative Stories of EaP Success**

The Ukrainian crisis has served as a catalyst for the renewal of the commitment by the EU to its eastern neighbors and vice versa. Moldova and Georgia’s preparations for signing the Association Agreement (AA) and Deep and Comprehensive Free Trade Agreement (DCFTA) on June 27, 2014 may have been fast tracked,<sup>5</sup> but even so both countries have stayed on course towards increased cooperation with Europe rather than pursuing closer ties with Russia. The fact that such countries are willing to sign formal agreements increases the soft power that the EU can bring to bear in the region. The attractiveness of closer ties with the EU was embodied in promising economic forecasts for Moldovan, Georgian and Ukrainian markets after the free trade agreement was officially signed.<sup>6</sup> The agreements will gradually liberalize trade between the signatories and the European Union, meaning that all three will eventually have unfettered access to the 28-nation EU bloc, which comprises 500 million consumers and is the world’s largest and wealthiest single market. Georgia projects an economic growth rate of 4.3% annually as a result of the agreement, while Moldova is expected to boost its GDP by 5.4% annually coupled with a 1% increase in exports to the EU. Provided that the reforms are completed, Ukraine’s economic output could grow an additional 1% per year, raising its

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<sup>4</sup> Jean-Claude Juncker, “Ukrainian Lessons: What the EU Must Do to Improve its Foreign and Security Policy”, available at: <http://juncker.epp.eu/news/ukrainian-lessons-what-eu-must-do-improve-its-foreign-and-security-policy>

<sup>5</sup> The agreements were signed much earlier in June 2014 than originally planned for autumn 2014.

<sup>6</sup> BBC “EU Signs Pacts with Ukraine, Georgia, and Moldova”, *BBC News*, June 21, 2014, available at <http://www.bbc.com/news/world-europe-28052645>

national income by around \$1.64 billion annually.<sup>7</sup> The successful enforcement of the proposed reforms, however, will remain the ultimate determinant of success on both a technical and political level.

In power since February 2013, Moldova's governing Pro-European Coalition has succeeded in strengthening political relations with the EU, building on its four years in the office of the Alliance for European Integration. Moldova has rapidly become the leading recipient of EU financial assistance, when measured on a per capita basis, in the Eastern Neighborhood.<sup>8</sup> The overlap of political will in Brussels and Chişinău was effectively backed by timely EU aid that helped Moldova to catch up to neighboring countries in many areas and even outstrip them in others. Moldova was the first EaP country to secure a visa-free regime with the European Union this past May, a tempting prospect for inhabitants of the breakaway Transnistrian region as measured by a stark increase in applications for Moldovan citizenship.<sup>9</sup> Georgia and Ukraine are on their way towards earning similar visa-free status, with the former further along than the latter. A speedy introduction of visa-free travel to Georgia and Ukraine could be one tangible result that EaP countries could quickly achieve and use as political leverage in garnering public support for other forms of integration.

Given the potential for both internal and external meddling, the growing transparency of elections in EaP countries represents, as well, a regional success story. Georgia demonstrated its ability to conduct an efficiently administered, free and fair presidential election in October 2013. The result, a clear first-round victory for the leader of the Georgian Dream coalition, Giorgi Margvelashvili, marked the end of the nearly decade-long rule of Mikheil Saakashvili. The new ruling party, Georgian Dream, solidified its dominance in local elections held in June 2014, when it captured the remaining bastion of the former president's United National Movement (UNM) and a majority of seats in local councils. The final potential change on the horizon for Georgian Dream is the assumed continuity of their willingness to work with both Russia and the EU while moving towards closer integration with the West. This is the only political line on which both Georgian Dream and the opposition agree, and works to the advantage of both the EU and EaP.

Even in this relative political success story there remain caveats. The deep polarization in Georgia between the governing coalition and opposition, coupled with the shortcomings in its judicial system, remains the central problem in its political culture. Both the resignation and dismissal of government employees from positions in local government institutions, allegedly for their association with the former ruling party—actions which went largely unchallenged by the new ruling coalition—undermine Georgia's path of democratic development.<sup>10</sup>

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<sup>7</sup> Robin Emmott, "What is Ukraine's Association Agreement with the EU?", Reuters, June 26, 2014, available at: <http://www.reuters.com/article/2014/06/26/us-eu-ukraine-idUSKBN0F10PA20140626>

<sup>8</sup> Stanislav Seceriu, "Moldova on the Path to Europe: Not Yet Irreversible", *European View* 13:1 (June 2014), pp. 3-10, available at: <http://link.springer.com/10.1007/s12290-014-0289-3>

<sup>9</sup> Karina Maksimova, "Moldova Woos Transdnier With Visa-Free Travel To Europe", Radio Free Europe, June 5, 2014, available at: <http://www.rferl.org/content/moldova-woos-transdnier-eu-visa-free/25411296.html>

<sup>10</sup> Bureau of Democracy, Human Rights, and Labor, "Georgia 2013 Human Rights Report", U.S.

Churches in the region often will continue to play an important role in shaping public attitudes in Georgia, Moldova and Ukraine. The EU needs to find ways to interact with the Church, amongst other institutions, to make sure they engage with all of the relevant players to counter Russian influence.<sup>11</sup>

Across the Black Sea, the early Ukrainian presidential elections were conducted in compliance with international commitments and with a new found respect for fundamental political freedoms despite security concerns.<sup>12</sup> The much-touted regional divide between East and West within Ukraine did not materialize, as shown by the one-round victory of pro-Western candidate Petro Poroshenko by a clear majority throughout the country. This marks a positive breakthrough in regards to the unity of the country two decades after independence.

The upcoming parliamentary election in Ukraine represents a more significant challenge, however. Scheduled for this autumn, the campaign season represents a possible window of opportunity for Russian influence. The Kremlin failed to halt Ukraine from choosing a pro-European president, but they will try to ensure that the resulting parliamentary composition is unfavorable and divided enough to prevent real movement towards the West. Even though the ousted president, Viktor Yanukovich, has no direct influence on Ukraine's current affairs, the Ukrainian parliament remains packed with individuals personally loyal to the previous regime. Despite its de facto acceptance of the presidential election result, Moscow may have only done so in order to double down on its attempts to preserve the "old," fractured makeup of the Ukrainian parliament for some time to come.

Despite the potential benefits of increased integration with the EU, and the success of limited programs to move in that direction, numerous challenges remain for EaP countries. One such threat is the misperception that limited reforms which have been achieved are sufficient in and of themselves to fundamentally change the dynamics of the region. Still, there are a number of voices determined to push back against such unfounded optimism. In the words of Moldovan Prime Minister Iurie Leancă, "The signing of the agreement [with the EU] is not the final full-stop in our European aspirations. The next step is even more important—receiving the status of a candidate member of the EU."<sup>13</sup> Limited visa reform, for Leancă and others, was clearly intended to grease the wheels for further reform, not as an end in itself.

Ardent reformers in the EaP, however, must also be patient regarding reform. The positive socio-economic impact of the DCFTAs and AAs, as well as a more nuanced perspective on the benefits and drawbacks of membership, will only come with time. The main priority of countries such as Moldova will be to secure the implementation process stemming from the agreements with the EU from

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Department of State, available at <http://www.state.gov/documents/organization/220492.pdf>

<sup>11</sup> Samadashvili, "The Magnetic Pull of Russian Soft Power", *ibid.*

<sup>12</sup> Office for Democratic Institutions and Human Rights, "Ukraine: Early Presidential Election, May 25 2014" (Warsaw: OSCE), June 30, 2014.

<sup>13</sup> Margarita Anidze and Alexander Tana, "Defying Russian Warnings, Moldova and Georgia Head for EU", Reuters, June 10, 2014, available at: <http://www.reuters.com/article/2014/06/10/us-moldova-georgia-idUSKBN0EL1BP20140610>

asymmetric Russian tactics and other means which would seek to influence the process by which countries can garner EU candidate status. No doubt the EaP frontrunners—namely Moldova and Georgia—are doing their homework on the benefits of the EU, and certainly would need larger technical and financial assistance to reach certain goals. Still, in light of regional tension, particular attention should be paid to the ways in which external actors such as the Kremlin can subtly or overtly have a negative influence on this process.

### **External Challenges: Direct Intervention and Pressure from Russia**

The limited successes of EaP countries, however, have not come free of charge. Georgia has paid a high price for moving closer to Western Europe and the European Union, while the damage to Ukraine cannot yet be calculated, since it continues to battle a violent insurgency in the Donbas region. Yet, Russian military actions and political and economic pressure have not proven sufficient to blunt the appeal of European soft power.<sup>14</sup> Georgia has begun implementing reforms with unparalleled speed following its violent conflict with Russia in 2008, while Ukraine has resolved its apparent civilizational choice between East and West by signing binding agreements with the EU.

That these EaP frontrunners would seek closer ties with the West and the EU despite being faced with actual, not just threatened, Russian aggression indicates that the Kremlin's use of hard power may actually serve to reinforce the effectiveness of European soft power. Yet, the future path of reforms may be long and winding due to internal weaknesses in the EaP region. These weaknesses might reveal a number of opportunities for the Kremlin to intervene in other areas. Securing technical steps to plug these gaps, therefore, should be a priority for both the EU and its eastern neighbors.

It is clear, following the Ukraine crisis, that Russia will oppose by force if necessary any moves by countries it considers to be in its economic, political, and cultural sphere to break away and move closer to the west. Such moves are seen as undoing the two decades that the Kremlin invested in constructing a special sphere of influence through economic, political and cultural means. The success of Russia in opposing the movement of EaP countries towards closer integration with the EU will depend in large part on two factors: Russia's strategic commitment to a nationalist foreign policy and internal weaknesses within EaP countries that it can use as point of entry to foment discord and unrest.

In order to evaluate Russia's chances of successfully leveraging the EaP and EU apart, it is important to first understand the roots of Moscow's foreign policy decision making. Moscow's thinking on foreign policy rests on several foundational concepts that combine to form what might be termed a particularly "Russian worldview." This unique nationalist worldview is what brings Russia perennially into conflict with the west. One concept driving this view is a broad

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<sup>14</sup> Salome Samadashvili, "The Magnetic Pull of Europe's Soft Power", EUObserver, June 27, 2014, available at: <http://euobserver.com/opinion/124781>



ideology of the “Russian world” (*Русский мир*).<sup>15</sup> This broad conception becomes linked with a more technical idea of ‘divided people,’<sup>16</sup> which segregates Russian minorities abroad and prevents them from integrating with each other by promoting the idea that they are first and foremost “Russian” and therefore must commit themselves to protecting compatriots abroad. None of the current territorial conflicts in the EaP region are the result of new outrages but rather are arguably extensions of this enforced concept of “Russianness.” Crimea, eastern Ukraine, Transnistria, South Ossetia, Abkhazia, and Nagorno-Karabakh all follow a similar formula in this regard. Moldova and Georgia have served as laboratories for Russia’s foreign policy experiments, where the concept of the “divided people” has been employed to great effect.

As a result of Russian policies of influence, the EaP region has seen the development of “spheres of conflict”—the areas where Russian hard power and leverage are the strongest due to their being an active or unresolved conflict. Both Moldova and Georgia began as such spheres before being partitioned into separatist regions—or frozen conflict zones—where the Kremlin preserves itself in a strong position as both external patron and also observer/intermediary in the mediation process. Unlike the Russian invasion of Georgia, however, which solidified the independence (however nominal) of South Ossetia and Abkhazia, or the sponsorship of the breakaway Transnistria region, the annexation of Crimea is different in that it formally added territory to Russia.

Indisputably, Russia has successfully explored weaknesses in the “near abroad”: countries with which it shares borders and/or close historical and economic ties. Even in these cases, however, aggressive Russian actions have not yielded either expected or favorable results. Currently, Armenia and Belarus are being held on a short leash by Russia, while Ukraine has already made moves to decrease its dependency. Moldova and Georgia have moved more firmly towards Europe as a result of increased Russian aggression. The EU has an important task in weighing these outcomes and reacting accordingly with the goal of converting EaP weaknesses into strengths. In the short term, the central role of the EU in the EaP region should be the mitigation of risk. The EU is perhaps the global player with the most influence or leverage over Russia. It can credibly threaten to impose costs—especially economic ones—on Russia in a way that few other countries or entities can. Even as the signing of documents pledging closer cooperation between EaP countries may have been historic, both parties (the signatories and the EU) need to be ready to enforce and defend these agreements.

The main priority for the EU thus is to act strategically and pragmatically in the region. It needs technical achievements in all four platforms of the Eastern

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<sup>15</sup> Zbigniew Brzezinski, “Confronting Russian Chauvinism”, *The American Interest*, June 27, 2014, available at: <http://www.the-american-interest.com/articles/2014/06/27/confronting-russian-chauvinism>

<sup>16</sup> Igor Zevelëv, “Borders of the Russian World: The Transformation of National Identity and the New Foreign Policy Doctrine of Russia” [Зевелёв, И., Границы русского мира. Трансформация национальной идентичности и новая внешнеполитическая доктрина России], *Global Affairs Russia*, April 27, 2014, available at: <http://www.globalaffairs.ru/number/Granitsy-russkogo-mira--16582>

Partnership program.<sup>17</sup> When combined, these efforts will strengthen the regional security paradigm through tackling both internal (stability of democratic institutions, economic development, freedom of civil society) and external (energy dependency) problems. The Ukraine crisis reveals that when social unrest appears in economically weak and corrupt societies European values can grow due to the demand to improve the general quality of life. When all four platforms are improved simultaneously in the region, Russia may well lose its ability to explore internal weaknesses both inside the EaP region as well as in the EU decision-making process.

## Internal Threats

### *Frozen Conflicts and Separatist Movements*

Secessionist movements in the EaP region remain one of the main stumbling blocks for EU-EaP cooperation. With the addition of Crimea and Ukraine's Donbas region to the list of conflict zones, it becomes clear how effective a game of "divide-and-conquer" can be for the Kremlin. The Russian Federation has miscalculated regarding the ease with which it assumed other countries would believe its propaganda regarding the apparently "spontaneous" uprisings in eastern Ukraine. Rather, its politics of denial have backfired, as facts on the ground reveal that the violent unrest in Ukraine's Donetsk and Luhansk regions are being fueled by an influx of "volunteers," special forces, and weapons from Russia. The precedent that has been set by this form of Russian intervention has changed the current security paradigm in Eastern Europe by making it harder for EaP countries to lead their societies in a coherent manner towards greater integration with Europe. The difficulty associated with de-escalating the violence in the Donbas region may become one more stumbling block for Ukraine in the efforts to bring itself back from economic collapse, as well as implementing the reforms that were demanded by the Maidan protesters and codified in signed agreements with the EU.

The occupation of Crimea resonates with what happened six years previously in Georgia, when Vladimir Putin took advantage of local skirmishes to establish a firm military presence in the regions of South Ossetia and Abkhazia. According to the Independent Fact-Finding Mission report on the conflict in Georgia, an influx of volunteers/mercenaries from Russia to South Ossetia in early August 2008 (before the Kremlin officially decided to intervene), played a part in the escalation of the conflict.<sup>18</sup> Following the same logic, the Kremlin sponsored campaigns of public denial regarding their interference in such manners in not only the Eastern Ukraine, but the doppelganger breakaway regions in Moldova.

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<sup>17</sup> The four platforms of the EaP program are: Platform 1 - Democracy, good governance and stability; Platform 2 - Economic integration and convergence with EU policies; Platform 3 - Energy security; Platform 4 - Contacts between people.

<sup>18</sup> Council of the European Union, "Independent International Fact-Finding Mission on the Conflict in Georgia", Volume I, September 2009, available at [http://www.ceiig.ch/pdf/IIFFMCG\\_Volume\\_I.pdf](http://www.ceiig.ch/pdf/IIFFMCG_Volume_I.pdf)

Even today South Ossetia and Abkhazia represent a possible source of tension with Russia, which is always dangerous for a state trying to pursue closer integration with Europe. While “frozen conflicts” in the EaP region are by definition dormant, they are still sources of regional instability in the same way that a dog that does not bark can still snap at a passerby. For instance, a new wave of protests erupted in Abkhazia in June 2014 that led to the resignation of local leader Aleksandr Ankvab and his replacement by a more Kremlin-friendly figure. This move sparked a number of important questions regarding Russia’s plans for potentially further integrating Abkhazia in the future. The Kremlin could use such a popular uprising as a pretext to formally annex Abkhazia in a Crimea-style move.<sup>19</sup>

Another regional challenge is Moldova’s so-called “Gagauz Referendum Syndrome.” In February 2014 Gagauzia, an autonomous region in the south of the country, held an unconstitutional referendum in which a large majority of voters expressed their desire to join Russia’s Customs Union.<sup>20</sup> This referendum was not recognized by Chişinău, but brings to the surface another lever (alongside the Transnistria issue) that Russia could use to put pressure on Moldova. The true “dog that did not bark” in Moldova is without question the breakaway Transnistria region. With a total population of 500,000, this region is home to at least 1,200 Russian soldiers ostensibly responsible for guarding tons of Soviet-era weaponry and ammunition. Such an arsenal could swiftly be exploited if Moscow decided to awaken a mood of popular uprising amongst Russian-speakers in the region.

A month after the Gagauz referendum, the Transnistrian legislature formally asked the Russian government to incorporate it into the Russian Federation as part of what its leader Yevgeny Shevchuk called a “civilized divorce” from Moldova.<sup>21</sup> The Transnistrian case is particularly important because it encapsulates many of the important ways that Russia can use breakaway regions for its own benefit. While itself a party to the conflict, Russia has nonetheless portrayed itself as a neutral outside mediator, contributing troops to a “peacekeeping mission” while blocking efforts within the OSCE to slow down the conflict-resolution process and thus influence the EU’s relationship with the country. Brussels and Kyiv should work hard to prevent Moscow from replicating this approach in the Donbas region.

Last but not least, the role of the Nagorno-Karabakh conflict is significant not only for regional security, but as a potential obstacle for possible Eurasian Union membership for Azerbaijan. Should Armenia join Russia in this union, the political fallout will leave Azerbaijan with no alliance position. Baku is indisputably a strategic partner in terms of both economic and energy

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<sup>19</sup> Anidze & Tana, “Defying Russian Warnings”, *ibid*.

<sup>20</sup> Sergei Manastîrlî and Vladimir Solovyëv, “Customs Ally: Gagauzia Wants to [Join] Russia, Belarus, and Kazakhstan”, [Таможенный союзник. Гагаузия хочет к России, Белоруссии и Казахстану], *Kommersant Moldova*, March 3, 2014, available at: <http://kommersant.md/node/25241>

<sup>21</sup> Mary Chastain, “Moldova, Georgia to Sign EU Trade Agreements Despite Russian Warnings”, *Breitbart*, June 10, 2014, available at: <http://www.breitbart.com/Big-Peace/2014/06/10/Moldova-Georgia-to-Sign-European-Union-Trade-Agreement-Despite-Russia-Warnings>

cooperation for either the EU or Russia. There is a choice that Russia faces in this regard: whether to seek Armenia's turn away from closer ties with the EU at the potential cost of a formal alliance with Azerbaijan. If it chooses the converse, and pursues closer ties with Azerbaijan, it risks alienating Armenia.

As a result, the problem of such conflict zones in Europe (both real and potential) rests on two major identifiable factors: 1) The value Russia places on preventing countries it considers to be its "near abroad" from moving closer to the EU; and 2) the internal weaknesses among these "near abroad" countries, such as corruption, weak economies and fractured civil societies, which allows Russia to both explore and exploit security loopholes. As a matter of fact, the destabilized zones in the eastern neighborhood play directly into the Kremlin's hand in this regard, especially when the unrest was easily caused with Russian assistance. Still, even if fomenting such unrest and destabilization is possible inside EaP countries, this does not necessarily mean that it is an easy task for an external player such as Russia.

The EU has set itself on a long path to achieve social and economic cohesion among all member states. In the meantime, many EaP countries have lagged behind, dragged down by heavy corruption and corrosive institutions. The emerging discourse over Russia's global role should not just be centered on the Kremlin's behavior as an aggressor, but also on the EU's approach towards this partnership and the actions that it must take to try and heal the internal wounds within EaP countries. A more strong and coherent Europe should then create a strategy and toolkit to engage with Russia of its own accord, rather than be subject to policies dictated by an aggressive and pushy Russia. It is also possible that Russia itself will eventually emerge as an open society after its growing internal democratic opposition strengthens.

*Internal Political Instability: Securing Elections, Strengthening Political Culture, and Fighting Corruption*

Looking at both political, economic and security factors, it is clear that the level of democratic development in the EU's eastern neighborhood has been a pivotal precondition for inspiring positive developments regarding increased cooperation and integration.<sup>22</sup> In contrast, high levels of local corruption have served to develop machine-like apparatuses that can be exploited to subvert law enforcement personnel.

The corrupt nature of local leadership in EaP countries, of which Ukraine is emblematic, has been and continues to be the main threat in regards to the region moving closer to the West. Political decision-making heavily depends on a closed circle of local authorities who use national institutions to augment their own personal sources of revenue. In Ukraine, a Soviet legacy of corruption that was a free-ride, risk-free exercise for such officials persisted for two decades following independence and led to the creation of an oligarch class similar to that in Russia. The recent popular uprising in Ukraine stood up to the centralized regime and the corruption it allowed to persist. The EaP region as a result now

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<sup>22</sup> Samadashvili, "The Magnetic Pull of Russian Soft Power", *ibid.*

faces a critical moment in which its governments need to deliver the changes that have been popularly demanded. These changes would require a massive social campaign. Such a campaign, however, is do-able, and the EU can help facilitate it by demonstrating the successes of the Baltic countries and Poland in limiting post-Soviet corruption and the rise of oligarchs.

Corruption is not only a tool used by the incumbent ruling party and its leaders to secure wealth for themselves in otherwise democratic societies; it also threatens the semi-democratic regimes within the EaP. In these states corruption creates a trade-off between loyalty to the authoritarian government versus economic benefits. Corruption in semi-democratic or authoritarian regimes is a greater threat to rulers since it potentially strengthens subservient elites to the point where they become true rivals. Leaders in both Azerbaijan and Belarus have therefore focused on fighting corruption in order to stay in power. Two decades ago, Alexander Lukashenka won a presidential election in Belarus with an anti-corruption platform. Recently, he has begun repurposing his old slogans in that vein through relating the recent revolution in Ukraine to the persistence of corruption in that country. The upcoming Belarusian presidential elections in 2015 will be more nerve-racking for Lukashenka than previous campaigns due to the crisis in Ukraine. Lukashenka has been trying to sit in two chairs at the same time: being a good neighbor to Kyiv while also maintaining his relationship with Russia and suppressing any domestic revolutionary sentiments.

During his rule Lukashenka has created a highly centralized and non-transparent political system aimed at preventing any opposition. This, in turn, encourages some level of corruption. In an annual address Lukashenka paid a heightened amount of attention to the problem, especially as it applied to low-level enforcement officials (Interior Ministry, Investigative Committee, customs and border agencies), judges and the KGB (including the initiation of criminal proceedings against a number of its top officials from Homel province). The latter is essential for securing future decades of his authoritarian regime. In his emotionally charged speech Lukashenka stressed that corruption and abuse remain the “birthmarks” of law enforcement and executive bodies. His concerns over the threat of Russian “green men” popping up in Belarus will push the Belarusian leadership to reconsider what its national security interests are, specifically since, like Ukraine, the country lacks strong security guarantees.<sup>23</sup>

The anti-corruption tactics adopted by Azerbaijani president Ilham Aliyev resemble those of Lukashenka.<sup>24</sup> What we have observed in Azerbaijan is not a genuine fight against corruption, but only a step to contain further discontent against the government in Baku. President Aliyev’s re-election in October 2013 with a reported 84.5% of the vote was marred by claims by the opposition that the voting was skewed heavily to favor the incumbent. Despite these challenges, the EU should continue to engage with Belarus and Azerbaijan. Anti-corruption

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<sup>23</sup> Andrei Parotnikau, “The Ukrainian Scenario is Being Tested in Belarus”, Belarus Digest, May 26, 2014, available at <http://belarusdigest.com/story/ukrainian-scenario-being-tested-belarus-belarus-security-digest-17869>

<sup>24</sup> “Basis of Advanced Anti-Corruption Legislation Formed in Azerbaijan—Prosecutor”, Trend News Service, June 30, 2014, available at: <http://en.trend.az/news/politics/2289883.html>

initiatives that reach core government institutions are a key goal of the EaP in fostering regional democratic transformations. Even if such measures are initially enforced to protect authoritarian regimes, they will also ultimately have positive effects on society as a whole.

### *Economic and Energy Dependency*

Economic dependency is another potential weakness that is open to exploitation. In the run up to the Vilnius Summit, Russia gave the EaP countries a small taste of what forms of economic warfare it could employ if they sought closer ties with the EU. Kyiv and Chişinău faced export bans and renewed disputes over natural gas supplies and tightened migration rules.<sup>25</sup> Yerevan saw its energy and security guarantees under threat. Minsk learned that it cannot dissemble its economic and military reliance on Russia even if it disagrees with Russian actions in Ukraine. Russian Deputy Prime Minister Dmitry Rogozin made it clear that even if any country can develop relations with the EU, they should not do so without remembering the implications of such actions.<sup>26</sup> The threat of “painful implication” by Russia became a factor in inspiring Armenia to make a U-turn away from closer integration. It was also partly responsible for Ukraine’s eleventh-hour refusal to sign the agreements in Vilnius. Armenia was a wake-up call; Ukraine should have sounded the alarm for Europe regarding the Kremlin’s willingness to pursue aggressive action to achieve its goals.

The Ukrainian crisis has brought with it a moment of ultimate truth. Countries attempting to “have it both ways” by walking a tight rope between east and west now find it difficult to balance relationships with both Russia and the EU in a moment of true crisis. Belarus signed an agreement with Kazakhstan and Russia on May 29, 2014 to form a limited economic union. Though hobbled by the absence of Ukraine, this alliance had been long pursued by Russian president Vladimir Putin.<sup>27</sup> The union of three weak economies<sup>28</sup> is centered as a practical manner on one dominant decision maker: Russia. Since Russia’s economy is currently the target of international sanctions, this makes the prospective economic outlook for the other members of the union less rosy. As it currently stands, the Eurasian Union is a mere parody of the European Union, one that

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<sup>25</sup>“Russia Warns Moldova About EU Integration Risks”, RIA Novosti, June 16, 2014, available at: <http://en.ria.ru/russia/20140616/190557087/Russia-Warns-Moldova-About-EU-Intergation-Risks.html>

<sup>26</sup> Raf Casert, “EU, Russia Face Off Before Divisive Summit”, Associated Press, November 25, 2014, available at: <http://bigstory.ap.org/article/eu-russia-face-divisive-summit>

<sup>27</sup>Neil MacFarquhar, “Russia and 2 Neighbors Form Economic Union That Has a Ukraine-Size Hole”, New York Times, date, available at: <http://www.nytimes.com/2014/05/30/world/europe/putin-signs-economic-alliance-with-presidents-of-kazakhstan-and-belarus.html>

<sup>28</sup> “Russia’s economy [...] will dampen further in the face of a deteriorating political situation, tougher sanctions, falling investor confidence and a business climate worsened by fears of retaliation against western companies that produce in or sell to Russia.” See “Russian Economy Likely to Be In Recession at End of Q2”, Reuters, May 13, 2014, available at: <<http://www.reuters.com/article/2014/05/13/russia-economy-idUSL6N0NZ3AX20140513>>.

Additionally, the IMF cut its 2014 growth forecast for Russia to 0.2% from 1.3% and said it expected the country’s economy to grow by only 1% next year; see “Russia Experiencing Recession”, BBC News, April 30, 2014, available at: <<http://www.bbc.com/news/business-27221345>>

carries far less economic attractiveness on the global level. There are also other issues at play. Belarus' president Alexander Lukashenka understands that membership carries with it a risk regarding the country's sovereignty. Minsk needs Moscow's good will and money, yet national unity itself is threatened by closer ties. Lukashenka alluded to this in one of his recent speeches, which he somewhat surprisingly chose to give in the Belarusian language.<sup>29</sup>

The European Union is working hard to draw lessons from the recent global financial crisis. Applying these lessons can give the EaP region strong tools to improve economic governance and well-being. Such tools are needed since many of the internal weaknesses in the Eastern neighborhood are rooted in the corrupt nature of national asset management. Such problems are a fruitful field for Moscow to enforce its "power of the creditor" over much of Eastern Europe.

The EaP countries are perhaps most economically vulnerable to Russian interference in the energy sector. The EaP countries are very dependent on upstream gas linkages with Russia for a lot of their energy. Ukraine-Russia energy relations, for instance, are dogged by constant crises and disputes due to the non-transparency of the energy business in both countries. Ukraine's weakness in this regard is thus not due entirely to reliance on Russia, but also the massive corruption that has taken root in its energy sector. For two decades a limited circle of Ukrainian oligarchs mixed with top politicians and succeeded in developing a money-laundering network that subsists by selling Ukrainian gas to Russia at vastly inflated prices.

The core problem of energy insecurity, which underpins a number of disputes between Ukraine and Gazprom, rests on two issues: 1) *internal*—the absence of essential gas metering points along the Ukrainian-Russian border; and 2) *external*—the Kremlin's interest in acquiring control of the Ukrainian gas transportation system as it did in Belarus and Armenia. The first issue is easily fixable. It could be accomplished overnight if there were a desire to do so. The latter is more difficult to correct. Still, it is not helped by a number of controllable factors. For instance, in its unavoidable continued dealings with Russian energy monopolies, the EU should continue to stress transparency and free market pricing.

Ukraine's gas crisis is furthermore a direct security threat to the EU, which receives 52% of its Russian gas imports via the Ukrainian pipeline system. As previously stressed by ICDS,<sup>30</sup> the Energy Community still remains a strong legally-binding framework in which EaP countries are compelled to reform their respective energy sectors in order to attract market players, investments and finally enhance the security of the energy supply. Europe has all the tools for long-term developments in place. What it needs to tackle now are short-term

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<sup>29</sup> Aleksandr Klaskovskiy, "On the Eve of Putin's Arrival, Lukashenka Spoke About Independence in Belarusian", [Накануне прилета Путина Лукашенко заговорил о независимости по-белорусски], Naviny.by, July 2, 2014, available at:

[http://naviny.by/rubrics/politic/2014/07/02/ic\\_articles\\_112\\_185940](http://naviny.by/rubrics/politic/2014/07/02/ic_articles_112_185940)

<sup>30</sup> Tuohy & Bulakh, "Narrow Focus, Broad Vision", *ibid.*

stumbling blocks that are a result of Russia's regional presence and desire to prevent regional implementation of the reforms.

There are other economic difficulties as well. Ukraine (along with Moldova and Georgia) faces tough challenges in ensuring that exports meet EU standards and comply with European legislation in areas such as public procurement.<sup>31</sup> Communication is one of the core instruments that the EU should apply at this stage. It is important to remember that one of the main reasons the heavily-industrialized eastern Ukraine region was less supportive of closer economic relations with the EU was a common perception that such agreements would cause the Ukrainian economy to sour and close CIS markets. Moreover, EU-Ukraine communication on the technical implementation of economic reforms has not yet been fully effective. To that end, however, the EU leadership launched a website<sup>32</sup> in June where Ukrainian entrepreneurs can find information on economic opportunities for small and medium business that will be enhanced if economic agreements and reforms go through. This is the first step towards addressing the communication gap between economic actors and the EU, and should be one of the main priorities implemented in all EaP countries. The scope of the challenges that Ukraine faces means that the EU should stay on the ground in order to guide both Kyiv and individual regions through steps of economic modernization and liberalization, always bearing in mind that the weaker Ukraine's economy, the greater the influence that Russia can exert over it.

Looking at the factors behind Armenia's decision to U-turn away from closer European integration, we can identify three major reasons, all of which have economic implications. These reasons are 1) a strong Russian presence in Armenia's energy and other economic sectors; 2) the Nagorno-Karabakh conflict; and 3) Armenian migrant laborers in Russia. The benefits of closer EU ties for Armenia, therefore, must be weighed against gas prices, the potential for closer security/military ties with Russia, and decreased pressure on Armenian migrants to Russia. Despite this cost/benefit analysis, rejecting the opportunity to join the AA and DCFTA came at a high final cost. Yerevan had to provide additional space for the dislocation of Russian military troops, the so called "Russian gingerbreads."<sup>33</sup> Armenia also gave up the remaining 20% of its national shares in ArmRosGazprom as payment for state debt of \$155 million (€115 million), which had been called in by the Kremlin just before Armenia was set to sign the association agreement with the EU.<sup>34</sup> Armenia's strategic partnership with Russia

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<sup>31</sup> Sarah Lain, "Ukraine, the European Union, and Russia: A Game of Absolutes?", Royal United Services Institute, June 29, 2014, available at

<https://www.rusi.org/analysis/commentary/ref:C53B03077B43C0/#.U7E0QBZLD-N>

<sup>32</sup> European Commission Representation in Ukraine, "Business the European Way: A Guide for Small and Medium Enterprises in Ukraine" [Бізнес по-європейськи: путівник для малого та середнього бізнесу], web portal, available at <http://europa-torgivlia.org.ua/>

<sup>33</sup> "Armenia Transfers New Area to Russian Air Force Base for the Purposes of Modernization and Reinforcement" [Армения передает новые площади российской авиабазе с целью ее модернизации и пополнения], Arka News Agency, November 22, 2013, available at: [http://arka.am/ru/news/politics/armeniya\\_peredaet\\_novye\\_ploshchadi\\_rossiyskoy\\_aviabaze\\_s\\_tselju\\_ee\\_modernizatsii\\_i\\_popolneniya\\_mo/](http://arka.am/ru/news/politics/armeniya_peredaet_novye_ploshchadi_rossiyskoy_aviabaze_s_tselju_ee_modernizatsii_i_popolneniya_mo/)

<sup>34</sup> "Aleksey Miller: 'The Increased Presence of Gazprom in Armenia is a Guarantee of Sustainable Future Energy Development in the Country'", Gazprom press release, February 24, 2014, available



proved to be one-sided. It was limited by its inherent lack of parity, with Armenia, unsurprisingly, receiving the short end of the stick in most exchanges. This lack of fairness could result in a social uprising at any time. Possible domestic unrest in Armenia would most likely not resemble Ukraine's Euromaidan, but could emerge from increasing dissatisfaction regarding the socio-political and economic situation inside the country. A drastic increase in household prices for gas and electricity (at 18% and 27% respectively), alongside unpopular reforms of the pension system, have cut into the income of Armenian citizens.<sup>35</sup> The failure of Armenia's U-turn to deliver any feasible and popular economic results could add to the social unrest caused by the uncertainty surrounding the unresolved Nagorno-Karabakh conflict.

The long-standing dynamic in Belarus is derived from the large quantity of Russian grants and energy subsidies in the country, which, dictated by the Kremlin's policies of engagement in zones of its own interests, keeps Minsk on an equally short leash.<sup>36</sup> Belarus is in a similar position to Ukraine as a transit country for Russian gas exports to the EU. Yet, Belarus pays some of the lowest prices for natural gas in the EaP, at \$160 (€119) per tcm, compared to \$169 (€126) per tcm for Armenia (also under a preferential tariff) and \$417 (€310) per tcm for Ukraine. In fact, a Russian monopoly has controlled the Yamal transit pipeline since its inception. Gazprom owns almost all of the pipelines in Belarus.

A crippled economy makes Minsk an easy target for Moscow. Lukashenka's inefficient socio-economic model leaves the country without the internal resources to maintain his popular approval. The Belarusian economy hit rock bottom in 2013, with the second worst economic showing of the last decade. Belarus experienced only 0.9% GDP growth as opposed to a projected 8.5%, mainly due to the inefficient management model adopted by the Belarusian government.<sup>37</sup> Key sectors of the economy, especially oil and chemicals, are highly dependent on external variables and have no strong internal mechanisms to promote economic growth. To fight these economic issues officials have resorted to artificial measures, such as printing money, as well as trying to stimulate domestic consumer demand through wage increases. These actions have led to a high level of inflation, a reduction in foreign exchange reserves, and a further increase in borrowing from Russia.<sup>38</sup> By using all these tools it is quite obvious that Minsk is trying all means at its disposal to avoid social dissatisfaction, even if the result is falling into deeper dependency on Russian lending.

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at: <http://www.gazprom.ru/press/news/2014/february/article185076>

<sup>35</sup> Social Protests in Armenia: Gas Cocktails and the Future of Pensions [Социальные протесты в Армении: газовые коктейли и пенсионное будущее], Public Dialogues, January 30, 2014, available at: <http://www.publicdialogues.info/node/735>

<sup>36</sup> Independent Institute of Socio-Economic and Political Studies, Infocenter Bulletin 12:2013, available at <http://iisepts.org/buletendetail/217/lang/en>

<sup>37</sup> "Belarus GDP Annual Growth Rate", Trading Economics, available at <http://www.tradingeconomics.com/belarus/gdp-growth-annual>

<sup>38</sup> On December 25, 2013, Moscow extended Belarus a line of credit of up to \$2 billion (€1.5 billion) for a period of 10 years; the first loan installment of \$440 million (€325 million) was transferred just before the end of the year.

Moldova is another country that has been unable to cut its short leash held by Moscow. Russia is still Moldova's second largest trading partner and its main source of energy supplies. Moldovan energy dependence on Russian gas is set to diminish by up to one third after the completion of a new pipeline from Romania in 2015.<sup>39</sup> Another fear is that Russia would restrict visas for Moldovan workers, a move that would immediately cut off the remittances that are a valuable source of income to its struggling economy.<sup>40</sup>

In comparison to the economic issues in the EaP region as a whole, it is easy to argue that the Georgian economy has had a relatively more successful time resisting Russian pressure. This resistance has ultimately strengthened the economy of Georgia as a whole. In order to combat Russian pressure Georgia diversified its trade partners, sought alternative routes of supply for its energy resources, and unilaterally lifted trade barriers following the Rose Revolution of 2004-5. By comparison, in the case of Moldova, the government is only recently beginning to liberalize trade, which will require various adjustments by Moldovan industries that their Georgian counterparts have already completed. Furthermore, the impact of the two DCFTAs signed by Georgia and Moldova will be radically different, even if they are based on the same model, due to their differing economic circumstances. This indicates that trade liberalization will not occur in a monolithic fashion, and that the EU should adopt a differentiated approach to trade liberalization in the EaP that takes into account the individualized economic circumstances of each country in the bloc.

Georgia still faces many major internal economic problems despite its liberalization efforts. First, it must deal with the lack of competitiveness of Georgian goods and labor on both international and local markets.<sup>41</sup> Second, it must contend with seasonal fluctuations in the national currency, the lari. The main reason that the lari depreciates against the dollar is due to misplaced monetary policy priorities. In the short run a weaker lari is a way of making Georgian goods more competitive on the international market. This benefit, though, is countered by the increased cost of imported goods and often fails to stimulate foreign investment.

In contrast to the declining economies of other CIS states, Azerbaijan has seen huge advances in economic growth and wealth, due largely to an increase in oil and gas exports. The Azerbaijani economy has become a typical case of a renter economy, in which a semi-authoritarian regime controls the main economic assets and presides over the distribution of revenues from the oil/gas sector. In turn, Europe's narrow energy interests form the basis of its relationship with Baku. For pragmatic reasons, they can and should take precedence over the EU's goals of encouraging democratic reform in the EaP region. In light of the ongoing disputes between Russia and Ukraine over gas, the EU should work to secure its access to Azerbaijani gas, even if doing so requires implicitly sanctioning the authoritarian tactics of the government in Baku. If the Azerbaijani government

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<sup>39</sup> Baltag & Bosse, "ENP as an Instrument for Building a Security Policy", *ibid.*

<sup>40</sup> Anidze & Tana, *ibid.*

<sup>41</sup> Finance Minister: 'Georgia's economy is not competitive', *Agenda.ge*, February 24, 2014, available at: <http://agenda.ge/news/9283/eng>

makes strides towards reducing such forms of repression as the political prosecution of activists, it would greatly facilitate Azerbaijani-EU energy cooperation while making Baku a much more reliable partner with the West.

The EU also must confront the fact that Russia does well in geo-political games in which Europe does not even recognize that it is a player. The EU systematically avoids seeing conflict in the EaP region in hard geo-political terms. Even the game of energy, which the EU has shown itself relatively willing to play, is not always an even competition. Still, the ongoing development of a solid playbook for victory by the EU, including energy diversification projects, better pipeline construction, anti-monopoly regulations, and ultimately a single European energy market, can help to level the playing field and both deter the Kremlin's manipulation of energy supplies and decrease their economic leverage in the EaP region.

### **The Turn Towards the EU: A Generational Choice?**

A broad engagement with citizens supporting democratization efforts, building solid constituencies for Europe and reaching out to influential opinion makers in these countries are important keys for the EU to lock in the potential of the EaP region. Visa liberalization in EaP countries and even Russia has transformational potential in terms of justice, liberty and security for the countries where it has been deployed.<sup>42</sup> Younger generations in post-communist regions have demonstrated their openness to the growing seeds of democracy, rule of law, freedom of speech, and political activism, which interact to make the turn towards Europe a "generational choice" in the region. While moving to counter strategic hard power threats, the EU should not set its successful soft power policies aside. An ability to act and react coherently inside the Union could develop a higher level of appreciation and respect in the international arena. This respect and reliability can only be the result of soft power, not hard power. The EU has succeeded in promoting its image of value-based unity; its outreach to civil society in the EaP region has helped it to build its audience.

In 1999, the late former Georgian Prime Minister Zurab Zhvania proudly declared before the Council of Europe that "I am Georgian, and therefore I am European." According to a 2012 survey, Zhvania's sentiments have become deeply rooted in the general public, with almost three in four Georgians supporting the idea of eventual membership in the EU.<sup>43</sup> The outbreak of the Maidan protests in Ukraine demonstrated that over the past two decades the EU has managed to build an audience receptive to its calls for democratization in the region. The EU

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<sup>42</sup> Raúl Hernández i Sagraera, "The Impact of Visa Liberalisation in Eastern Partnership Countries, Russia and Turkey on Trans-Border Mobility" (Brussels: Centre for European Policy Studies, 2014), available at <http://www.ceps.be/book/impact-visa-liberalisation-eastern-partnership-countries-russia-and-turkey-trans-border-mobilit>

<sup>43</sup> Tamila Varshalomidze, "Hopeful Georgia Takes Baby Steps Towards the EU", Al-Jazeera, November 30, 2014, available at: <http://www.aljazeera.com/indepth/features/2013/11/hopeful-georgia-takes-baby-steps-towards-eu-20131129161746617869.html>

should therefore continue its outreach to these publics and groups on the ground.

The Maidan protests also revealed the lack of technical communication between the EU and EaP countries on the level of the local population in regards to issues of not only reforms, but also threat assessments of AA and DCTFA implementation, which was a major issue in causing unrest in Eastern Ukraine. For reforms in Eastern Partnership countries to be successful, stronger civil society participation is needed to enhance the oversight of public services and strengthen public confidence in those services. Communication between Brussels-Chișinău and Brussels-Tbilisi among others needs to be extended down to the provincial level on a daily level. The daily results of coordination between Brussels and Kyiv need to be reported in the mass media from Donetsk to Lviv. In this regard Ukraine has experienced rapid development of new media channels that have been established by activists. These nonprofit stations, such as Espresso.tv, became key sources of information during the crisis. It is up to the EU to monitor these informal media sources with equal or greater care than formal sources in order to track the trend of public opinion in times and areas where it can fluctuate dramatically.

The EU and Russia have different styles in engaging with partner countries. The EU mainly works with governments, and promotes the long term systemic benefits of cooperation. These resulting benefits, though, may not be visible to ordinary people and may only be felt indirectly. Russia, meanwhile, has adopted the tactic of promising concrete short-term gains, such as cheap gas, while spreading misinformation about the cost of EU initiatives that the EU is reluctant to openly tackle. For this reason the EU would find it difficult to engage in an all-out populist competition with Russia. The latter has already in many respects perfected this tactic. Still, the EU does need to adapt its actions to the realities on the ground, for instance through stronger information campaigns and better public diplomacy efforts amongst citizens in the EaP region such as student exchanges and scholarships. The Kremlin has demonstrated its will to pursue a divisive foreign policy. It has similarly been successful in finding a limited audience of Russians and Russian sympathizers across Europe. The EU, though, is generally more successful in bringing together divergent societies under the umbrella of the prospering Union. Indisputably, Russian divide and conquer politics will remain the central threat to the EaP region during the next decade of active reform implementation. Yet after Belarus and Kazakhstan rejected Russia's proposal to implement sanctions on Ukrainian products through the framework of the Eurasian Union, it proved that the Kremlin does lack the power of attractiveness in regards to supporting its ambitious endeavors.<sup>44</sup> A split in the Russian-dominated economic union brings the possibility of a U-turn by Belarus away from Moscow and opening up the window of prospective engagement with the EU.

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<sup>44</sup> Yauheni Preiherman, "A Split In The Eurasian Union: Belarus Refuses To Join Russia's Trade War With Ukraine", Belarus Digest, July 7, 2014, available at: <http://belarusdigest.com/story/split-eurasian-union-belarus-refuses-join-russias-trade-war-ukraine-18462>

The EU has demonstrated the feasibility of a “double track approach” within the EaP framework, especially as it pertains to Ukraine. Today it has never been more important, in one sense, to demonstrate the unacceptable nature of Russian actions in Ukraine and the broader EaP region. On the other, the EU should demonstrate its determination to do everything within its power support an independent, sovereign, democratic and prosperous Ukraine.<sup>45</sup> Greater solidarity, engagement and flexibility, alongside a more proactive and generous approach to partners such as Moldova and Georgia, are needed.

## Conclusion

Last year’s Vilnius Summit, along with the dramatic events of the Ukraine crisis, have helped rewrite the history of the EaP region. Next year’s Eastern Partnership Summit in Riga should help turn the page on these events by advocating concrete deliverables for each EaP country as well as streamlining the EU’s toolkit of measures to deter possible future regional challenges. The Ukraine crisis has revealed the importance of a united Europe acting quickly and decisively when it comes to foreign policy matters. Equally important is to have a clear foreign policy direction including, perhaps, a security guarantee for the entire EaP initiative. The stability of the EaP countries is an integral part of the security and stability of the EU. The recent European Parliament elections demonstrated that the popular appetite for “more Europe” in Western Europe has been waning, while the EaP electorate demonstrates the opposite tendency: rising support for closer ties to the Union. Meanwhile, Russia has made relatively small advances through relying on exploiting the remaining systemic weaknesses within the EaP. The Kremlin has managed to prevent some EaP countries from signing association agreements with the EU, and will continue to exploit divergent viewpoints among EU member states.

Russia will exploit any perceived weaknesses within either the EaP or EU. For EaP countries this would slow down movement towards the eventual goal of concluding agreements with the EU. It would also serve to undermine the five years of results accomplished within the EaP framework. The Kremlin’s hybrid tactics of information war, military aggression, ignorance of international law and gas supply disruption, though, are clear tools of influence. Having been tested in Ukraine, there is no guarantee that these tools will not be applied against any other country that stands in the way of Russian interests.<sup>46</sup> In seeking to blunt this challenge the EU must leverage its experience of conducting business with Russia in order to develop new tools of its own to more effectively deal with the unwanted third party presence in the EaP framework. Doing so will not only increase the security of the EU and EaP but inject new momentum into the EaP initiative.

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<sup>45</sup> José Barroso, “Speech on the June European Council”, European Parliament, Strasbourg, France, July 2, 2014, available at [http://europa.eu/rapid/press-release\\_SPEECH-14-518\\_en.htm](http://europa.eu/rapid/press-release_SPEECH-14-518_en.htm)

<sup>46</sup> Elena Pavelenko, “Russia-Ukraine: The Second Front”, EurActiv, June 18, 2014, available at: <http://www.euractiv.com/sections/energy/russia-ukraine-second-front-302875>

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