## The Rediscovered Backyard: Central Europe in Russian Foreign Policy

László Póti

More than one and a half decades after the change of regimes, the dissolution-disintegration-divorce of states in East-Central Europe, and the end of the Cold War, the European continent finds itself in a position when its Western part has already widened itself to the East (NATO and the EU), while the biggest entity of its Eastern part, Russia, has consolidated itself internally, and has reached a fairly wide consensus on its foreign policy, and is keen on ensuring a new increased role both in world and European politics.

Central Europe¹ literally occupies a central position in the system of relations between Russia and Europe. This position is very unique: the one-time Soviet allies have joined the basic West European institutions, and by now, they have become the borderland of the West towards the post-Soviet space. As it is usually referred to in a well-known saying, Central Europe's status has changed from the Western periphery of the East to the Eastern periphery of the West.

At this juncture of the ongoing changes, it is appropriate to construct a balance sheet of the evolution of relations between Russia and Central Europe. This article is aimed at the analysis of the following questions. Has there been any special Russian foreign policy concept or strategy with

<sup>&</sup>lt;sup>1</sup> In this article, I refer to Central Europe in a restricted sense, meaning the V4 countries—namely Poland, the Czech Republic, Slovakia, and Hungary.

regard to relations with Central Europe? How has Russia's policy towards Central Europe evolved over the last fifteen years? And what is the essence of Russian energy policy?

# The Conceptual-Doctrinal Background to Russian Policy toward Europe/Russia's European Policy

In order to provide adequate answers to the questions formed in the introduction, it is necessary to cover the topic very briefly in the conceptual-doctrinal evolution of the new Russian foreign and security policy at three levels of analysis. First, how does Russian foreign and security policy relate to international relations theory? Second, what has been the outcome of the grand debates about Russia's international orientation? Third, what is the end result of the official concept and doctrine making of the nineties?

As to the first, the formation of the new Russian foreign and security policy thinking—at the level of IR theory—is a story of a gradual movement from an idealist/liberal paradigm to that of a realist one. The starting point that had its roots in the Gorbachevian "new thinking," which propagated the creation of a new world community in a world that is more and more interdependent and based on a common set of values, attached great importance to international organizations and regimes, regarded cooperation as the main characteristic of international interaction, and was thinking almost in terms of a world government. The new and ever-evolving policy, relying more and more on realism, has put national interests at the center, further highlighting the difference of interests between states in a multipolar world. As one analyst put it, "Russian decision-makers appear more prone to perceive the outside world in terms of conflict, clashes of interest, and zero-sum games than through the lenses of mutual interest and common approaches; thinking in terms of spheres of influence, windows of opportunity, and power vacuums has gained an astonishing degree of respectability."2

As to the second level of analysis, during the first years of the evolution of the new Russian foreign and security policy, the main

<sup>&</sup>lt;sup>2</sup> Mette Skak, From Empire to Anarchy: Postcommunist Foreign Policy and International Relations (London: Hurst and Company, 1996), 174.

dividing line was between two schools of thought, whose debate relatively soon resulted in a kind of synthesis that has become the mainstream school of thought determining the official course. The first approach can be labeled as Atlantist, Westernized, or liberal internationalist. According to this, Russia is an organic part of the European civilization; its interests are close or identical to those of the West; the quickest integration of the country into the European and world community is desired; relations with the West should be the highest priority; Russia does not have any enemies; and Russia does not want to be a global power. The second school of thought—usually labeled as Eurasianist—claims that Russia is neither part of the European nor of the Asian civilization, but a special mixture of the two. Since its interests differ from the West. Russia should not be integrated into Europe, but rather, it should be the center of integration itself of the region surrounding it. Relations with the CIS countries should be its top priority, and Russia should stick to its great power status, and not regard any state as an enemy. As a result of the debate between these schools of thought, a synthesis of the two began to dominate the political discourse by 1993-1994, called geopolitical realism.3 This approach departs not from civilizational, ideological, or other premises, but rather from the realities of the geopolitical region surrounding Russia. Representatives of this school—adopting a kind of Russian Monroe doctrine—regard the post-Soviet space as a sphere vital to Russian interests, engage in conflicts with the West, but do not consider them inevitable. They try to balance between Europe and Asia, want to avoid the isolation of Russia, and strive to obtain great power status only in the longer run.

Since the formation of the Russian Federation, there have been three waves of issuing official foreign and security policy doctrines, and a number of semiofficial concepts have been elaborated in which Russian policy towards Europe has been formed: the foreign policy concept and military doctrine (1993), the national security concept (1997), and the national security concept, the military doctrine, and foreign policy concept (2000).

As for Europe, some more or less constant features of the Russian approach can be observed. First, on the one hand, increasing priority has

<sup>&</sup>lt;sup>3</sup> The term was coined by Olga Aleksandrova, a senior researcher of the once Cologne-based Institute for East European and International Studies (now in Berlin).

been given to relations with European multilateral institutions, but preserving in parallel the traditional bilateral relations in channeling Russian interests into the continent. Second, at this institutional level, there is an obvious preference of all-European organizations as opposed to Western European institutions. Third, in the blurring of NATO and the EU, these two institutions are usually referred to as "the West." To the extent that the EU is distinguished, it has been perceived positively. From its originally almost neglected position, the EU gradually gained more importance from the Russian vantage point, and the organization began to be regarded first as one of the centers of a multipolar world, and then as a desirable "equal and constructive" partner for Russia. Currently valid documents, however, do not contain a single conceptual elaboration of a distinctive place within the EU in the Russian foreign policy hierarchy. The most relevant document, the foreign policy concept, limits itself by stating that "relations with the EU have key importance," and it is an "important political and economic partner" of Russia. The few paragraphs dealing with the EU are descriptive, not at all innovative, or ambitious, and quite defensive due to repeated reference to the Russian expectation "to take its interests into account in the process of enlargement." With regard to the EU forming a common security and defense policy, the document presents a wait-and-see position.

However, it would be misleading if we stopped the characterization of the mainstream Russian conceptual perception of Europe at this point. Influential input from think tanks into Russian perception making have resulted in proposing, as a minimum, to build relations with the EU that would lead to a "permanent association," or even going beyond that, "setting the long-term goal—within 2–3 decades—of the accession of Russia to the EU."

Even if these propositions have not become completely part of the official discourse, important shifts could be observed since the beginning of the Putin era. Foreign minister Igor Ivanov, evaluating the past ten years of Russian foreign policy in April 2001, reaffirmed the second place of Europe in the foreign policy hierarchy, and called the EU a "natural and

<sup>&</sup>lt;sup>4</sup> Rossiia i osnovnye instituty bezopasnosti Evropy, http://pubs.carnegie.ru/books/2000/06dt/toc.asp.

<sup>&</sup>lt;sup>5</sup> Sovet po vneshnei i oboronnoi politike, *Strategiia dlia Rossii: Povestka dlia prezidenta-2000*, http://www.svop.ru/book2000/chapter2.htm.

very perspective partner . . . (Russia's relations with which) have been given *new* quality,"<sup>6</sup> or on another occasion, revived the notion of building a "strategic partnership" with it (italic added). The language of Russian-EU joint statements has systematically used this latter notion since the sixth summit in October 2000.

# Is There a Conceptual-Doctrinal Base for Russian Foreign Policy toward Central Europe/Russia's Central European Policy?

The above analysis applied to the three levels shows that there has not been any specific Central-European concept elaborated by Moscow, but rather, this region has increasingly come to be treated as part of Russia's European policy. At the level of the international theory context of the evolving new Russian foreign policy thinking, the shift from a benign, idealist/liberal position to a conflict-centered neorealist standpoint does not give any tangible answer to our question. As far as the second level is concerned, the gradual switch from the pro-Western position towards geopolitical realism that integrated the thoughts of the Eurasian approach has contributed to the perception of the further separation of Russia and Central Europe. At the last—official doctrine—level of analysis we can find some substantial elements. The first foreign policy concept published in early 1993 does contain a special paragraph dedicated to East-Central Europe, reaffirming that East-Central Europe is a region of vital Russian interest.

The military doctrine adopted later that year does not touch upon the region, and only refers to it vaguely in the part dealing with "the potential sources of external military danger for the Russian Federation," listing "the expansion of military blocs and alliances to the detriment of the interests of the Russian Federation's military security."

The new foreign policy concept already adopted under Putin in 2000 also mentions the region, but in a much more modest fashion and dropping the expression, "region of vital interest": "A topical task in relations with the states of Central and Eastern Europe is, as before, preserving existing human, economic, and cultural ties, overcoming crisis

<sup>&</sup>lt;sup>6</sup> Lecture delivered at the meeting of the Russian Association of International Studies entitled "Foreign policy of Russia today," 20 April 2001, Moscow. www.ln.mid.ru.

http://www.fas.org/nuke/guide/russia/doctrine/russia-mil-doc.html#polbase.

phenomena, and providing additional impetus to cooperation in accordance with the new conditions and Russian interests."

In the academic community, little interest towards the region could be identified over the past decade and a half. The only major exception was a special report of the influential Council on Foreign and Defense Policy (*Sovet po vneshnei i oboronnoi politike: SVOP*), a strong opinion-formulating body that included foreign policy experts, leading business leaders, and official foreign policy-makers. It was in February 1997 that SVOP published a document entitled "Eastern and Central Europe and the Interests of Russia." This was the first public conceptual material created in post-Soviet Russia with regards to the region under analysis—and up until now, the last one. This seventeen-page report analyzes in four chapters the specifics of the transition of these countries, their economic prospects and foreign policy reorientation, and finally, tries to identify Russian interests.<sup>8</sup>

The document starts with stating that the "story of relations between Russia and the East-Central European countries in the nineties was the story of Russia's departure from the region." It was an inevitable departure, and the end of the Cold War decreased the strategic importance of the region. As to the enlargement of NATO and the EU, the report emphasizes the complicated and complex character of this process, which is suggested to be a long and in some cases, a delayed one. The main Russian interest in this regard is to "enter in due time the markets of the most probable future members of the EU, because thus, the Russian position will strengthen in the European space." The paper introduces the idea of promoting economic cooperation in a trilateral format, i.e., the Western side, the Central European side, and Russia. It would be a mistake—the document warns—to perceive the EU as a rival; Russia cannot be a competitor. Russia cannot stop the forthcoming enlargements either, so in order to minimize possible damage to Russian interests, Moscow should seek solutions "there where the decisions are made, with the EU and NATO member countries."

Another important thesis of the report was that "economic relations between Russia and the East-Central European countries are not strong enough to bear the burden of political problems. Practice shows that the

<sup>8</sup> Bíró Zoltán, "Kelet-Közép Európa és Oroszország érdekei," Külpolitika 2 (1997): 110–132.

less these relations are politicized, the more successful they are."

At the academic level, publications directly dealing with Central Europe have been rare. An interesting indirect proof of the academic neglect of autonomous Central European studies is illustrated by the story of the Institute of Economics of the World Socialist System of the Russian Academy of Sciences' director, Oleg Bogomolov, a well-known economist. This used to be the one and only Soviet scientific institution dealing with the socialist region. After the dissolution of the Soviet Union and the change of regime in Russia, first it was renamed the Institute of International Economic and Political Studies, and second, at the end of 2005, it became part of the Institute of Economics.

In sum, there is no evidence of any well-formulated public Russian foreign policy strategy vis-à-vis Central Europe, neither at the theoretical, nor at the official level, or at the academic level. Nevertheless, terminologically, it is interesting to note that Eastern/Central Europe has been called in Russian political discourse, the "far abroad" (dal'nee zarubezh'e), the "middle abroad" (srednee zarubezh'e), and the "near West" (blizhnii zapad), which all are rooted in the well-known expression of "near abroad" (covering the post-Soviet space) and refer to some kind of special status of a region.

However, there are two extremely opposing views on the issue of whether there is any Russian strategy towards the region. The first—and this is held by the majority of the Russian academia and foreign policy establishment—is that there is no Russian strategic approach toward Central Europe, and the only difference between them is that part of this group urges the elaboration of a strategic vision while another part does not consider it necessary. The opposing view holds that Russia has a well-formulated strategy towards Central Europe, and its content is "new imperialism." The main proponent of this approach is Janusz Bugajski, who wrote a book on Russian East-Central European relations entitled *Cold Peace*. The American analyst summarizes in six points Russia's

<sup>&</sup>lt;sup>9</sup> Bugajski is one of the best known American analysts on this topic and an exemplifying figure of the radical critique of Russia; see Janusz Bugajski, *Cold Peace: Russia's New Imperialism* (Westport, CT: Praeger, 2004). The fact that Bugajski is not a marginal holder of this view is supported by the endorsement of the book by Zbigniew Brzeziński, who wrote that "Russia's Policies towards the Countries of the Former Soviet Bloc are still Being Influenced by an Ominously Imperialist Nostalgia." http://www.greenwood.com/catalog/C8362.aspx.

alleged strategy in Eastern Europe:<sup>10</sup> to achieve preeminent influence over foreign policy orientation and security policy, increasing economic benefits and monopolistic positions, and increasing dependence on Russian energy supplies, to limit the scope of Western institutional enlargement in the European CIS, to rebuild a larger sphere of influence, and finally, to weaken transatlantic relations.

Another recent example of the increasingly critical Western evaluation of Russia's European policy comes from an op-ed piece in the *Washington Post* that cited Bruce Jackson as qualifying Russian policy as an "aggressive, thought-out game." When questioned about his comments in the *Washington Post*, Jackson asserted that there does "seem to be an overarching and very aggressive diplomatic campaign going on, whether it be threatening Georgia or threatening the *European Union*." (italic added)

### **Russian Policy towards Central Europe**

The evolution of Russian-Eastern/Central European relations in the nineties has been a process of their "standardization." This has included the following elements that also characterize the present state of affairs. First, Russian policy toward Central Europe (CE) is not an especially significant part of Russia's domestic policy but rather a normal part of Russian foreign policy. Second, CE has radically been devaluated and has found its naturally low place in the system of priorities of Russian foreign policy. Third, as a matter of fact, the region has lost its autonomous value from the Russian perspective, and is approached indirectly, i.e., in the context of Russian European policy. Fourth, instead of the previous bloc approach, Russian policy handles these countries individually or regionally—that is, differentiation has come to the fore. Fifth, these relations have been demilitarized, and de-ideologized. Finally, all major

<sup>10</sup> This includes European post-Soviet states, the Baltic states, Central Europe and the Balkans

<sup>&</sup>lt;sup>11</sup> The expression belongs to Gerhard Mangott (Permanent Fellow at the Austrian Institute of International Relations), *Russian Policies on Central and Eastern Europe: An Overview* (manuscript, 1999).

For example, as opposed to the 1993 version of the foreign policy concept, the 2000 version does not refer to Eastern/Central Europe as a region of vital Russian interest. See *Diplomaticheskii vestnik*, no. 3–4 (February 1993), and no. 8 (August 2000).

problems that had to do with the Soviet past (the Warsaw Past, Soviet interventions, the consequences of troop withdrawal, inherited debts) have been settled.

In order to accommodate the evolution of the Russian position towards Central Europe, it is worthwhile examining the dynamics of this process by way of periodization:

- 1990–1991: Attempts at limited sovereignty under the "Kvitsinskii doctrine"
- 1992–1994: Democratic neglect under the "Kozyrev doctrine"
- 1995–2000: Rediscovery of the region within the NATO-EU enlargement context
- 2000–present: Geoeconomic approach under the Putin doctrine

The first period overlaps with the final stage of the dissolution of the Soviet Union. The new democracies of Central Europe had already made their regime change in 1989–1990, while the Soviet Union still existed until the end of 1991. Russian attempts at achieving some kind of limited sovereignty in Central Europe came in two ways: in the field of economy and in the field of security. As to the first, there was a Soviet proposal for a kind of COMECON-2, first put forward by the academic community, then as a semiofficial proposal to the Polish side, but the unanimous rejection by all possible partners rendered the issue obsolete. In the field of security, Moscow applied the so-called Kvitsinskii doctrine<sup>13</sup> under which it tried to insert a special clause into the bilateral treaties—which were being negotiated at the time—between the Soviet Union and the former Warsaw Pact countries. This effort, with the temporary exception of Romania, remained unsuccessful.

The next period witnessed a completely different Russian attitude towards Central Europe. It can best be characterized as a period of "democratic neglect." This means that Moscow adopted an indifferent attitude towards the region resulting from the ongoing democratic change of Russia itself. In the period of "romantic Atlanticism" of the first few years of Russia's ever-evolving new foreign policy, Moscow viewed the

<sup>&</sup>lt;sup>13</sup> Iulii Kvitsinskii, deputy foreign minister, was the head of the Soviet delegation in the bilateral talks with the ex-socialist countries.

Central European countries as going in the same direction, as natural partners. A good summary of the typical Russian approach toward the region can be found in a 1992 SVOP report. The report argues that the Central European countries "are striving toward the West, geographically, they are separated from Russia, and they do not possess such means and technologies with the help of which they could take a share in Russia's reconstruction."<sup>14</sup>

The marked shift in general Russian foreign policy characterized in the introductory part of the paper by 1993–1994 also resulted in shifts in Russia's policy towards Central Europe beginning in 1995. This shift can be interpreted, first of all, in the context of NATO and EU enlargement. The Russian interest in the Central European region began to increase significantly as soon as the decision about NATO extension was made in early 1995 with the announcement of the PfP.

Moscow's policy vis-à-vis NATO enlargement has gone through several phases beginning with quasi-membership (1992–1993), through active opposition (1995–1996), bargaining (1996), and finally, becoming a quasi-member (1997). Within the framework of this evolving Russian policy, the role of Central Europe has radically increased due to the simple fact that this region was a target of NATO/EU enlargement. The Russian strategy was to use the Central European enlargement to renew its security status in Europe, and it worked. The NATO-Russia Founding Act adopted in May 1997—just some weeks before the invitation of the three Central European countries—the establishment of priority relations between the two entities, and granted Russia quasi-member status by introducing the NATO-Russia Permanent Council, and participation in the decision-making process of the so-called 19+1 format although without veto privileges.

As to EU enlargement, the original neutral Russian attitude has become more sophisticated, and Moscow has identified both positive and negative expected consequences for its own interests. Among the positive consequences, the following were mentioned.

• The widening of the zone of political and economic stability in Europe;

<sup>&</sup>lt;sup>14</sup> Nezavisimaia gazeta, August 19, 1992.

- The increased attractiveness of the European part of Russia for investors;
- Contribution to Russia's integration into the all-European economic space, first of all, into the united transport and communication system; and
- Increased potential for trade due to simplified unified regulatory procedures, and account.

The perceived possible negative consequences are usually referred to as follows:

- The continued reorientation of new members toward EU markets, further decreasing Russia's trade with new EU members;
- The redirection of foreign investment to new members at the expense of Russia;
- Russia being further pushed to the edge of the continent, while the number of those opposing EU cooperation with Russia continues to increase;
- The crossing of borders being more complicated due to the visa regime; and
- The maintenance of day-to-day relations with Kaliningrad becoming more problematic.

It is clear that both the perceived negative and positive consequences of EU enlargement have to do with economic considerations, while political or security policy fears have emerged only marginally. In the beginning, the Russian strategy—when the issue of enlargement became apparent—was defined as the "minimization" of the negative consequences. Originally—as early as the beginning of 1997—it was thought that this would be done in a trilateral format, namely by Russia's direct involvement in the accession talks of the candidate countries and the EU. When this turned out to be impossible, Moscow changed its tactics and began to follow a two-track policy. On the one hand, it began to actively establish economic and financial bridgeheads in the countries of the expected first wave of enlargement; on the other hand, it tried, in the different fora of Russian-EU dialogue, to achieve special Russian

interests being taken into account during the accession talks.<sup>15</sup>

The issue of Kaliningrad was a unique problem with its exclave status in Russian-EU relations during the accession period of the ten candidate countries. Besides the fact of the importance of this issue, I touch upon it because one of the countries under analysis, Poland, was involved in the initial Russian proposals. Namely, Moscow proposed to establish a corridor through Poland to Kaliningrad, but politically, this was a very badly perceived issue by the Polish side, as it was a reminder of the corridor in the interwar years between Germany and Königsberg. <sup>16</sup>

Among others, one of the most problematic issues was the movement of Russian citizens between mainland Russia and Kaliningrad. The original positions of the two sides were completely opposing: the EU stuck to the visa regime, while Moscow rejected the idea that a Russian citizen should have a visa in order to travel to another Russian region. As the above map indicates, Russian citizens can reach Kaliningrad by airplane or by ship without entering any other country. But using any other means of transport (roads or railway), one has to cross either Lithuania or Poland, both of which were candidate countries at the time. After long talks, the compromise was found in two types of documents. The first is the so-called Facilitated Transit Document (FTD) that allows for multiple entry, and can be applied for at the consulates of Lithuania, free of charge, and is valid for three years. The other is the Facilitated Rail Transit Document (FRTD), and can only be used once, free of charge, and can be acquired at the railway cashier. This case shows that the two sides could find a solution despite opposing positions. The FTD and the FRTD are not visas per se, but they practically function like a visa regime although in a facilitated manner, which is rather a Russian face-saving result, but fitting nicely into Moscow's long-term aim of reaching a visa-free agreement with the EU.

The current Russian strategy with regard to EU enlargement departs from the consideration that it has no means to change the strategic choice of the CE countries to join the EU, and it is not useful to regard the EU as a rival of Russia in the region. Instead, Moscow should pursue a policy of trilateral engagement. The original "damage-limiting" course and the idea

<sup>&</sup>lt;sup>15</sup> There was a non-specified list of Russian desires that was officially handed over to the EU in 1999.

<sup>&</sup>lt;sup>16</sup> The German name for Kaliningrad.



Access to Kaliningrad

of trilateral accession talks have been substituted for a more creative and businesslike approach. Its core is, instead of a formal involvement in trilateral negotiation formats, the implementation of trilateral EU-CE-Russia economic projects. The idea is to avoid presenting the EU and Russia as two opposing poles, but rather as "complementary parts of the European economic unity." In the institutional domain, Russia also succeeded in establishing a well-structured relationship with a permanent body for managing relations with the EU that resembles somewhat the NATO-Russia Council

<sup>&</sup>lt;sup>17</sup> "Tsentral'naia i Vostochnaia Evropa i interesy Rossii," www.svop.ru/doklad03.htm.

The current stage of Russian policy towards Central Europe is best characterized by the geoeconomic approach under the Putin doctrine. In general, the Putin doctrine basically means the reconstruction of Russia both domestically and internationally as a great power. With regard to Central Europe, a geoeconomic approach is embodied, first of all, in active economic policy towards the region. Therefore, it is proper to label current Russian policy toward CE as "economized." The main fields of this new "economized" Russian policy are, first of all, the energy and finance sectors. (Some have commented that this is a phenomenon of Russians being back again, but this time, "not by tanks but banks.")

Let us have a quick look at EU-CE-Russian economic relations. The most important consequences can be detected in trade relations. As far as trade is concerned, the enlargement of the EU has further increased the basically asymmetric relationship between the two entities. Before the enlargement, the EU represented Russia's largest trading partner, accounting for 36.7 percent of Russia's import and 33.2 percent of its export, while Russia was the EU's sixth-largest partner with 3.3 percent of its import and 1.9 percent of its export. After the first complete year of EU enlargement, the numbers are: 48.26 percent (the EU's share of Russian imports) and 56.72 percent (the EU's share of Russian exports), and 9.09 percent (imports from Russia) and 5.3 percent (exports to Russia) in 2005.<sup>20</sup> This means a significant increase in all areas of trade, further deepening Russia's dependence on the EU, while for the EU, Russia has become their number four trading partner.

Russia has always had a considerable share in the EU's energy import. The enlargement dramatically increased the relevant indicators, and real dependency evolved: before enlargement, Russia's share in the EU's gas import was 10 percent, and in the oil import, 20 percent. After enlargement, the appropriate ratios stood at 67 and 30 percent, respectively. At this point, it has to be emphasized that the often-referred-to thesis that there is an EU directive to cap dependence on one energy supplier is a myth; there is no evidence of such official EU

<sup>&</sup>lt;sup>18</sup> The statement of foreign minister Ivanov that "energy diplomacy" has become a new direction of foreign policy is also applicable in ECE.

<sup>&</sup>lt;sup>19</sup> The existing Yamal pipeline in Poland, and another planned gas pipeline through Poland and Slovakia, and the increased Russian share of Hungary's chemical industry are illustrative examples of this.

<sup>&</sup>lt;sup>20</sup> http://ec.europa.eu/comm/trade/issues/bilateral/countries/russia/index en.htm.

decision

### The Energy Issue in Russian-Central European Relations

With the Central European countries, the EU absorbed nations that are extremely dependent on Russian energy resources. These four countries depend on Russia both for their crude oil and gas imports between 42.8 and 100 percent.

It is not only the sheer size and share of Russia as an energy supplier to Central Europe, but also the almost unavoidable transit role of the Visegrad countries that underlines their importance in Russian energy policy. It can be seen on the maps below that, with the exception of the planned Northern Pipeline connecting Russia and Germany directly, there is no other way to deliver gas or oil from Russia to Western Europe than through Central Europe.

| Russia's share in EU's import | Before enlargement | After enlargement |
|-------------------------------|--------------------|-------------------|
| gas                           | 10                 | 67                |
| oil                           | 20                 | 30                |

#### The Share of Russian Gas Export According to the Main Target Countries (2004, %)

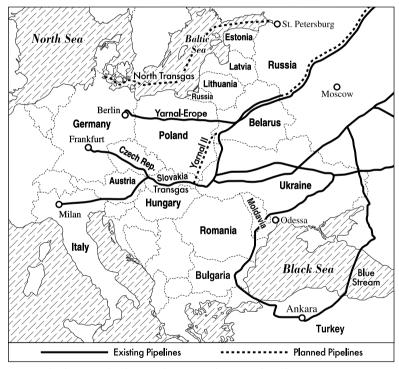
| EU25           | 66.6 |
|----------------|------|
| EU15           | 48.1 |
| New EU members | 18.5 |
| CIS countries  | 19.6 |

### The Share of Russian Crude Oil Export According to the Main Target Countries (2004, %)

| EU25           | 72.8 |
|----------------|------|
| EU15           | 47.7 |
| New EU members | 25.1 |
| CIS countries  | 9.3  |

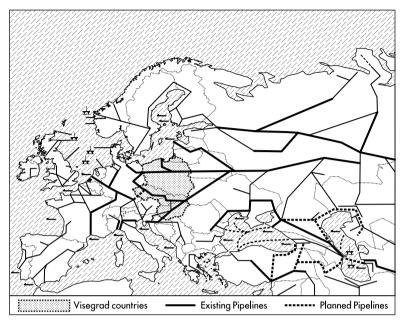
The share of Russia in the V4 countries' energy import (2004, %)<sup>21</sup>

|                | Crude oil | Gas   |
|----------------|-----------|-------|
| Poland         | 96.3      | 53.0  |
| Hungary        | 99.9      | 77.3  |
| Czech Republic | 69.9      | 42.8  |
| Slovakia       | 100.0     | 100.0 |



Existing and Planned Natural Gas Pipelines to Europe

<sup>&</sup>lt;sup>21</sup> Ludvig Zsuzsanna, *Oroszország és a kibővült Európai Unió gazdasági kapcsolatai - közép-kelet-európai szemmel* (PhD diss., Corvinus University of Budapest, 2006).



Major Oil Routes

The situation is very similar in the field of oil transport to Western Europe. Practically all pipelines go through the encircled Visegrad countries.

Besides energy supplies, Russia is also present in the Visegrad countries in other energy-related areas in two typical forms: the gas trade in these countries, and the gasoline station system market. Examples of the former is Russian state-owned giant Gazprom's 50 percent share in Slovrusgas (Slovakia), 49 percent share in Europol Gaz (Poland), and 49 percent share in Panrusgas (Hungary).

The Visegrad countries made little serious effort to diversify their energy supplies; only the Czech Republic and Poland made certain steps to find alternative gas sources, namely from Norway. But the issue of diversification came to the fore after the Russian-Ukrainian gas dispute at the end of 2005. As a result of Russia's decision to stop deliveries to Ukraine, in different Central European countries, a 20–30 percent decrease was occasionally registered, because of Ukraine's alleged

"stealing" of gas. Consequently, in Brussels and in the countries concerned, the problem of dependence and diversification began to be discussed intensively. Hungarian economic and transport minister János Kóka called a meeting of energy ministers from Austria, Croatia, the Czech Republic, Poland, Slovenia, and Slovakia to discuss ways of cutting their dependence on Russian natural gas deliveries. Kóka said he would submit any joint findings from the meeting to the EU. Austria, which holds the rotating EU chair, called again on Europeans to diversify the sources of their energy supplies.<sup>22</sup>

The other response came from Poland that initiated the creation of a so-called "energy NATO" during the January 2006 summit in Davos. Kazimierz Marcinkiewicz, prime minister of Poland, wrote in the *Financial Times* that "such an energy security treaty could follow formulas contained in the 1949 Washington Treaty, an agreement that allowed for effective transatlantic co-operation, or provisions of the modified Treaty of Brussels that established the Western European Union in 1948. A European energy security treaty along these lines could become a real tool that would give us some badly needed certainty, as well as security in crisis situations. That is why it is essential that the treaty contains a clearly and firmly stated guarantee clause based on the "musketeer principle": "All for one—one for all." In response the Russian foreign minister, Lavrov said that he had "heard other calls to create an 'energy NATO [of consumers to prevent blackmail by suppliers], and this idea certainly is confrontational."

# The Debate about the Character of Russian Energy Policy in Europe

The main question is whether energy policy is a special Russian foreign policy instrument, and if so, what is its content? There are two opposing answers to this question. One school of thought says that—as one analyst put it—"For the Kremlin, energy has come to represent the principal tool in foreign policy, with Moscow using energy to interfere and influence

<sup>&</sup>lt;sup>22</sup> See RFE/RL Newsline, January 6, and January 19, 2006.

<sup>&</sup>lt;sup>23</sup> Kazimierz Marcinkiewicz, "Europe's Energy Musketeers Must Stand Together," *Financial Times*, February 9, 2006. http://www.ft.com/home/uk.

<sup>&</sup>lt;sup>24</sup> RFE/RL Newsline. January 20, 2006.

domestic political processes across Europe and elsewhere, and halt geopolitical shifts such as expansion of NATO and the EU."25 Even the US vice president commented recently that "Russia has a choice to make. No legitimate interest is served when oil and gas become tools of intimidation or blackmail."<sup>26</sup> Others describe Russian energy policy as "energy imperialism,"<sup>27</sup> or as an "energy weapon,"<sup>28</sup> and recommend a tough EU response in order to let Russia "understand its future as Europe's preeminent energy supplier is at risk."29 The representatives of this approach also refer to the problem of Russia not ratifying the Energy Charter (practically depriving western companies' entrance into the Russian energy market), and to two recent unkind gestures of high-level Russian representatives who publicly entertained the idea of redirecting Russian supplies to North America and China<sup>30</sup>. In a similar vein, Polish defense minister Radosław Sikorski commented on the planned Northern Pipeline between Poland and Germany through the Northern Sea in an unusually harsh tone: "Poland has a particular sensitivity to corridors and deals above our head. That was the Molotov-Ribbentrop tradition. We don't want any repetition of that."31

The other approach suggests that "the fear of Russia is exaggerated and there is no evidence of a malicious political intent in recent Russian energy decisions."<sup>32</sup> I subscribe to this second approach. Russia makes no secret of wanting to use its energy potential for its domestic and international rise. As the Russian official Energy Strategy reads: "Russia owns significant energy resources . . . that is the base for economic

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<sup>&</sup>lt;sup>25</sup> Borut Grgic, "Russian Energy Strategy: Risk Assessment for Europe," *ISS Occasional Paper*, no. 4 (2006).

<sup>&</sup>lt;sup>26</sup> Luke Harding, "Russia Is Blackmailing Europe over Energy, Says Cheney," *Guardian online*, May 5, 2006. http://www.guardian.co.uk/russia/article/0,,1768066,00.html.

<sup>&</sup>lt;sup>27</sup> Victor Yasmann, "Russia: Moscow Gets Tough with the EU," *RFE/RL* feature article, June 5, 2006.

<sup>&</sup>lt;sup>28</sup> Keith C. Smith, "Security Implications of Russian Energy Policies," CEPS Policy Brief, no. 90/January 2006.

<sup>&</sup>lt;sup>29</sup> Citation from Michael Emerson, director of CEPS in Ahto Lobjakas, EU. "The Energy Dilemma – with or without Russia," *RFE/RL* feature article, March 22, 2006.

<sup>&</sup>lt;sup>30</sup> Aleksei Miller, head of Gazprom warned EU ambassadors in Moscow, in "Gazprom smotrit na Zapad," *Nezavisimaia gazeta*, June 7, 2006.

<sup>&</sup>lt;sup>31</sup> Ian Traynor, "Poland Recalls Hitler-Stalin Pact Amid Fears over Pipeline," *Guardian online*, May 1, 2006. http://www.guardian.co.uk/eu/story/0,,1765054,00.html.

<sup>&</sup>lt;sup>32</sup> Citation from Julia Montanaro-Jankovski, in Lobiakas, "EU."

development, and an instrument of domestic and foreign policy. The role of the country in the international energy markets defines, to a large extent, its geopolitical influence."33 In my opinion, one can hardly find any wrong in these statements. They are standard, modern statements—that anv documents could other similar ofanv in country—representing the national interests of Russia. The main question is whether Russian energy policy has been used for direct political purposes, or for blackmail against Europe and Central Europe. No, there has been no such case when Russia would have used this instrument in Europe. And, yes there have been cases when it used it for direct political influence, but exclusively within the CIS space, and only vis-à-vis such countries that wanted to enjoy the preferential low prices and were willing to accept special political relations with Moscow (Belarus, Ukraine, and Moldova). In my opinion, the Russian-Ukrainian gas dispute was overwhelmingly misinterpreted by politicians, and misrepresented in the media. Although the Russian steps against Ukraine did not lack a certain political element (the timing before the March parliamentary elections) and spectacular moves (the well-publicized stop of supply), the whole issue, in its essence, was a local business dispute over the price and the Ukrainian practices of reexport for extra profit. Russia did not decrease its delivery to Europe (including Central Europe), and had no intention of blackmailing Europe. On the contrary, it is in Russia's best interest to maintain stable energy relations with Europe. Russia can hardly find alternative markets without immense investments that would put into question the whole endeavor.

In addition, recently, there have been high-level signals of the fundamental change in Russia's energy policy towards the CIS countries. First, President Putin declared at the annual meeting of Russian ambassadors that "I think it is time to switch to principles accepted in world economy and trade based on rational calculations." Aleksei Miller, head of Russia's state-owned gas monopoly Gazprom, announced at a general shareholders' meeting in Moscow on June 30 that Gazprom intends to abide by the same conditions in its relations with CIS states as

<sup>&</sup>lt;sup>33</sup> "Energeticheskaia strategiia Rossii na period do 2020 goda," August 28, 2003. http://www.mte.gov.ru/files/103/1354.strategy.pdf.

Kseniia Fokina, "Programma pragmatikov," www.strana.ru, June 27, 2006.

with Europe.35

#### **Conclusion**

In sum, the evidence shows that the last decade and a half has not produced any specific Russian foreign policy doctrine towards Central Europe. Over the analyzed period, the Russian approach went through the phases of limitation-democratic neglect-rediscovered interest-geoeconomic activism. The rediscovery is evident, but it has to be added immediately that this rediscovery is contextual. Central Europe is rediscovered and interpreted for Russia almost exclusively in the European context, and not on its own

Bugajski's critique of Russia is basically wrong for one simple reason: he analyzes Russian policy towards Eastern Europe—meaning the European post-Soviet states, the Baltic states, Central Europe, and the Balkans—as one united policy towards these very different subregions. But he is unintentionally right on one point. With the ongoing political changes and Russia's gas policies in European post-Soviet states, this part of the world is becoming increasingly closer to Central Europe, constituting another challenge for Russia in the medium term.

<sup>35</sup> RFE/RL Newsline, vol. 10, no. 121, Part 1, July 3, 2006.