

Russia and the European Union: What Remains of the Partnership?

Tihomir Cipek*

Abstract:

This text will analyse the determinants of the foreign policies of Russia and the European Union (EU) in order to present their mutual relations.¹ It is centred on an attempt to give an overview of the relations between Russia and the EU following the crisis in Ukraine and the Russian annexation of Crimea. The text will first identify the basic theoretical starting points for interpretations of international politics and the essential determinants of Russia's and the EU's foreign policies. The second part of the text will discuss the legal basis for the relationship between Russia and the EU that is regulated by the 1994 Partnership and Cooperation Agreement and compare the energy politics of both sides. Finally, I will try to make a projection of the most important characteristics of future relations between Russia and the EU.

Keywords: Foreign Policy, Energy Policy, Russia, Vladimir Putin, European Union, Partnership in International Politics, State Interests.

Constructivist Theory of International Relations

The analysis of the relations between Russia and the European Union (EU) is based on the premise that Russian foreign policy is really determined by the process of shaping the Russian national identity. In the centre of this process lies Russia's attitude toward the West, represented in the analysed case by the European Union. On the other side, this is about a process of shaping the foreign policy

* Prof. Dr., Faculty of Political Sciences, University of Zagreb, e-mail: tcipek@fpzg.hr

¹ Part of this text was published in the book by Davor Boban and Tihomir Cipek, *Političku sustav Rusije*, (Sarajevo: University Press, Zagreb: Plejada, 2017).

identity of the EU. In my opinion, the traditional explanations offered by the realist and liberal approach to foreign policy provide just partial insight into its features. Realists think that the key to interpreting foreign policy is power. And the amount of power is measured by the military and economic strength of a country. The liberal approach to international politics claims that the world-wide prevalence of liberal democracy will bring forth the age of permanent peace and prosperity. Unlike the realist and liberal approach, the constructivist theory of international relations points out that national interests are shaped within a social and cultural system of a country. The starting point is that national interest of a country, and its actions in international politics arise out of its self-awareness. It seems inevitable that rich and military-dominant countries have a different perception of the world than others. In other words, the starting premise is that a country's foreign policy is determined by the way in which its political elites and people see themselves, but also the way they see Others. Are these Others perceived as a threat or not? Can we cooperate with them or not? These are the questions that are central to Russia's relationship with the EU. The answers that have been given vary; at different times, Russia answered these questions in different ways, ranging between the two extremes of total openness or total closure towards the West. And while Russia was seeking foreign-policy answers, the European Union was looking for a joint foreign policy. Problem for the EU lay in the fact that foreign policy, just like democracy, was historically and institutionally designed for nation states. That is why the main characteristic of EU's foreign policy is that – despite efforts to make it as coordinated and unitary as possible – it really remains in the domain of nation states. This is clearly demonstrated by voting practices in the UN, in which EU members vote differently from each other.

Russian Foreign Policy

Immediately after the fall of the USSR, in the first years of Yeltsin's government, Russian foreign policy was extremely pro-western. The ruling elite felt that Russia, pressed by the Bolshevik dictatorship, forgot its true, western identity. It was emphasised that western democracies, led by the US and the EU, were actually natural Russian allies. Those pro-western Russians hoped that the West, once it realised that Russia was actually its integral part, would foster its economic development by large foreign investments. But the West never came up with a new Marshall Plan for Russia, so a more

significant economic help never came. While it is true that western companies bought some Russian ones during the process of privatisation, this did not have any apparent positive results for the Russian economy.

On the contrary, an abrupt introduction of market economy through so called "shock therapy" wrecked Russia's economy. Between 1985 and 1992, Russia's gross domestic product plummeted by an unbelievable 60%.² "Shock therapy" undoubtedly justified its name. Such circumstances called for a reappraisal of the Russian national and state identity. The idea that Russia was only weakened by its pro-western orientation was gaining traction in large parts of the public.³ Due to the bad economic situation, Yeltsin's government was dependent on western payments connected with the privatisation of Russian state companies. Yeltsin tried to solve the economic crises by forming better connections with the European Union, with which he negotiated the formation of a free-trade zone. It should be said that free-trade zones generally anticipate greater economic, but also political integrations. It seems that those negotiations fell through precisely because of this fact. Simply put, the EU did not know what to do with Russia, but Russia also could not see what part it would play in the European Union. Nobody was ready for further economic and political integration.

New opportunities for cooperation arose when Vladimir Putin took over power in Russia. In the beginning, his foreign policy was decidedly focused on establishing good relations with the European Union and the United States. Therefore, the first period of Putin's foreign policy was substantially determined by attempts at forging bonds with the EU and the US. After being met with rejection, Putin turned towards building up Russia's might and leading an independent foreign policy. Such politics was his attempt to follow his own vision of Russian national interests without compromise. Russia was trying to re-establish itself as an important actor in international politics.⁴ This is reflected in two key foreign policy events: Crimean crisis and the war in Syria. Russia's actions in these events are the result of key principles of its foreign policy that were established and systemised by Putin and Foreign Minister Sergej Lavrov. The main aim of Russian foreign policy is a division of power on a global level.

² Andrei P. Tsygankov, *Russia's Foreign Policy: Change and Continuity in National Identity* (Lanham et al.: Roman & Littlefield, 2013), 54.

³ Idem, 61-62.

⁴ Davor Boban, "Povratak Rusije na svjetsku pozornicu," *Političke analize*, no. 7 (2011): 14-19.

Kremlin thinks that this should be achieved by organising some kind of second Yalta in order to establish new rules of behaviour in Europe and clearly divide zones of interest. The principle of dividing interest zones should also be implemented on the global level. The contemporary concept of foreign policy of the Russian Federation was approved by Vladimir Putin on the 12th February 2013. The new foreign policy of the Russian Federation – we called it neorealism because it aims to view itself in a new way and adapt to the real distribution of power on the global stage – starts from several key principles:

- a) economic, which is based on the idea that Russia's actions on the international plane are meant to establish favourable conditions for the development of its economy, with the aim of improving the standard of living of its people on the domestic plane;
- b) security, which consists of Russia - a permanent member of the UN Security Council - standing up for general peace and security on Earth, with the aim of achieving the principle of multilateral division of power in global politics;
- c) political, which is based on the premise that it is in Russia's interest to decisively and consistently advocate for fundamental UN principle of state sovereignty, or rather the principle of non-interference in domestic affairs of sovereign states;
- d) the principle of unavoidable changes in international politics, to which Russian foreign policy must adapt, but which it also has to control and guide towards their national interest;
- e) the principle of respecting egalitarian dialogue between nations, which Russia believes can lead to a decrease of existing international conflicts and tensions.

To put it succinctly, it can be asserted that the goal of Russian foreign diplomacy is to support those global processes that would enable the formation of a stable, polycentric system of international relations. Russia thinks that the role of one of the main decision-making centres in this new system should be theirs. In this way, Moscow could counteract Washington's attempts to build a unipolar world dominated by the United States. Russian foreign politics believes that it is possible to build a polycentric world by using the method of network diplomacy. This method implies the creation of flexible alliances of sovereign states, based on the principle that one country can be a member of multiple associations. Moscow's public announcements therefore stress that the economic association of

Brazil, Russia, India, China and South Africa, known by the acronym BRICS, is a good example of successful network diplomacy and the formation of a new type of association of states.

It is also very likely that Russia will take advantage of the unstable situation in the Ukraine and the separatist movements in Luhansk and Donetsk to prevent the Ukraine from joining NATO. This could be Russia's first geopolitical victory since the end of the Cold War. The second victory is Russia's annexation of the Crimea, which now seems like a permanent, inalterable fact. The third is Russian success in Syria, where its military intervention prevented Islamic terrorist from taking power. This earned Russian foreign policy a great reputation among a big part of international community.⁵

EU Foreign Policy

The idea of the need to form a common foreign and security policy of the European Union was stated in the 1992 Maastricht Treaty.⁶ This treaty also mentions basic guidelines for European foreign policy. In line with the process of greater EU integration, the 2007 Lisbon Treaty, article 24, prescribes the rules for forming EU's common foreign and security policy.⁷ It is emphasised that EU's foreign policy is defined by unanimous decisions of the European Council and the Council of Europe, except where the Treaties provide otherwise. It is basically determined that EU's common foreign policy is defined by the governments, or rather the executive power of member states. In order to effectively pursue foreign policy, the EU established a new function within the European Commission (its de facto government), and that is the function of the High Representative of the Union for Foreign Affairs and Security Policy. According to article 27 of the EU Treaty, the High Representative chairs the Foreign Affairs Council and represents the EU in its diplomatic contacts with third parties. It has been proven that the Commission plays the main role in EU's foreign policy. The EU Treaty stipulates that policy is

⁵ This was indirectly acknowledged by the former US Secretary of State Hillary Clinton when, in early March 2011, she said that Amerika was losing the "information war", which actually means propaganda war. (<https://www.thenewamerican.com/usnews/foreign-policy/item/1384-clinton-on-propaganda-budget-us-losing-information-war>)

⁶ http://www.mvep.hr/custompages/static/hrv/files/EUugovori/11992M_Ugovor_o_EU-u_hrv.pdf

⁷ http://www.mvep.hr/custompages/static/hrv/files/EUugovori/12007L_Ugovor_iz_Lisabona_hrv.pdf

based on mutual political solidarity between Member States and the ever-increasing degree of their convergence, and that member states should refrain from any action that is contrary to the interests of the Union.

EU's foreign policy, its extent and content, directly depends not just on the policies of nation states and their mutual relations, but also on the political constellation, i.e. balance of power between the main European ideological-political groups. It is also certain that conservatives (People's Parties and Christian Democrats), social democrats and liberals often give different answers to the same questions. These differences are even more pronounced within party groups of the radical left and right represented in the European Parliament. They most often surface with the question of immigrants in the Union, and especially when connected with the question of EU's global ambitions. The key to answering these questions, especially the second one, lies not only in the relationship between the EU and Russia, but primarily in EU's relation with the United States. Namely, it is evident that the European Union will not be able to become a big global player if it does not emancipate itself from the US. The United States initially supported the formation of the European Economic Community (today EU), because it considered it as some sort of NATO's economic wing. Today, the EU is a real giant in the economic sense, and it is gradually trying to translate that economic power into a political one. EU elites are no longer satisfied with the Union being a political dwarf because it is evident that EU's economic power cannot be sustained unless it is backed by political might. This was clearly demonstrated by the crisis of the euro, EU core currency. That is why EU leadership decided to try and conduct independent foreign and security policies. It seems that we are entering a period of mutual rivalry and tensions in the relation between the EU and the US. This is becoming more noticeable with different attitudes concerning US sanctions against Russia and Iran, as well as in the American policy regarding the issue of Jerusalem.⁸ It also seems that differences are gradually emerging with regards to politics towards Syria, as well as the civil war and Saudi Arabia's aggression in Yemen. All these issues clearly demonstrate not just the difference in interests of the EU and the USA, but also of individual EU member states.

⁸ US decision to move its embassy to Jerusalem, and thus demonstrate that it recognises Jerusalem as the capital of Israel, was met with condemnation from the majority of UN members. None of EU member states supported this decision, while Poland, Romania, Czech Republic and Croatia abstained. Latvia was not present for the vote. <http://balkans.aljazeera.net/vijesti/rezucija-o-jerusalemu-kako-su-glasale-sve-drzave>

When it comes to foreign policy, there is a division between smaller powers, which are mostly oriented towards verbal actions and try to oppose the unilateral activities of big European states (Germany, France, Italy, Spain and, until recently, Great Britain), which are more prone to unilateral steps and even – as the French and Italian aviation in Libya showed – military actions. As was already mentioned, EU politics is formed on two levels: the level of member states and European party groups. Political parties from the same country often don't represent the attitudes of the country they come from, but are guided by party ideologies, or rather the ideologies of their European party groups. This is undoubtedly another challenge standing in the way of the formation of EU's foreign and security policy, but it is also certain that EU elites have decided to accept it. This is demonstrated by the latest initiative from the European Commission which emphasises the need to establish a common security policy of the European Union.⁹ The need to form a common European foreign, security and financial policy was also emphasised by Jean-Claude Juncker, president of the European Commission, in his 2017 State of the Union speech.¹⁰ It is perfectly clear that the European Union is facing a process in which it will try to become more integrated by forming a common foreign and security policy.

The Basis for Cooperation Between Russia and the EU

Relations between Russia and EU countries are determined by the Partnership and Cooperation Agreement. This Agreement came into force in 1997,¹¹ and it pertains to other countries of Eastern Europe and Central Asia as well, with the exception of Belarus and Tajikistan. After some Eastern European countries became part of the EU, the Agreement became primarily focused on Russia and the Ukraine.¹² Its aim was to establish space for political dialogue, provide support for a transition country in the consolidation of democracy and economy, monitor its transformation towards a market economy and foster trade and investments.

⁹ <https://publications.europa.eu/hr/publication-detail/-/publication/ef9668ab-5173-11e7-a5ca01aa75ed71a1/language-hr/format-PDF/source-31338248>

¹⁰ <https://publications.europa.eu/hr/publication-detail/-/publication/9c03bbc3-982d-11e7-b92d-01aa75ed71a1/language-hr/format-PDF/source-43605408>

¹¹ <http://ec.europa.eu/world/agreements/prepareCreateTreatiesWorkspace/treatiesGeneralData.do?step=0&redirect=true&treatyId=201>

¹² The Agreement expired in 2007, since when it is automatically renewed every 12 months until it is terminated by one of the parties.

Of course, the effectiveness of the Agreement depends on the real-world politics, which shows that the relation between Russia and the European Union is determined by three facts. The first one is that, unlike Russia, which is a nation state, EU is a union of countries; the second being that a number of EU member states is dependent on Russian energy imports; and the third, that almost all EU member states are also members of NATO. The analysis should therefore be based on the understanding that the relations between Russia and the EU are primarily determined by the energy and security policies of both sides.

The deepening and widening of the cooperation between Russia and the European Union was the aim of the agreement signed in Moscow in May 2005, when it was agreed that the Partnership and Cooperation Agreement will serve as the basis for widening the cooperation to four areas: a) economy and the environment, b) freedom, security and justice, c) foreign security, and d) scientific research, education and culture. The related negotiations began in 2008, and were shortly interrupted because of the war in Georgia, but an agreement was eventually reached. Further cooperation was agreed upon in Rostov; this was the "Partnership for Modernisation" that was supposed to cover all economic and technical areas of modernisation. Just before Europe introduced sanctions against Russia - due to the annexation of Crimea and the support for pro-Russian separatists - the cooperation included efforts to establish a rule of law, strengthen the civil society, and contribute to economic and technical modernisation of Russia. Today, the agreement is practically frozen. However, economic cooperation continues because it is important to both partners.

Trouble between Russia and the EU began in 2008 when, at Poland's initiative, Latvia and Sweden initiated a programme called the Eastern Partnership. This was a program aimed at the Ukraine, Belarus, Moldova, Armenia, Georgia and Azerbaijan. Moscow saw it as an attempt by the EU to get those countries to join the NATO. Russian government accused the EU of ignoring suggestions for a new Russia-EU agreement, and of turning a blind eye to right-wing extremism and an incorrect attitude to ethnic Russians in the Ukraine. Certainly the biggest obstacle to the advancement of Russia and EU's cooperation is the situation in the Ukraine. Namely, the US and Russia have a diametrically opposite views of the Ukraine. While the US claims that the events in Ukraine constitute a process of democratisation and spread of liberty, Putin is convinced that the

toppling of a legally-elected, pro-Russian Ukrainian government was orchestrated by the US intelligence agencies. He claims that it is simply a continuation of US politics of encircling Russia through its economic and political isolation and the expansion of NATO. The positions of the two sides are therefore irreconcilable. The situation also reflected on Russia's relationship with the EU. After Russia intervened in the Ukraine and annexed Crimea, European Union responded with sanctions against it.

Economic Policy During Sanctions

Because of their foreign-policy and geopolitical significance, no deals connected with energy sources are simply a matter of free trade, but have a great political importance. This is something that governments of world countries are fully aware of,¹³ which is why 85% of oil and gas companies in the world are state-owned. In Russia, the percentage of state's ownership of the energy industry in Yeltsin's time was just around 10%. Only 14% of Russian oil production was controlled by the state; a year later, the state already had control over 35% of production. In 2005, Putin increased the share of state ownership of energy sources to 50%. At the same time, foreign companies were being pushed from the Russian market. It is clear that energy policy is one of the most important government policies, inextricably connected with foreign and security policies. That is why EU's economic sanctions against Russia also have a political dimension. The sanctions were introduced in March 2014, and were prompted by Russia's annexation of Crimea. The sanctions consist of several bans: The European Investment Bank was forbidden from investing in Russia, and Russian companies and banks from accessing EU's financial markets.

Furthermore, European companies could no longer sell arms and technical products with potential military use to Russia. EU also froze the assets of Russian business people who, according to the EU, supported Russian annexation of Crimea, and European companies were forbidden from doing business with Crimea.¹⁴

¹³ An illuminating exception is the Croatian government and the sale of Croatian state oil company INA to the Hungarian state company MOL. This was wrongly presented to the Croatian public as privatisation, and not what it really was, which is a sale of one state company to the company of another country.

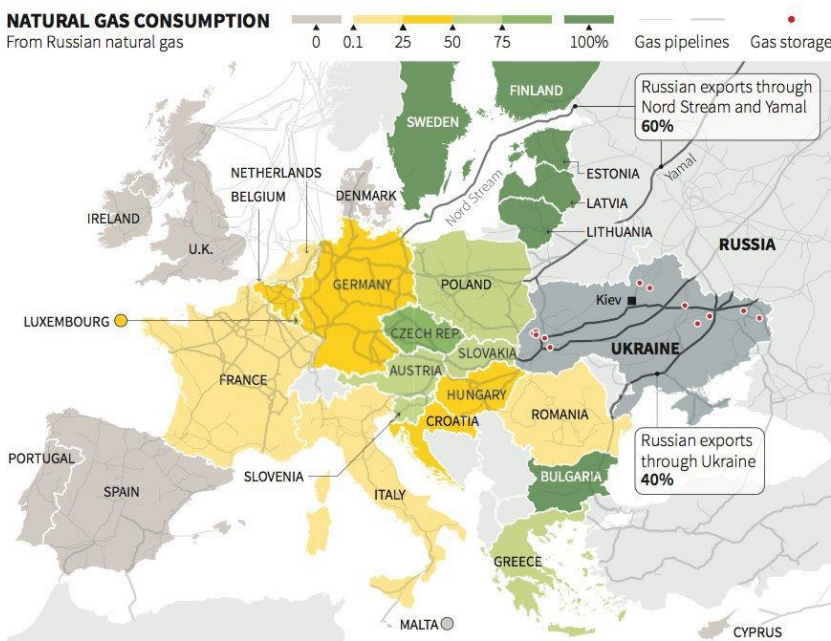
¹⁴ Although Russia was hit by the sanctions, they did not have major effects on Russian economy. In 2015, unemployment was a little above 5%, and pensions and salaries are paid regularly.

In spite of sanctions, the economic interdependence of the EU and Russia is still significant. In 2014, the economic exchange with the EU made up 49.6% of total Russian trade. Russia meets as much as one third of European needs for crude oil and natural gas, and almost a fourth of European needs for coal and oil derivatives.¹⁵ Sanctions notwithstanding, the percentage of Russian gas in the total consumption of European state was still very high in 2016.

Map of the Percentage of Russian Gas in Total Consumption by EU Member States.

EU imports of Russian gas

Russia is Europe's biggest gas supplier, providing about a third of continental demand. Russia exports 300-450 million cubic metres per day to the EU, of which 40% is exported through Ukraine.



Sources: Gas Infrastructure Europe; Reuters; Industry data

W. Foo, 10/06/2014

REUTERS

Source: (<http://geoawesomeness.com/top-30-maps-charts-explain-european-union/eu-imports-of-russian-gas>, date of access 14th September 2018)

¹⁵ Boban and Cipek, *Politički sustav Rusije*, 335.

It should also be emphasised that the European Union had other reasons not to completely break off its economic cooperation with Russia. In 2014, Russia was EU's third largest trade partner. The value of their trade was 285 billion euros, and European companies are Russian economy's largest investor. After the EU changed its energy security policy, trying to decrease its dependence on Russian gas, Russia sought to replace the diminished demand from Europe by selling its gas to China.¹⁶ However, Russian energy income is still significantly dependent on the European Union. That is why Russia is still planning to build a pipeline in Europe, in spite of its plans for a pipeline called the South Stream falling through. In an effort to bypass the transport of energy sources through the Ukraine, Russia envisioned a pipeline through Bulgaria, Serbia and Hungary to Austria and Italy. Due to pressure from the US, Serbia and Bulgaria began to reconsider their involvement, while the final blow was dealt by the European Commission. It stated that the South Stream might be contrary to the European law. Russia tried to make up for the failure of the South Stream by building the TurkStream. This plan became feasible after Erdoğan and Putin's reconciliation.

Furthermore, Russian companies tried to make up for the loss of the European market with the export of energy sources to China. Of course, the question is how much Chinese economy, and its need for energy sources, will grow. That is why, for the foreseeable future, the main role in Russian energy policy, as well as its relations to the European Union, will be played by pipelines in Europe. Of these, the most important is the construction of the second line of the Nord Stream, which transports Russian gas along the bottom of the North Sea directly to Germany.

¹⁶ Agreements have been reached for the construction of the Power of Siberia and the Altai pipelines. The Power of Siberia should become functional in 2018, while Altai still does not have an exact construction deadline. The capacity of the Power of Siberia should be 38 billion cubic meters per year, while the projected annual capacity for Altai is 30 billion of cubic meters (Gabuev, 2016: 10). For comparison, EU's consumption for 2013 was 430 billion cubic meters. That same year, China spent 162 billion of cubic meters (Gabuev, 2016).

Russian Pipelines in Europe



Source: https://en.wikipedia.org/wiki/Russia_in_the_European_energy_sector#/media/File:Major_russian_gas_pipelines_to_europe.png (date of access 7th February 2018).

It is obvious that energy policies of the European Union and Russia are deeply interdependent, which is why they are forced to dealing with each other for the foreseeable time. A precondition for building a better relation is for Russia to provide even clearer evidence that it is not leading an aggressive politics, especially regarding the Baltic states and Poland, and for the EU to shape its integrated foreign and security policy and emancipate itself from the US. Namely, the interests of the US and the EU are compatible in

many ways, but they are not the same. This is proven even by the outcome of economic sanctions against Russia.¹⁷

What follows is a new rethinking of relations within the triangle of EU-USA-Russia, whose outcomes will clearly be affected by China as well. It seems that a unipolar world is simply not possible, and that the international politics will be determined by multipolar relations. One of the most important one will be the relationship between the European Union and Russia.

A New Partnership?

When thinking about new relations between Russia and the European Union, one should start from the fact that neither the Russian people nor their elites are anti-western oriented. Democracy and free market became magic words in Russia as well. Unlike the theses that push for continuing the policy of isolating and encircling Russia, European public expresses attitudes that advocate for a stronger policy of “cooperative security” with Russia. Therefore it seems that the policy of sanctions against Russia cannot be a strategy, but only a tactic of the EU.

The problem of Crimea remains a dark shadow over the relationship between Russia and the European Union. Namely, it is obvious that the Russian people think of Crimea as a part of Russia, and that no future political elite will return it to the Ukraine any time soon. The attitude of the Russian people can be clearly seen from the following tables:

Russian citizens answer the question whether they support the annexation of Crimea.

	For annexation	It's difficult to say	Against
March 2015	72%	14%	14%
March 2014	79%	13%	9%

Source: Survey conducted by the Levada-Center from the 13th - 16th May 2015, N= 1600. Published on the 24th May 2015. <http://www.levada.ru/print/23-03-2015/krym-i-rasshirenie-rossiiskikh-granits>)

¹⁷ In 2014, in the midst of sanctions, trade between Russia and the US increased by 6%, while at the same time, trade between Russia and the EU fell by 32% in the first two months of 2015 (<http://www.vecernji.hr/svijet/sad-trguje-eu-i-dalje-dosljedan-u-hladnom-ratu-s-moskvom-1008288>, date of access 12th September 2016).

When are asked whether they consider Russian decision to annex Crimea final and irreversible, most Russian citizens answer affirmatively.

Decision is final and irreversible	It is difficult to say	Russian decision can be changed under certain circumstances
85%	11%	4%

Source: Survey of the Russian Public Opinion Research Center WZIOM, conducted from 21st - 22nd February 2015, N= 1600.

Published on the 22nd March 2015

(<http://wciom.ru/index.php?id=459&uid=115184>)

It is obvious that most Russians did not agree with Khrushchev's arbitrary 1954 decision to transfer the Crimean Peninsula to the Ukraine, which was then a Soviet Republic and part of the USSR. Thus Crimea remained an integral part of the Russian Federation. It is obvious that – if the goal is to improve the relations between EU and Russia – EU will have to act like the issue of Crimea does not exist, or use some diplomatic manoeuvre to simple „freeze“ it.

The key to improving relations is to challenge the premise that Russia is leading an imperialist politics. Within the Union, the fear of Russia is especially pronounced in Poland and the Baltic states. Even though it seems to be based on historical experiences, it is also obvious that it has a political dynamics. The USA wants to use this dynamics to implement the Three Seas Initiative (Baltic, Adriatic and the Black Sea). This is a plan that has the strongest backing of Poland and Croatia (especially its president, Kolinda Grabar Kitarović). The plan, which starts from the goals of US politics, advocates for the creation of some sort of a defence corridor towards Russia. Its chances of being realised are not very high. It is not just that it turns the nations at the Union's edge back into border patrols, but that some states from the Visegrád Group, which were supposed to be its pillars, are sceptical towards the Three Seas Initiative. These are primarily Czech Republic and Hungary, while Slovakia is wisely keeping its mouth shut. Scepticism is also expressed by some core EU countries: Germany, France and Italy. This clearly demonstrates the fact that they see their interests in cooperating with Russia, not fighting with it. They probably feel that the story of Russian imperialism is not totally credible, and not just because of Putin's claim that he was not

considering a return to imperial politics, as is pointed out by Sakwa.¹⁸ In politics, obviously, everyone's word is suspect. Scepticism towards the idea of mighty Russian imperialism is based on insights into the structures of Russian society, economy and politics. It seems that the core of the EU realised that Russia does not have the strength to re-establish itself as an empire. Russia is facing a demographic crisis; its population is in constant decline, and neither its military nor the economy are strong enough.¹⁹ The imperialism thesis often stems from insufficiently precise usage of concepts. Namely, those analyses do not differentiate between nation building and the establishment of an empire. Unlike an empire, which strives towards constant territorial expansion, a state has clear borders and population structure. According to this criterion, Russia is a national state. Like any other nation state – led by capable elites – Russia is trying to increase its power. It is doing it primarily through peaceful means: economic investments and energy policy. The Kremlin knows that conflicts with the West exhaust Russia. Russia's desire for power is therefore not inspired by the classic imperial idea of territorial expansion, but by the shaping of a distinct Russian identity in foreign policy – identity and interest, which they think is something that the international community should accept.

This is the context that should also be applied to the goals of Russian foreign policy towards the European Union. Here one should note that Southeast Europe is less important to the Russian politics, and that the key to the relationship between the EU and Russia is the position of the Federal Republic of Germany. This is a country that has interest in maintaining its cooperation with Russia but is, at the same time, an important European ally of the United States. Russia is unavoidable for Germany's supply of energy sources, while the US are (after France) the biggest importer of German products.

Hence, the future of European-Russian relations leads through Germany's attempt to square the circle. The solution could be found in the integration of European foreign and security policy. The pathway toward this integration has already been established by the

¹⁸ Richard Sakwa, *Putin. Russia's Choice* (London, New York: Routledge, 2004) 173.

¹⁹ Russian population is around 146 million, versus 506 million of EU citizens. Russia's GDP per capita is 7,742 \$, while in the EU it amounts to 37,262 \$ per capita. Russia's military expenses for 2015 totalled 66,421 billion US dollars, France's 50,860 billion, and Germany 39,393 billion. It is clear that, even without taking into account other EU countries, military investments of France and Germany alone top that of Russia. Calculation done according to information from SIPRI, stated in: Boban and Cipek, *Op. cit.*, p. 308. Of course, this is not the only possible criteria – there is always a question of efficient gathering of EU forces – but the data undoubtedly show its predominance.

development of new EU programmes for a common foreign and security policy.²⁰ Since EU's foreign policy is based on the desire to cooperate with other countries, it should be concluded that, despite the crisis, the room for cooperation between Russia and the European Union, especially in energy policy, still exists.

²⁰<https://publications.europa.eu/hr/publication-detail/-/publication/ef9668ab-5173-11e7-a5ca-01aa75ed71a1/language-hr/format-PDF/source-31338248>

Bibliography

- Bastian, Katrin. *Die Europäische Union und Russland. Multilaterale und bilaterale Dimensionen in der europäischen Außenpolitik*. Wiesbaden: VS Verlag, 2007.
- Boban, Davor. "Povratak Rusije nasvjetsku pozornicu." *Političkeanalize*, No. 7, (2011): 14-19.
- Boban, Davor and Tihomir Cipek. *Političkisustav Rusije*, Sarajevo: University Press, Zagreb: Plejada, 2017.
- Caratan, Branko. "Kraj Sovjetskog Saveza - Perestrojka bez Gorbačova." *Političkamisao*, Vol. 29, no. 3, (1992): 48-66.
- Donaldson, Robert H. and Joseph L. Noguee. *The Foreign Policy of Russia. Changing System, Enduring Interests*. N.Y: Armonk, London: M. E. Sharpe, 2009.
- Eitelhuber, Norbert. *Russland im 21. Jahrhundert. Reif für eine multipolare Welt? - Eine Analyse der strategischen Kultur Russlands*. Frankfurt am Main/Berlin/New York/Oxford: Peter Lang, 2015.
- Gabuev, Alexander. *Friends with Benefits? Russian-Chinese Relations after the Ukraine Crisis*. Moscow: Carnegie, 2016.
- Golts, Alexander. "Die Militärreform in Russland und ihre Folgen.", *Russland-analysen*, no. 306, (4. 12. 2015): 2-15.
- Götz, Roland. "Die Wirtschaftspolitik der belagerten Festung. Das Glasjew-Programm." *Russland-analysen*, no. 305, (20/11/2015): 6-12.
- Gvosdev, Nikolas K., and Marsh, Christopher. *Russian Foreign Policy. Interests, Vectors, and Sectors*, London: SAGE, 2014.
- Henderson, James. "Russia's Changing Gas Relationship with Europe." *Russian Analytical Digest*, no. 163, (24th February 2015): 2-6.
- Heinrich, Andreas. "Exportoptionen für russisches Erdgas nach dem Scheitern von South Stream." *Russland-analysen*, no. 303, (23/10/2015): 2-6.
- Kaczmarek, Marcin. "The Bear watches the Dragon. The Russian debate on China." *OSW Point of View 31*, Warsaw: Centre for Eastern Studies (OSW), February 2013.
- Karaganov, Sergei (ed.) *Toward the Great Ocean, or the New Globalization of Russia*, Moskau: 2012, Valdai Discussion Club, http://vid-1.rian.ru/ig/valdai/Toward_great_ocean_eng.pdf.
- Katz, Mark N. "Aggression und Reaktion. Russland, die Ukraine und der Westen." *Osteuropa*, no. 1-2, (2015): 57-64.

- Klein, Margarethen. "Russlands Chinapolitik: Interessen, Strategien, Perspektiven Margarete Klein." *Russland-analysen*, no. 260, (28/6/2013): 2-4.
- Klein, Margarete. "Russlands Syrienpolitik: Ein Drahtseilakt oder eine Sackgasse? Zwischen Großmachtanspruch und Selbstisolation." *Russland-analysen*, no. 233, (10/2/2012): 3-4.
- Kuhr, Natasha. "The Russian Far East in Russia's Asia Policy. Dual Integration or Double Periphery?," *Europe-Asia Studies*, Vol. 64, no. 3, (2012): 471-493.
- Lane, David. "Was für eine Wirtschaft hat Russland?." *Russland-analysen*, no. 107, (7/7/2006): 2-7.
- Petro, Nicolai N. and Alvin Z. Rubinstein, *Russian Foreign Policy. From Empire to Nation-State*. New York: Longman, 1997.
- Mackinder, Halford J. "The Geographical Pivot of History." *The Geographical Society*, vol. 23, no. 4, (1904): 421-437.
- Nelson, Elizabeth / Robert Orttung, Robert / Livshen, Anthon. "Measuring RT's Impact on YouTube." *Russian Analytical Digest*, no. 177, (8th December 2015): 2.
- Sakwa, Richard. *Putin. Russia's Choice*. London/New York: Routledge, 2004.
- Schröder, Hans-Henning. "Der Terror, die Türkei und die alltäglichen Probleme ... Die »Botschaft an die Föderalversammlung« zeigt, dass Putin ein politisches Konzept fehlt." *Russland-analysen*, no. 307, (18/12/2015): 2-13.
- Trenin, Dmitri. *True partners? How China and Russia see each other*. London: Centre for European Reform, 2012.
- Tsygankov, P. Andrei. *Russia's Foreign Policy: Change and Continuity in National Identity*, Lanham et al.: Roman & Littlefield, 2013.
- Vukadinović, Radovan. "Iz azovinovom svjetskom poretku." *Političkamisao*, Vol. 35, no. 2, (1998): 79-93.
- Wipperfürth, Christian. *Russlands Außenpolitik*. Wiesbaden: VS Verlag, 2011.
- Internet source
<https://www.thenewamerican.com/usnews/foreign-policy/item/1384-clinton-on-propaganda-budget-us-losing-information-war>
http://www.mvep.hr/custompages/static/hrv/files/EUgovori/1199_2M_Ugovor_o_EU-u_hrv.pdf
http://www.mvep.hr/custompages/static/hrv/files/EUgovori/1200_7L_Ugovor_iz_Lisabona_hrv.pdf

- <https://publications.europa.eu/hr/publication-detail/-/publication/ef9668ab-5173-11e7-a5ca-01aa75ed71a1/language-hr/format-PDF/source-31338248>
- <http://balkans.aljazeera.net/vijesti/rezolucija-o-jerusalemu-kako-suglasale-sve-drzave>
- <http://www.vecernji.hr/svijet/sad-trguje-eu-i-dalje-dosljedan-uhladnom-ratu-s-moskvom-1008288>
- <http://ec.europa.eu/world/agreements/prepareCreateTreatiesWorkspace/treatiesGeneralData.do?step=0&redirect=true&treatyId=201>
- <https://publications.europa.eu/hr/publication-detail/-/publication/ef9668ab-5173-11e7-a5ca-01aa75ed71a1/language-hr/format-PDF/source-31338248>
- State of the Union Address 2017 (Jean-Claude Juncker, President of the European Commission, 13th September 2017)
- <https://publications.europa.eu/hr/publication-detail/-/publication/9c03bbc3-982d-11e7-b92d-01aa75ed71a1/language-hr/format-PDF/source-43605408>
- Reflection paper on the future of European defence (European Commission)
- <https://publications.europa.eu/hr/publication-detail/-/publication/ef9668ab-5173-11e7-a5ca-01aa75ed71a1/language-hr/format-PDF/source-31338248>
- <http://geoawesomeness.com/top-30-maps-charts-explain-european-union/eu-imports-of-russian-gas,date> of access 14th September 2018 /)

