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A REGION DISUNITED?

Central European Responses to the Russia-Ukraine Crisis

EDITED BY JOERG FORBRIG

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On the cover: In this March 2, 2014 photo, people applaud as the European Union flag held by a protester arrives at the Independence square during a rally in Kyiv, Ukraine. © Emilio Morenatti/AP/Corbis

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CENTRAL EUROPEAN RESPONSES TO THE RUSSIA-UKRAINE CRISIS

EUROPE POLICY PAPER

FEBRUARY 2015

Edited by Joerg Forbrig¹

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1 THE ISSUE AND POLICY PRIORITIES

The Issue

The Russian aggression against Ukraine is not only an assault on the sovereignty, territorial integrity, and peaceful development of one of the European Union's largest neighbors; it has ramifications for Europe at large. It has sent shockwaves throughout the EU's Eastern neighborhood and its eastern-most members, many of which feel directly threatened by the Russian return to geopolitics and spheres of influence. It has questioned the architecture, rules, and institutions of European security, that have emerged since the end of the Cold War. It has exposed the multiple vulnerabilities of many EU countries to Russian influence in their politics, economics, energy supplies and media. And, it has revealed the failure of European policy toward its Eastern neighborhood and Russia, and with it a key aspect of the EU's nascent foreign and security policy. On all these levels, and in their sum, Russia fundamentally challenges the European project.

Europe has been slow to grasp the principal nature and broader implications of the ongoing conflict, and it has been even slower to respond effectively. Most surprisingly, perhaps, even those EU members that find themselves in close geographical proximity to both of the conflict parties, share a history of Soviet occupation and are particularly sensitive or exposed to developments in Eastern Europe and Russia have differed significantly in their perceptions of and reactions to the crisis, and now war, launched by Russia against Ukraine. Discord in Central Europe adds to EU-wide dissonance, and does not bode well for an effective European response to these new realities. Whether handling the Ukraine crisis in the short term or the Russian challenge in the long run, Europe is hard-pressed to muster a shared understanding of the problem, a strong commitment to its founding principles and values, and sustainable policies for its Eastern neighbors and Russia.

Policy Priorities

Central Europe can and should play a key role in shaping a strategic response to the Ukraine crisis and the broader Russia challenge. For this, the EU's eastern-most members need to enhance intra-regional dialogue on the rapidly changing political, economic, and security landscape east of their borders, with a view to forging a stronger regional voice, understanding and consensus, a voice that informs European and Western policy. Central Europe also needs to address regional vulnerabilities to Russian interference jointly and systematically. Collective efforts, such as the construction of energy interconnectors, can draw on existing EU funds, while joint investments in hard and cyber security should be considered by the countries of the region.

Beyond Central Europe, stronger political leadership is urgently needed. In the absence of a clearer line in Brussels, Berlin, and Paris, opportunistic behavior is encouraged among Central European countries, and undercuts an effective European response to Russian actions. From among the EU and NATO heavyweights, Germany and the United States need to be re-engaged with Central Europe. Only the closest possible coordination and cooperation with both will enable Central Europe to shape EU and NATO strategies and policies. In so doing, the region's priority should be to advocate for a new policy for Eastern Europe, given the obvious failure of hitherto EU policy toward the Eastern neighborhood and Russia. Central Europe's own recent experience suggests a vision of EU enlargement toward the Eastern neighborhood, and a containment and deterrence policy toward Russia.

2 INTRODUCTION: A REGION DISUNITED?

JOERG FORBRIG

In a complete reversal of the post-Cold War European order, Russia has returned to aggressive geopolitics, the assertion of a sphere of influence, and confrontation with the West.

Europe has struggled to come to terms with the consequences of the conflict in Ukraine, and with the underlying challenge posed by Russia. Nowhere has this struggle been more obvious than in Central Europe and among the EU's eastern-most states, which arguably should have demonstrated similar assessments of and responses to this crisis. Yet despite a shared history as Soviet satellites, still fresh transition experience, deep understanding of Eastern Europe and Russia, and geographical proximity to the conflict, this region has been surprisingly divided. This casts considerable doubt on Central Europe's oft-declared ambition to act as an internal EU advocate of a stable and democratic neighborhood to the East. It weakens the ability of the EU at large to effectively react to the spiral of violence in Ukraine, and to devise long-term policies to support Eastern neighbors and to stem Russia's new assertiveness. It is with these concerns in mind that the current study was conceived.

In 2009, a group of seasoned policy experts from Central Europe warned in an open letter that Russia was returning "as a revisionist power pursuing a 19th century agenda with 21st century tactics and methods."¹ A mere five years on, the worst of the letter's predictions on Russia have become the sad reality of Eastern Europe. In a complete reversal of the post-Cold War European order, Russia has returned to aggressive geopolitics, the assertion of a sphere of influence, and confrontation with the West. It first launched a massive campaign against those of its neighbors that sought closer association with the European Union (Armenia, Georgia, Moldova, and Ukraine), using an arsenal ranging from political meddling and propaganda to economic warfare, energy blockades, and security threats. When this was to no avail, as in Ukraine where society mobilized to defend its

European choice, the Kremlin did not hesitate to employ barely veiled military means, annexing the Crimean peninsula, stoking separatism, and waging an undeclared war in the Donbass. Thus, in its immediate neighborhood, Russia's actions directly counteract EU efforts to create "a ring of friends," in other words a ring of stable and secure states bordering the Union to the East.²

Yet Russian interference has gone far beyond its immediate neighborhood. Virtually all of Central Europe, whether the eastern-most members of the EU and NATO or the accession candidates in the Western Balkans, have seen their sovereignty undermined by Moscow, through covert support for certain political parties and campaigns, investments by Russian President Vladimir Putin's cronies, punitive cuts to gas supplies, and import bans. Even some of the EU's key powers, France and Germany among them, have come to feel the long arm of the Kremlin, which has established local propaganda outlets, sponsors extremist parties, and woos key businesses. As has become increasingly obvious, Russian revisionism has also taken aim at the European Union itself. Whether through its brutal campaign against Ukraine, by leaning on its other neighbors or by meddling inside EU member and candidate countries, Russia effectively questions the post-1989 order of the entire continent and it undermines the independence, politics, economies, borders, and security choices of many, if not all, its states. In so doing, Russia hopes to divide Europe, weaken the West and increase its own relative importance on the world stage, not least vis-à-vis the United States.

Europe has been slow to grasp the principal nature and gravity of the Russian challenge. For the smaller states of the EU's Southern and Western

¹ An Open Letter to the Obama Administration from Central and Eastern Europe, *Gazeta Wyborcza*, July 15, 2009.

² Romano Prodi, "A Wider Europe — a Proximity Policy as the Key to Stability," Peace, Security, and Stability International Dialogue and the Role of the EU, Sixth ECSA-World Conference, Brussels, December 5-6, 2002.

periphery, the unfolding Ukraine crisis was an unfortunate but far-away trouble spot of little direct relevance. Key capitals, including Berlin, Paris, and Rome, have found it hard to abandon their long-held policy, and hope, that economic engagement with Russia would eventually transform Russia politically. The indifference of some and the illusions of others among the EU's Western states are hardly a surprise, considering the strength of inertia. More sober and realistic views of Russia are still in the making.

More unexpectedly, however, the EU's Eastern members have found it just as difficult to find a common response to the unfolding crisis and the broader challenge posed by Russia. After all, the Central European region, from Estonia in the north to Bulgaria in the south, finds itself geographically close to the zone of conflict and to potential new ones in the EU's Eastern neighborhood. Many of the countries directly border Russia or Ukraine. All of them share a history of Soviet hegemony, and most of them have memories of direct occupation by Moscow during the 20th century. Deep historical, cultural, social, and economic ties link the region with its neighbors to the East. These legacies and links naturally provide Central Europe with a particular interest and sensitivity for developments to its East. It might have been expected that this region would discern the Russia challenge and define and display more unanimous responses than others in the EU. However, that was not the case.

Instead, and as the crisis evolved in the East, a diversity of voices and reactions has emerged from Central Europe. Early on, principled and engaged positions were articulated by Estonia, Lithuania, and Poland who condemned the violence against the EuroMaidan, soon emphasizing the broader implications of the following military aggression by Russia against Ukraine. Thus, then-Polish Foreign Minister Radosław Sikorski, jointly with his French and German colleagues, engaged directly

in brokering a truce between the protesters and the president of Ukraine, while Lithuania used its chairmanship of the UN Security Council to convene an emergency meeting. As the crisis deepened with Russia's annexation of Crimea and the subsequent military campaign in Donbass, the Northern part of Central Europe increasingly pointed to its own vulnerabilities and security deficits in the face of Russia, which, as Estonian President Toomas Hendrik Ilves put it pointedly, had launched "a battle between Europe and non-Europe [...] a conflict of values."³

By contrast, initial responses from countries further south were much more subdued. They ranged from lukewarm condemnations of Russia's actions by Bulgaria to a markedly distanced attitude toward the EuroMaidan protests in Romania, and from quiet pragmatism in Slovakia to vocal pro-Russian voices in the Czech Republic and Hungary. Across this southern part of Central Europe, hopes of a swift return to the status quo ante prevailed over the fears of worse to come voiced by Central Europeans further north.

The ensuing debate in the EU on sanctions against Russia deepened these rifts, with capitals from Tallinn to Warsaw demanding swift and broadly punitive measures, while Prague, Bratislava, and Budapest openly voiced their doubts about the effectiveness of sanctions and pointed to the negative fallout for their own and other EU economies. Although all Central European countries, like the remainder of the EU, eventually supported successive waves of political and economic sanctions against Russia, these differences across the region continue to simmer. They have reopened as the EU discussion has begun on the broadening, extension, or partial lifting of the measures imposed on Russia. What

³ President Ilves met with Ukrainian leaders, September 11, 2014.

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The Ukraine crisis has uncovered serious vulnerabilities to Russian interference in the politics, economies, and societies of virtually all EU member states.

is more, this broad North-South divide among Central Europeans is being replicated in discussions on possible military aid and arms transfers from the West to Ukraine. While Estonia urged such assistance, and Lithuania and Poland stated their principal readiness to supply it, the Czech Republic and Hungary have strongly come out against providing Ukraine with weaponry.

Most countries of Central Europe have also provided Ukraine with direct aid as the crisis unfolded, although to varying degrees and in different forms. In response to police violence against the EuroMaidan, Estonia, Lithuania, and Poland admitted injured Ukrainians to their hospitals for medical care. All three countries mobilized strong civil society responses, ranging from solidarity groups bussed in to back Ukraine's protest movement to international concerts held in support of the EuroMaidan. When Ukraine faced acute energy shortages resulting from a Russian embargo, Hungary, Poland, and Slovakia took to reverse flows to provide Ukraine with natural gas, and have helped their neighbor to meet much of its energy needs ever since. By contrast, Bulgaria and Romania have largely confined themselves to supportive rhetoric.

These differences in approach warrant a closer look, and the contributions to this study detail the positioning of individual Central European states vis-à-vis the Ukraine crisis and Russia. Besides illustrating regional diversity in what may be the gravest crisis facing Europe since the fall of the Iron Curtain, the following chapters also uncover the reasons and rationales underlying the often different and sometimes opposing courses of action taken by the countries of the region since the beginning of the crisis. They bring to light considerable variations in political and public debate on the Ukraine crisis, important differences in economic and energy relationships with Russia, and a number of long-term legacies that in several

cases even predate shared Soviet history. In so doing, the country perspectives provided here add a level of nuance and detail to a debate that is rapidly taking shape in Europe.

That debate plays out in several directions. First and foremost it naturally asks if and how the ongoing war in Ukraine can be ended. European, and more broadly Western, responses to the Russian assault on the sovereignty, territorial integrity, and peaceful development of this large EU neighbor have not yielded positive results so far. Perspectives as to the origins of the conflict, the mode and means for achieving a ceasefire, and the format of a political settlement differ widely, among Central Europeans no less than among other EU members. Yet there is a broad agreement that breaking out of the dangerous spiral of violence is of paramount importance.

Secondly, Russia's actions against Ukraine have thrown all of its neighbors into uncertainty and anxiety. Those that strive for a similar association with the EU as Ukraine — Georgia and Moldova — have already felt political and economic pressure from the Kremlin and they fear for more as they progress on their European path. Those that have closely allied themselves with Russia, such as Belarus and Kazakhstan, have also come to feel Moscow's tightening grip, in the form of trade disputes and barely veiled political threats. Across former Soviet republics, it is understood that Russian revisionism hardly limits itself to Ukraine. The emerging discussion asks if and how the EU can effectively support the sovereign choice and development of those countries, which it considers its Eastern neighborhood.

Third, it has become clear over the last year that Russia's impact does not stop at EU's borders. Instead, the Ukraine crisis has uncovered serious vulnerabilities to Russian interference in the politics, economies, and societies of virtually all

EU member states. Many of these are particularly pronounced in Central Europe, where Russian media power, predominance as an energy supplier and export market and investments in the region's economies and politics are important. This often pervasive presence of Russia inside the EU has clearly shaped responses to the Ukraine crisis. At the same time, it has renewed an older debate on whether and how to reduce Russian leverage from within, especially by diversifying away from energy supplies originating in and exports destined for Russia.

Fourth, the conflict has highlighted numerous deficits in European arrangements for preventing, handling, and resolving challenges to security on the continent. The EU's neighborhood policy has neither managed to induce stability to the region east of its borders, nor has its foreign policy apparatus been able to influence the course of the emerging crisis. The Organization for Security and Cooperation in Europe and the Council of Europe, both forums for pan-European dialogue that include Russia, have played only a marginal role in addressing the conflict. Instead, Europe has been reminded that its security continues to hinge on NATO, which scrambled to return to its original mission of territorial defense, not least under the impression of numerous Russian provocations at its borders. As a result, many wonder, especially in Central Europe, how to revamp strategies and capabilities to enhance security both in Europe and transatlantically.

Finally, debates as to how Europe should approach Russia can be expected to intensify. Given Putin's open contempt for the European project, and his ever more confrontational behavior, few dare to call him a partner any longer. Yet positions on what drives Russian policy today, whether past Western mistakes are partly to blame for Russia's aggressive stance, and what alternatives for the EU policy vis-à-vis Russia should look like, differ widely. The

underlying sense among Central Europeans — most clearly articulated by those directly bordering Russia — is that a tectonic shift has taken place in Russia and, as a result, in European-Russian relations. This shift is yet to receive a strategic response by the West.

In shaping this multi-layered discussion and its outcomes, Central Europe can and should play a central role, predestined as it is through its very geography, sensitivity and exposure to developments further east. To do so, the countries of the region and their partners in the EU and across the Atlantic should:

- Enhance regional dialogue on the rapidly changing political, economic, and security landscape east of their borders. Regional forums, such as the Visegrad Group or the Central European Initiative along with civil society and expert networks, can serve to forge stronger regional understanding and a consensus that can inform European and Western policy responses to the new challenges emanating from Russia and Eastern Europe.
- Address regional vulnerabilities to Russian interference jointly and systematically. Some of Central Europe's weak spots, such as energy dependence, have long been known but have been addressed inconsistently and only by some countries. Stronger regional action is needed, whether on energy interconnectors or to provide information to stem the Kremlin's propaganda, and can draw on existing EU funds. No less importantly, joint investments in hard and cyber security should be considered.
- Strengthen political leadership in Europe. The Ukraine crisis has exposed a dearth of leadership in the EU, with many of the bloc's heavyweights pursuing their own and often ambiguous Russia policies. For several

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countries in Central Europe, this provided an easy excuse for their own opportunistic stance. In order to craft a clear-cut and effective European response to Russia, stronger leadership is needed, from Brussels, Berlin, and Paris alike.

- Re-engage Germany and the United States with the region. Germany has long been an internal advocate for Central and Eastern Europe, while the United States continues to enjoy the particular confidence of many societies in the region. The closest-possible coordination and cooperation with both will

only strengthen Central Europe's voice in shaping EU and NATO strategies and policies.

- Advocate for a new policy for Eastern Europe. With the obvious failure of previous EU policy toward the Eastern neighborhood and Russia, an intense search for alternatives has begun. Central Europe should feel encouraged to shape that policy based on its own recent experience. That suggests a vision of EU enlargement toward the Eastern neighborhood, and realism in the form of a policy of containment and deterrence toward Russia.

3

BULGARIA: INCREASINGLY ASSERTIVE BUT NOT HAWKISH

MARIN LESSENSKI

Two elements describe Bulgaria's position on the crisis in Ukraine and Russia's actions there. The first is loyalty to the EU, the United States, and NATO, which trumps any domestic opposition or energy dependence on Russia, and makes it hard to imagine a government going against its Euroatlantic allies. The second is that there would be relief in Bulgaria if the tensions between the West and Russia eased and no longer fuelled political rifts or endangered energy supplies and economic relations.

Bulgaria has stood with its EU and U.S. allies in condemning the annexation of Crimea and joining the sanctions against Russia. At the same time, its reaction toward this crisis has been shaped by internal political dynamics. This has happened in two distinct stages that cover the periods until mid-2014 and since then, with a new government coming to power. From May 2013 to August 2014, Bulgaria was governed by a short-lived coalition of the leftist Bulgarian Socialist party (BSP) and the Turkish-minority Movement for Rights and Freedoms (MRF), tacitly backed by the extremely nationalist Ataka. When that government resigned after civic protests and discord among the ruling parties, President Rosen Plevneliev appointed a caretaker government. Snap elections in October 2014 then resulted in a new ruling coalition led by the center-right Citizens for the Democratic Development of Bulgaria (GERB) and the smaller center-right Reformist Bloc, joined by the left Alternative for Bulgarian Revival (ABV) party and backed by the nationalist Patriotic Front. The Ukraine crisis has exposed serious political, institutional, and public rifts in the country, as well as economic and energy dependencies on Russia.

While the official Bulgarian position has remained practically unchanged, the different governments have taken markedly different approaches. The government of Plamen Oresharski (May 2013 - August 2014) had a lukewarm attitude toward

condemning Russia whereas the two following governments took a more assertive stance. At the same time, the president, to whom the constitution gives a limited foreign policy role alongside the government, has remained critical of Russia and endorsed EU and U.S. policies.

Despite dependence on the support of parties that have strong pro-Russia sentiments and are to energy projects with Russia, the Oresharski government expressed support for Ukraine's sovereignty, territorial integrity and independence from the first stages of the crisis. This was reiterated when Foreign Minister Kristian Vigenin visited Kyiv in March 2014.

The government was torn, however, between obligations to the EU and domestic political and economic considerations. In March 2014, during a Russian media interview and in a meeting with U.S. Assistant Secretary of State Victoria Nuland, Oresharski stated that Bulgaria opposed further sanctions against Russia. Foreign Minister Vigenin clarified in an interview that the government wanted to avoid further sanctions because they would harm Bulgaria and would not be effective; he also pointed to other reluctant EU members. In the end, though, Bulgaria did not veto the sanctions and joined the EU's actions without reservations.

The shift toward a more assertive stance came with the appointment of a caretaker government by President Plevneliev on August 6, 2014, and with the formation of a new government following the October elections.

Under the caretaker government, the Ministry of Defense prepared a "Vision 2020" document ahead of the NATO Wales Summit in September 2014 that best demonstrated the turn. This document outlined the external threats to Bulgaria's security and stated that "[t]he unlawful annexation of Crimea by Russia and the conflict in Eastern

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Ukraine became the most serious threat to peace and security in Europe after WWII.¹ The document identified “hybrid warfare,” which combines conventional, guerilla, and information warfare, and energy dependence as security risks for Bulgaria, and it emphasized that sanctions had a direct impact on the economic interests of the country. The dependence of the armed forces on Russia for Soviet-era equipment was also identified as a major problem.

Daniel Mitov, the caretaker government’s foreign minister, criticized the elections in the self-proclaimed Donetsk and Lugansk republics, and reaffirmed Bulgaria’s support for the territorial integrity and sovereignty of Ukraine. The caretaker government also pledged to decrease the country’s energy dependence on Russia through the construction of inter-connectors, which has been dragging on for years.

But the caretaker government and the current one can hardly be described as “hardliners” toward Russia. “Vision 2020” was toned down, owing to insistent objections of then-Prime Minister Georgi Bliznashki and others. Earlier in 2014 when he was still in opposition, Prime Minister Boyko Borissov, who took office in November 2014, spoke against open confrontation with Russia, including sanctions, and strongly disagreed with identifying Russia as a “threat” in the debates on “Vision 2020.”

President Plevneliev has played an important role, and he remains a critic of Russia. Addressing the UN General Assembly in September 2014, he once more highlighted the threat to European security posed by the Ukraine crisis and said that “[t]he signing and ratification of the AAs [Association Agreements] of Ukraine, Moldova, and Georgia

with the EU is an important milestone in the process of their European integration.”²

Domestic Political, Public, and Energy Considerations

In addition to EU and NATO membership, and Bulgaria’s status as a Black Sea country close to conflict zones, two important domestic political and economic factors shape its position on the Ukraine crisis. First, there are political and public opinion divides over the question of relations with Russia. Second, there is the country’s energy dependence on, and general economic ties with, Russia.

In relation to Ukraine, Bulgaria maintains friendly relations with Kyiv and is supportive of its aspirations, but these bilateral ties did not play a decisive role in policy formation. However, two elements are noteworthy. First, there is the 200,000-strong Bulgarian minority in Ukraine, which has not so far been a strong factor in Bulgaria’s decision-making but may become such if it is affected by the conflict. Second, there was solidarity with Ukraine among the public and politicians since the EuroMaidan events coincided with year-long protests in Bulgaria against the government of Plamen Oresharski. The attitudes of protesters and government supporters toward events in Ukraine have at least partially reflected Bulgaria’s political and public cleavages. The left and the extreme nationalist parties are the strongest supporters of Russia in Bulgaria; they include very vocal circles that promote Russia’s views and criticize the allegedly U.S.-dominated EU approach toward Russia.

“Always with Europe, never against Russia” became the left’s new motto in a bid to reconcile its EU

¹ Bulgaria in NATO and in European Defence 2020, working document approved by the Bulgarian government on September 2, 2014.

² Statement by President Rosen Plevneliev at the general debate of the 69th session of the United Nations General Assembly, September 25, 2014 (in Bulgarian).

allegiance with its traditional Russophile position. There have been more radical voices on the left though, which blame the loss by the Bulgarian Socialist Party (BSP) at the 2014 elections on following the EU's line on Russia. Leftist and nationalist politicians have taken symbolic and concrete pro-Russia steps such as displaying "St. George" ribbons at the height of the Ukrainian crisis and participating as "observers" in the Crimea "referendum" and the Donetsk and Luhansk "elections." The most vocal support for Russia and openly anti-EU stance came from the extreme nationalist party Ataka and its small representation in parliament. However, the left-right divide does not automatically translate into strictly pro- and anti-Russian positions. The current center-right prime minister has been careful not to antagonize Russia and has often spoken in conciliatory terms about the crisis.

Strong pro-Russian sentiments date back to the 19th century when Russia's war against the Ottoman Empire led to the creation of the modern Bulgarian state. These same sentiments were nurtured very actively between 1944 and 1989. However, this does not necessarily translate into overwhelming public support for pro-Russian policies. Bulgarians remain very positive toward the EU, with 63 percent saying that they would vote for EU membership again if the issue were put to a referendum.³ At the same time, only 10.3 percent of Bulgarians supported tougher sanctions on Russia; 21 percent opposed them. A larger share (40.2 percent) said that Bulgaria should not participate in sanctions against other states as a matter of principle.⁴

³ Marin Lessenski, EU Membership and the Public Opinion in Bulgaria in 2014, EuPI Policy Brief 43, August 2014; Marin Lessenski, South Stream and EU Sanctions against Russia: Bulgaria's Public Opinion, EuPI Policy Brief 44, August 2014.

⁴ The aversion to sanctions may be partially explained by the fact that Bulgaria suffered from sanctions against the former Yugoslavia in the 1990s.

Similar affinities were demonstrated by supporters of the left who favored the Russia-backed South Stream gas pipeline project and who were against sanctions, and those of the center-right who generally held opposite opinions. In 2014, only one-fifth of Bulgarians — 22 percent — supported South Stream without any preconditions. Nearly a third — 28 percent — said that it should be built only with EU consent, and 9 percent were against it in any form. Meanwhile, 41 percent did not express an opinion. Left-right divisions are generally visible, but they are not very clear-cut. For example, even among BSP supporters, who are considered pro-Russian, only 30 percent support South Stream unconditionally, 21 percent see EU approval as necessary, and a majority of 44 percent does not know.

Bulgaria's economic and trade relations with Russia are relatively modest in comparison to those with EU members and neighboring states. There is, however, a considerable imbalance in favor of Russia due to imports of energy resources, which gives it considerable political leverage in the country. Exports to Russia in 2013 amounted to 2.6 percent of the total, placing it ninth among Bulgaria's markets, between Belgium and Spain; Germany was first with 12.3 percent. By contrast, Russia is Bulgaria's top source of imports with 18.5 percent, ahead of Germany (10.8 percent).⁵

Bulgaria's tourism industry has also become increasingly dependent on Russian visitors and buyers of holiday homes. In 2013, Russians accounted for 13 percent of all visitors at hotels and resorts, on par with Romanians and Germans.⁶ With the eruption of the Ukraine crisis, the tourism

⁵ Bulgarian Ministry of the Economy, Foreign policy statistics, "Leading countries in the foreign trade of Bulgaria," data for 2013 (in Bulgarian).

⁶ National Statistical Institute of Bulgaria, Nights spent and arrivals of foreigners in accommodation establishments by country of origin in 2013 (in Bulgarian).

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sector feared that sanctions against Russia could ruin the 2014 summer season.

The most serious factor influencing decision-making remains Bulgaria's considerable energy dependence on Russia. It imports over 90 percent of its gas from Gazprom, and it does so through one route alone — via Ukraine. Despite the fact that Bulgaria is highly vulnerable to any “gas war,” it has completed the construction of only one interconnector and this only in 2014. The ownership of a refinery in Burgas and control of a large portion of the trade of petrol and related products by Russia's Lukoil is also a significant factor. And the Kozloduy nuclear power plant, which generates 33.4 percent of Bulgaria's electricity, relies on Soviet-era technology and Russian fuel for its operations.

The project to build a second nuclear power plant, Belene, with Russian companies and technology, was frozen by the first Borissov government in 2012. Bulgaria is now threatened with a €1.23 billion lawsuit by Russia's Atomstroyexport, which is seen as possible leverage for Russia. In 2011, Bulgaria also withdrew from the Burgas-Alexandroupolis oil pipeline, the third major energy project due to be developed with Russia alongside Belene and South Stream.

Bulgaria's caretaker government suspended construction on the South Stream project in August 2014 until the details and controversies surrounding it had been cleared, including its conformity with EU rules. The sequence of events is not entirely clear, but although the Oresharski government announced the suspension of South Stream in June 2014, government agencies and companies have continued work on the project and generally defied the European Commission's procedure initiated over public procurement rules.

Russian President Vladimir Putin's announcement in December 2014 to cancel South Stream in its current form, putting the blame on Bulgaria, came as a surprise to supporters and opponents of the project in the country. Immediate criticism was launched mainly by the center-left opposition against the caretaker and current governments for forfeiting the considerable benefits of South Stream. The official response was that South Stream was still on the table as far as Bulgaria was concerned, but on two conditions: bringing South Stream in line with EU law and proving its financial benefits for Bulgaria. In the same month, the government also received support from the EU in its relations with Russia and on the issue of South Stream.

Outlook: Keeping Current Commitments and Hoping for the Best

The coalition government that came to power in November 2014 has demonstrated that it will pursue a more assertive approach toward Russia, coordinate its positions and actions with the EU and the United States, and support its Black Sea neighbors that strive for closer ties with the West. The program declaration that was adopted as the basis of the new government started with a foreign policy section reiterating Bulgaria's Euroatlantic commitment and support for EU policies and regional cooperation in the region.

Foreign Minister Mitov was retained by the new government. In November, he stated that “[t]he aggression of the Russian Federation in Ukraine, the breach of international law and redrawing the map of Europe in the 21st century, generating new frozen conflicts — this is all a direct provocation against European and Euroatlantic values. The start of a new Cold War cannot be excluded either.”⁷ At the same time, and as a confirmation that this is

⁷ Keynote speech of Daniel Mitov, Bulgarian minister of foreign affairs, at the Third Annual Security Review Conference, quoted in Митов: Заради Русия може да има нова студена война, Клуб Z, November 13, 2014.

part of Bulgaria's position on the broader Black Sea region, the Ministry of Foreign Affairs criticized the military agreement announced by Russia and Abkhazia as a threat to regional security and as having a negative impact on efforts to stabilize this conflict zone in the Caucasus. Defense Minister Nikolay Nenchev has also said that he was committed to the caretaker government's "Vision 2020" document, although rearmament will likely be put on hold owing to financial restrictions. Bulgaria will also continue development and humanitarian aid projects (small, but important nevertheless) for Georgia, Moldova, and Ukraine.

Yet, while Bulgaria is maintaining the more assertive stance seen in the second half of 2014, it is not likely to become especially hawkish toward the crisis and Russia either, with Prime Minister Borisov continuing to treat the issue carefully.

With regard to the future behavior of the government, another very important factor will

be the energy and Russia policies of its European partners and of the United States. Germany's behavior will be a particularly important marker. Bulgaria's decision-makers often follow, or take as a point of departure, Germany's policy on a number of issues, including foreign policy — e.g. toward the Balkans and the Black Sea region. Considering the number of countries in the EU that tend to follow Germany's lead, it is likely that whether by design or coincidence, Germany will have its own "coalition of the willing" over the crisis in Ukraine and relations with Russia.

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4

THE CZECH REPUBLIC: LACKING FOREIGN POLICY CONSENSUS

PETR KRATOCHVÍL

Nowhere is the lack of foreign policy consensus more visible than in the country's approach to Russia, particularly the recent Russian-Ukrainian conflict.

Like the other post-communist countries of Central Europe, the Czech Republic's foreign policy priorities in the 1990s were heavily concentrated on the accession to NATO and the European Union. The focus on these two goals created the illusion that Czech foreign policy elites shared a consensual view of the country's future. However, with these goals achieved in 1999 and 2004 respectively, this illusion was shattered. Today, many important foreign policy issues, including the nature of Czech security commitments as well as involvement in European integration, have become subject to debate, with political differences growing rather than decreasing. Nowhere is the lack of foreign policy consensus more visible than in the country's approach to Russia, particularly the recent Russian-Ukrainian conflict.

Two substantially different narratives about Russia and Russian-Czech relations circulated among political elites before the Ukrainian crisis. The first, more typical for the right-wing parties such as the ODS or the TOP09, depicted Russia as a threat. This narrative built on the assumption that Russia's transformation into a liberal democratic country was not, and in fact can never be, successful, and that Russia's relatively moderate foreign policy in the 1990s was not a consequence of its transformation, but rather of its weakness. Hence, Czech foreign policy should remain wary of Russia's intentions, treasure NATO membership, and cultivate close ties with the United States as the main guarantor of Czech (and European) security.

The second narrative, which was prevalent on the left end of the Czech political spectrum, saw Russia as an opportunity. This distinguished sharply between the Soviet Union and its legacy and the "new" Russia. In this interpretation, ordinary Russians might still feel some resentment toward NATO, but Russia is a post-imperial power that wishes stability, economic growth, and — most importantly — friendly relations with its former

satellites. Given the extensive experience of Czech businessmen with the Russian market, it was seen as a promised land with huge potential that could be easily tapped by Czech companies.

These two positions are also reflected in the sinuous evolution of Czech-Russian political ties over the last 20 years, which depended on whether the representatives of one or the other interpretation held sway over foreign policy. Although external shocks contributed to the worsening of mutual relations from time to time (such as the Kosovo campaign of 1999 and the Russian-Georgian War of 2008), they did not have a lasting effect on bilateral relations. Instead, they only temporarily strengthened the "Russia-as-a-threat" narrative before the oscillation between the two poles resumed.

Historical Ties Between the "Czech Lands" and Russia

Such a varied approach to Russia, with periods of wariness and periods of friendly relations, distinguishes the Czech Republic from the other post-communist countries of Central Europe. There are at least two major differences related to their substantially dissimilar historical experience with Russia. First, direct historical contacts between Russia and the "Czech Lands" were marginal until the 20th century. Unlike the inhabitants of Poland and the Baltic countries, Czechs never perceived Russia as a direct military threat, nor did they experience czarist rule first hand. On the contrary, one of the national myths of their 19th century "national awakening" was based on the strongly romanticized view of Russia as the "Slavic oak" that could shield the Czechs from the Germanization pressure of the Habsburg Empire. The liberation of Czechoslovakia by the Red Army at the end of World War II has also been — until today — interpreted positively. The discussion about the liberation/occupation by the Soviets that

is still so lively in the Baltic countries has never taken root in the Czech Republic. The negative image of Russia is, therefore, tied exclusively to the communist period (1948-89). In particular, the 1968 invasion by the Warsaw Pact armies and the subsequent repression left a deep mark on national consciousness: distrust toward Russia is therefore deeply rooted in the minds of those who lived through the 1960s and 1970s.

Economic Aspects of the Relationship

The Czech Republic's economic transformation of the 1990s that followed the end of the Cold War was not only a transition from a planned economy to a market economy, but also from a high level of interdependence with the Soviet Union to a reorientation toward the West. Today, Russia constitutes an important market, but its overall share of foreign trade is relatively small. EU member states account for 73.6 percent of the Czech Republic's foreign trade; Germany is the most important trading partner with 28.6 percent, followed by Slovakia (7.3 percent) and Poland (6.7 percent). Russia, which is the Czech Republic's most important partner among the post-Soviet countries accounts only for 4.5 percent, with Ukraine being substantially less relevant (0.9 percent)⁸

Additionally, the bulk of imports from Russia are energy resources. This means that the economic dependence on trade with Russia is relatively small, and therefore EU sanctions and Russian counter-sanctions cannot have as strong an effect on the national economy as it might appear from following the Czech media. On the other hand, the high levels of energy dependence on Russia increase public concerns, particularly on the right wing of the political spectrum. At the same time, it should be stressed that unlike some of its neighbors, the

Czech Republic is not fully dependent on Russian energy resources, either in terms of oil (because of the IKL pipeline that carries oil imports via Germany) or gas (because of the long-term contract on the delivery of gas from Norway).

The Impact of the Ukrainian Crisis

The Ukrainian crisis is without a doubt the most substantial of the external shocks that have influenced relations between the Czech Republic and Russia. And yet, unlike in Poland and the Baltic countries, even this most serious breach of European security order has not led to the defeat of the Russia-friendly orientation among parts of the political elites. On the contrary, the battle over the "true" interpretation of what to expect from Russia is more intense today than ever. In this sense, the public debates in the Czech Republic resemble more closely the situation in France or Germany than the negative consensus on Russia in the "northern tier" of post-communist countries.

Four basic attitudes toward the Ukrainian crisis have recently emerged among Czech policymakers. The first influential position is that of the "anti-Russian hawks," an alliance of right-wing conservative political forces (such as the TOP09 party and former Minister of Foreign Affairs Karel Schwarzenberg) and many influential media outlets. While the advocates of this position agree with the sanctions introduced by the United States and the EU, they say that it is necessary to go even further and to provide Ukraine with more substantive support, ranging from financial help to military training and equipment. It is also the conviction of the hawks that the Czech Republic should follow the example of Poland and convince the country's EU partners that Russia constitutes a grave threat to the security order in Europe.

The second position is the position of "multilateralists" who argue that the Czech

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⁸ Czech National Bank, The Czech Republic's trade relations with Ukraine and Russia (in Czech).

The division among the political elites is reflected in public opinion.

Republic should prioritize the coordination of its activities toward Russia with its EU partners. The aim is not to convince them of the Czech position, but rather to join the EU mainstream. The argument of this group is more understandable if one takes into account the broader background of Czech foreign policy and its recent changes. While the right-wing government (in power until July 2013) stressed transatlantic ties and exhibited a rather Euroskeptic attitude, the current government aims at steering the country back into the mainstream of EU policymaking. As a consequence, foreign policy has changed in a number of areas. This has affected not only the Czech approach to EU internal issues (such as the ratification of the long-criticized Fiscal Compact), but also the policy toward other regions. The previously pronounced criticism of China, Cuba, and some other countries receded into the background and the country's strong pro-Israeli position was changed to a more balanced approach. The same change has also influenced the position of the Foreign Ministry (the main bulwark of the multilateralist approach) toward Russia and the Russian-Ukrainian conflict. The official line of the ministry is that the sanctions were an unfortunate but necessary answer to the Russian aggression and that the EU should ultimately strive for their removal and the restoration of normal relations with Russia, with the necessary prerequisite being the compliance by Russia with international law and the removal of Russian soldiers and weapons from Eastern Ukraine. Hence, the position of Foreign Minister Lubomír Zaorálek is probably the closest among Czech policymakers to the position advocated by the German Chancellor Angela Merkel or the president of the European Council, Donald Tusk.

The third position is that of pragmatists, for whom relations with Russia are mainly an issue of economic ties. They see sanctions as an obstacle

to mutual trade that should be lifted as soon as possible. This position is the most widespread among the political elites, with Prime Minister Bohuslav Sobotka and Finance Minister Andrej Babiš subscribing to it. For both of them, the main concern is not the future of European security order, since they do not see the conflict through the prism of potentially endangered Czech security, but more the ordinary worries about economic damage done to Czech business interests. It is paradoxical that this position is so widespread in spite of the fact that Czech trade with Russia and Ukraine is of secondary importance compared to the country's main trading partners in the EU.

Finally, there are the enigmatic but influential "friends of Russia" in the Czech Republic. They emulate the rhetoric of Russia's official statements and the propaganda of the Russian state-owned media. While this group is rather incongruous, its political influence should not be underestimated as it includes some non-negligible political parties (such as the Communist Party of Bohemia and Moravia) and President Miloš Zeman and his predecessor, Václav Klaus. The two men belong to opposite ends of the political spectrum, with one a leftist and the other a conservative libertarian, but both are entirely committed to the Russian cause. President Zeman, for instance, has repeatedly denied any evidence of a Russian military presence in Eastern Ukraine.⁹ Klaus has made a number of similar statements, adding the accusation that the conflict in Ukraine was provoked by the West.¹⁰

Attitudes Among the Czech Public

The division among the political elites is reflected in public opinion. In April 2014, more than 60 percent of Czechs perceived the conflict in Ukraine

⁹ Jasně důkazy o přítomnosti ruských vojáků na Ukrajině nevidím, řekl Zeman, Český rozhlas, September 4, 2014.

¹⁰ Za studenou válku na Ukrajině může Západ, řekl Klaus z Moskvy, Lidovky.cz, November 21, 2014.

as a security threat to their country, but about half of the population did not actively follow the news about the conflict. Most importantly, at the beginning of the conflict, a large majority rejected the involvement of Czech diplomacy in the conflict or its solution — only 11 percent supported any kind of diplomatic action regarding the crisis.¹¹ With the intensification of the conflict, Czechs have become increasingly critical of Russia. In October 2014, two-thirds of the population said that Russia posed a security threat to the country, twice as many as a year earlier.¹² As far as sanctions are concerned, however, the Czech public remains divided. Although 41 percent agree with their imposition, 39 percent are against. The support for sanctions is more pronounced on the right, while a negative view of sanctions dominates on the left. Also, those persons more interested in the situation in Ukraine were more favorably inclined toward sanctions than those who did not express interest.¹³

We can safely argue that there has not been a consolidation of a national consensus in the

Czech Republic regarding the conflict in Ukraine, which has instead revealed deep cleavages among the public and foreign policy elites. Today, the political mainstream oscillates between the position of the multilateralists (stressing the need for a unified EU approach) and that of the pragmatists (accentuating economic interests). Reflecting the even distribution of opinion among the public, the government is very cautious in its positioning on Russia and the crisis. A change toward more unity on the issue is highly improbable. However, a trend that is already palpable today is the gradual softening of the official Czech position, which will ultimately lead to a re-evaluation of Czech support for the EU sanction regime.

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¹¹ Většina Čechů nesouhlasí s ruskou aktivitou na Ukrajině, *Aktuálně.cz*, April 29, 2014.

¹² Obavy Čechů z Ruska výrazně vzrostly, prozradil průzkum, *EuroZ-právy.cz*, October 24, 2014.

¹³ Postoj české veřejnosti k dění na Ukrajině — září 2014, *Centrum pro výzkum veřejného mínění*, October 3, 2014.

5

ESTONIA: IN PURSUIT OF A VALUE-BASED FOREIGN POLICY

MERLE MAIGRE

The conflict in Ukraine ... is not just a conflict about Crimea, Donetsk, and Kyiv, but about fundamental assumptions underlying European security.

The conflict in Ukraine has put the international community's relationship with Russia on a new standing. This is not just a conflict about Crimea, Donetsk, and Kyiv, but about fundamental assumptions underlying European security. Estonia's first official reaction to the Ukrainian crisis was during the bloodiest days of clashes of the EuroMaidan protests on February 18-20, 2014. President Toomas Hendrik Ilves issued a statement insisting that the violent confrontation in Kyiv had to stop and that government and opposition should start a political dialogue. He warned that Estonia stood ready to support sanctions against those responsible for the violence.¹⁴

In March 2014, a day after President Vladimir Putin had asked the Russian Federation Council to adopt a resolution allowing the use of Russia's armed forces in Ukraine, an extraordinary meeting of Estonia's National Defense Council called for strong counter-measures by the EU and NATO.¹⁵ A few days later, following NATO consultations, Foreign Minister Urmas Paet reiterated that Russia's actions and threats against Ukraine violated the UN Charter and endangered peace and security in Europe.¹⁶

At the extraordinary meeting of EU heads of state and government in Brussels on March 6, 2014, Prime Minister Andrus Ansip stressed the importance of stopping Russia's aggression and of helping Ukraine in every way.¹⁷ At the same time, foreign ministers of the Nordic, Baltic, and Visegrad countries met in Estonia's eastern-most

border town, Narva, and stated that the presence of Russian troops in Crimea was an act of aggression violating Ukraine's sovereignty and territorial integrity as well as international law.¹⁸

In the same month, Estonia's parliament adopted a statement in support of the sovereignty and territorial integrity of Ukraine.¹⁹ The speakers of the three Baltic parliaments further issued a joint statement saying that the Russian Federation Council's vote to allow the use of armed forces in Ukraine violated international law and set a dangerous precedent.²⁰

At the same time, Ilves discussed the crisis with the U.S. President Barack Obama and Vice President Joe Biden, underlining the need for Europe and the United States to act decisively and collectively. In different European meetings, Estonia supported imposing sanctions against Russia and providing an aid package to Ukraine. It has since supported statements, resolutions, and decisions backing Ukraine and condemning Russia at the UN, OSCE, Council of Europe, UNESCO, and OECD.

At the end of August 2014, when a large number of Russian combat troops entered Eastern Ukraine, Ilves insisted that this should finally dispel any doubts about Russia's involvement in the conflict, and that there was little meaning in ceasefire negotiations while one country had brought its armed forces into another without permission, while refusing formally to admit its involvement in the conflict.²¹

¹⁴ President Toomas Hendrik Ilves on the violent confrontation in Kyiv, February 18, 2014.

¹⁵ President Ilves summoned the National Defence Council, March 2, 2014.

¹⁶ The North Atlantic Council discussed Russia's military action against Ukraine, March 2, 2014.

¹⁷ Ansip: EU has decided to take concrete measures to solve the crisis in Crimea, March 6, 2014.

¹⁸ The foreign ministers of the Nordic, Baltic and four Central European countries are in Narva discussing the situation in Ukraine, March 6, 2014.

¹⁹ Statement of the Riigikogu: In support of the sovereignty and territorial integrity of Ukraine, March 5, 2014.

²⁰ Statement of the Speakers of the Parliaments of Estonia, Latvia and Lithuania, March 14, 2014.

²¹ Comment by President Toomas Hendrik Ilves on the invasion of Russian troops in Eastern Ukraine, August 28, 2014.

In September 2014, Ilves visited Kyiv and met Ukrainian leaders to express support to the country's efforts at political, constitutional, and economic reforms. Among others, he said Estonian hospitals willing to admit seriously injured Ukrainian freedom-fighters (the Foreign Ministry had earlier on supported the treatment in Estonia of people injured in the EuroMaidan protests). The government also increased the number of scholarships available to Ukrainians to study at Estonian universities.

The parliament has agreed that, in addition to financial aid, Estonia should be able to react fast and offer refuge to Ukrainian citizens, especially those with links to Estonia.²² The 23,000 ethnic Ukrainians in the country form the third-largest ethnic group after Estonians and Russians. Regarding support to Ukrainian refugees with Estonian roots, Ilves emphasized that the interior and foreign ministries should not find bureaucratic justifications to turn them away.²³

Factors Leading Estonia's Policy

Various factors have shaped Estonia's policy toward the Russian conflict with Ukraine. First and foremost, decision-making has been influenced by security concerns. For Estonia, the scope of the crisis extends beyond Ukraine to the security of the Baltic region itself. The annexation of Crimea caused many Estonians to remember the trauma of their country's quiet submission to Soviet occupation in 1940. Crimea's military occupation and the subsequent referendum closely resembled how the Soviet Union deprived Estonia of its independence during World War II.

²² Parliamentary Factions: Estonia Should Accept Ukrainian Refugees If Such a Need Arises, *Estonian Public Broadcasting*, October 1, 2014.

²³ Ilves Calls for Government Cooperation to Bring Ukrainian Refugees With Estonian Roots Back, *Estonian Public Broadcasting*, September 22, 2014.

For Estonia, Russia's aggression has aggravated the security situation in the wider Baltic Sea region and raised questions about the security of NATO member states through collective defence. NATO Secretary General Jens Stoltenberg said in November 2014 that there had been around 400 intercepts — 50 percent more than in 2013 — of Russian military flights near NATO member countries. Russian provocations in the Baltic Sea region have escalated, including frequent military exercises and flights by strategic bombers. In addition, in September 2014, Russia abducted a security officer from inside Estonia, and detained a Lithuanian-flagged fishing vessel operating near Murmansk. Other Baltic and Nordic states experienced similar Russian aggression over the second half of 2014.

As Taavi Rõivas, who succeeded Ansip as prime minister in March 2014, recently explained, "we are seeing lots of activities that have not been there a year ago, which demonstrates that the presence of NATO allies in all NATO territories is very much needed."²⁴ Estonia insisted that a sustainable NATO military footprint in the region's frontline states had to be one of the deliverables of the September 2014 NATO summit in Wales. It was important for the government that the summit confirmed the political unity and military preparedness of the alliance, and strengthened NATO's deterrence position.

Secondly, a domestic political dimension was added to the Ukrainian crisis in the Estonian context, as a government-orchestrated shift of leadership and power-sharing in the ruling coalition led to a change of government. For some Estonians, this movement in the midst of the crisis constituted a security risk. In a March 2014 poll commissioned by the ministry of defense, over the previous six

²⁴ Estonia's Prime Minister: NATO Presence Key to Counter Russia's Provocations, *Atlantic Council*, December 11, 2014.

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It has been essential for Estonia from the start of the crisis that the EU and the United States reached an agreement about sanctions.

months the proportion of those considering a large-scale military attack by a foreign country possible had grown by 16 percentage points.²⁵ According to the poll, the most probable threats were interference by a foreign country with Estonian politics and economy (64 percent). In the European Parliament in May 2014, and in the campaign for the parliamentary elections in March 2015, national security matters have become the principal discussion topic.

Another factor shaping Estonia's response to the Ukraine crisis is the pursuit of a value-based foreign policy that includes support for democracy, a market economy, and the rule of law.²⁶ Adherence to values is linked to the promotion of national self-respect. It is a general belief of policymakers that since the 1990s the Baltic states have been back on the international map because their citizens and other people cared about values. This tendency was strengthened by the experience of joining EU and NATO, given the EU requirement of fulfilling the Copenhagen Criteria regarding the rule of law and democracy, and NATO's growing emphasis on principles such as democratic control of the armed forces. Hence, during his meeting with Ukrainian President Petro Poroshenko in Kyiv, Ilves noted that "What is currently happening in Ukraine is a battle between Europe and non-Europe; it is not solely a military issue, with Russian aggression as one party; instead, it is a conflict of values."²⁷

Additionally, Ilves has used arguments of international law when outlining the importance of Russian aggression in Ukraine. Speaking at the UN General Assembly in September 2014, he listed several principles of international law that have

²⁵ Public Opinion and National Defence, *Saar Poll*, March 2014.

²⁶ Toomas Hendrik Ilves, In Remembrance of the Melians, *Diplomaatia*, October 2008.

²⁷ President Ilves met with Ukrainian leaders, September 11, 2014.

been violated by Russia.²⁸ The advancement of international law is one of Estonia's five priorities in foreign policy.²⁹ This is based on the belief that small countries are its biggest beneficiaries because it provides the basis for their treatment as equals by larger ones and, crucially, guards their status as independent states.

A strong transatlantic link is an important principle of Estonia's foreign and security policy. Coordinated, uniform, and effective action by the EU and the United States has been emphasized throughout the crisis. The U.S. presence in Europe is seen as offering guarantees of peace, security, and stability within the Baltic Sea region and on a wider scale. Therefore, it has been essential for Estonia from the start of the crisis that the EU and the United States reached an agreement about sanctions.

In the media, the EU's response has been regarded as one of political impotence and myopia, while hopes for a more vigorous policy response are placed in the United States. Journalists argue that Europe is simply "too old, too complacent, too indecisive, and too dependent on Russian money to punish Russia in any significant manner."³⁰

However, Estonia's foreign policy circles have applauded the EU for its solidarity in imposing sanctions against Russia. Paet said that restrictions against Russia must be continued because political and diplomatic steps have failed so far. "We have to continue pressuring Russia on the political level and with restrictive measures to achieve a halt to

²⁸ Address by the President of the Republic of Estonia Toomas Hendrik Ilves at the General Debate of the 69th United Nations General Assembly, September 24, 2014.

²⁹ Permanent Mission of Estonia in Geneva, Human Rights and Estonia, October 15, 2014.

³⁰ Jüri Maloverjan: nukker muinasjutt Euroopast ja Krimmist, *Postimees*, March 19, 2014.

the violence in Eastern-Ukraine, because this is the only remaining way we can influence Russia.”³¹

Regarding the impact of the sanctions on Estonia’s economy, the minister of foreign trade and enterprise, Anne Sulling, has maintained that “in terms of numbers, the sanctions are not affecting the Estonian economy as a whole to any significant degree, but some enterprises feel the impact quite strongly. Alongside short-term measures, it is important for us to look for new markets.”³² According to her, Estonian dairy products have been sold in Malaysia, Singapore, South Korea, and Thailand, which demonstrates that Estonian products can find markets in distant countries. She said that, in the interest of economic stability, Estonia needs to minimize its dependence on the Russian market.³³

Last but not least, Ukraine is important for Estonia as an Eastern Partnership country. Estonia has identified the Eastern Partnership as one of its foreign policy priorities and directs half of its development assistance to the partner countries. As its foreign policy interests and motives have become varied and multi-layered after ten years of EU and NATO membership, the Eastern Partnership is regarded as significant, especially for promoting the rule of law, respect for human rights, democracy, and the role of civil society. Stressing the importance of Georgia and Moldova being free in their choices is also becoming increasingly relevant as Russia aggressively expands its area of influence.

In 2014, Estonia supported Ukraine with €1 million, making it the most important

destination for development assistance.³⁴ The main components are digital development and admitting those who have been injured in the fighting to Estonian hospitals. The continued and visible support of democratic countries for the reform course of Ukraine, Moldova, and Georgia is important for Estonia. It expects cooperation with those Eastern Partnership countries that have chosen closer ties with Europe not only to mitigate the current crisis but to contribute to an atmosphere of security and confidence in Europe in general. The Eastern Partnership Center, which was established in Estonia in 2011 and has the goal of training officials and passing along reform experiences, has gained momentum.

Outlook

An analysis of Estonian media coverage shows that the dominant theme in 2014 was Russian belligerence in the Ukraine crisis and the ensuing security situation, together with Obama’s visit in September.³⁵ The media tends to echo the government’s sentiment that the recent events in Ukraine constitute the greatest political and security crisis in Europe of recent decades. The Estonian media’s coverage of the crisis has demonstrated a varied set of sentiments, namely:

- relief that Estonia is a NATO member, but anxiety about the alliance’s efficacy in a possible crisis of a similar kind in the Baltic space;
- an outpouring of solidarity and sympathy with Ukraine as it stood on the same starting line as Estonia in 1991;

The media tends to echo the government’s sentiment that the recent events in Ukraine constitute the greatest political and security crisis in Europe of recent decades.

³¹ Estonia ready to support new sanctions against Russia in order to ease the security situation in Eastern-Ukraine, July 25, 2014.

³² Sanctions begin to impact Baltics, *The Baltic Times*, September 3, 2014.

³³ Ibid.

³⁴ Mihkelson: Ukraine Now Estonia’s Aid Priority, *Estonian Public Broadcasting*, October 10, 2014.

³⁵ ERR News poll: regional security the main topic of 2014, *Estonian Public Broadcasting*, January 5, 2015.

NATO has been crucial for Estonia in conveying a signal that the alliance can respond quickly to security threats such as the one in Ukraine.

- disgust at the immensity and crudeness of Russia's information warfare; and
- disappointment at the slowness and modesty of the EU's diplomatic response in a major political and security crisis affecting the balance of power in Europe as a whole.³⁶

From the Estonian perspective, the conflict between Russia and Ukraine has important implications for the European security architecture, affecting both EU and NATO. On the EU side, the crisis shows the importance of Europe having a strong and united foreign policy. The EU's response so far has been built on phased sanctions, a concept it has successfully developed over the years. This was the right approach at the right time. The question is what will remain of the sanctions in 2015. The EU must make sure it brings to bear its full economic and political weight.

The crisis has also made it clear that more work needs to be done when it comes to security and defense matters. For many, Europe is chiefly a "soft power." But, as European Commission President Jean Claude Juncker has said, even the strongest soft powers cannot make do in the long run without at least some integrated defense capacities.³⁷

³⁶ Maria Mälksoo, *The Ukrainian Crisis as Reflected in the Estonian Media*, *Imre Kertész Kolleg Jena*, March 24, 2014.

³⁷ Jean-Claude Juncker: *Ukrainian Lessons*, *Postimees*, May 15, 2014.

NATO has been crucial for Estonia in conveying a signal that the alliance can respond quickly to security threats such as the one in Ukraine. Estonia will keep stressing that NATO must be able to implement all three of the fundamental assignments outlined in its 2010 Strategic Concept: collective defense, crisis-management and cooperative security. It will seek for this to be achieved through NATO's military capability being well trained, prepared, and commanded, and through the alliance adopting the necessary political determination and military deterrence position.

It is widely agreed in Estonia that NATO's Readiness Action Plan, which was the main deliverable of the Wales summit, must go hand-in-hand with greater investments in defense by European alliance members. The allocation of 2 percent of GDP to defense spending must become a major benchmark of their commitment. European countries need to realize that meeting this target is vital for giving credibility to deterrence and for revitalizing the transatlantic relationship.

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6 HUNGARY: SINGLED OUT BY THE CRITICS

ISTVAN GYARMATI

The crisis in Ukraine and the conflict with Russia took Europe and the United States largely by surprise. Few in the West had heeded the many warnings that had, for years, pointed to the steady deterioration of affairs in Europe's East. As early as 2009, and in the wake of the Georgia conflict, Central and Eastern European leaders had addressed these worrisome developments in an open letter to U.S. President Barack Obama.³⁸ Poland and the Baltic states had repeatedly cautioned against an increasingly aggressive Russia. Lithuania, the holder of the EU presidency at the time of the 2013 Eastern Partnership summit in Vilnius, voiced its skepticism over Ukraine's ambiguous position on moving closer to the EU. Nonetheless, Europe lived in the illusion that the signing of the Association Agreement with Ukraine would go ahead smoothly.

The Visegrad countries, which include Hungary, were no exception. They had, for several years, enjoyed a moment of very good cooperation extending, for first time since their joining NATO in 1999, to defense cooperation and the decision to create a Visegrad Battle group led by Poland. Yet at the same time, there was little exchange among them about the impending crisis in Ukraine or a conflict with Russia. Consequently, they were equally caught by surprise when then-Ukrainian President Viktor Yanukovich refused to sign the association and trade deal with the EU, and when Russia immediately stepped in with financial assistance to Ukraine that was much more generous than what the EU had offered.

Since then the EU, and some of its larger members in particular, have come to realize the extent to which confrontation with Russia had been building for years. A broader plan to reshape geopolitics in the region was at play that had been devised by

Vladimir Putin, and in which Victor Yanukovich merely executed his part. The only ones to clearly discern this plan were the Ukrainian people, who subsequently rejected it by staging the EuroMaidan and ousting the Yanukovich government. Since then, Hungary and its Visegrad neighbors and EU partners have been struggling to adjust to new realities to the East of its borders.

Hungary's "Eastern Opening"

Hungary had long observed that EU countries generally, and Germany and Austria in particular, had built strong relationships with Russia that centered around mutually beneficial economic ties. In line with this approach, Hungary introduced what it called its "Eastern Opening" to strengthen cooperation with Russia (as well as China) and to reap the serious economic benefits offered by Eastern partners. This policy also acknowledged the overwhelming dependence on Russian oil and, especially, gas supplies, which is characteristic of so many EU countries. Sixty percent of Hungary's gas originates in Russia. Adding to energy is trade more broadly. Although Russia is not a top destination for Hungarian exports, accounting for a mere 9 percent compared to 23 percent going to Germany, the eastern country's steep economic rise over the past decade seemed to hold considerable potential.

After a first gas crisis erupted in 2006, which was provoked by Russian supply cuts to Ukraine and interrupted gas transit to the EU, European countries tried to decrease their dependence on Russian gas, but these efforts have been insufficient by far. Driven by the wishful thinking that Russia would still be a reliable partner, these measures were implemented half-heartedly. Hungary proved to be in some respects more successful, though. It built huge storage capacities that ensure domestic gas supply for many months even if Russia were to fully close the tap. Hungary was also a front-runner in promoting the construction of North-South connectors to

Hungary introduced what it called its "Eastern Opening" to strengthen cooperation with Russia (as well as China) and to reap the serious economic benefits offered by Eastern partners.

³⁸ An Open Letter to the Obama Administration from Central and Eastern Europe, *Gazeta Wyborcza*, July 15, 2009.

As some EU heavyweights, and especially Germany, moved into a key role in handling the crisis, Poland and the other Visegrad countries were marginalized, and differences among them soon resurfaced.

exchange gas among Central-European countries, an important measure to reduce their vulnerability to cuts in supplies from Russia.

At the same time, Hungary was a key advocate of the Russian-led South Stream pipeline project. By avoiding Ukraine as a gas transit country, and thus by removing the risk of a crisis in Ukraine resulting in halted Russia gas deliveries, this project was designed to further increase the reliability of Russian gas supplies to Europe, as Hungary argued. In the same vein, Hungary attempted to reduce its dependence on gas in general by modernizing its existing nuclear power plant at Paks. In an agreement reached in January 2014, Russia will both build two additional power-generating units and supply higher-enriched fuel. Neither this nuclear deal nor the South Stream gas pipeline were to reduce Hungarian energy dependence on Russia. This is an approach, in short, much like that of Germany and Austria.

Responding to the Crisis

When the crisis in Ukraine erupted, like most EU countries and the United States, Hungary was caught by surprise. It quickly found itself in a very difficult position, torn between “hawks” and “doves.” The former were mostly composed of countries that were geographically close to the conflict and often directly bordered Russia and Ukraine, such as Poland and the Baltic states. The latter included the most powerful EU members. Adding to this tension was the need to reconcile Hungary’s membership in the EU and NATO and the solidarity this required, with the country’s manifest economic interests.

A further complicating factor related to the existence of a sizeable Hungarian minority in Ukraine. Prime Minister Viktor Orban expressed this concern when he stated in May 2014 that “Ukraine can be neither stable, nor democratic if it does not give its

minorities, including Hungarians, their due. That is, dual citizenship, collective rights, and autonomy.”³⁹ While containing nothing new in substance, this statement was poor in timing. Many in the EU, the United States and, most importantly, in Ukraine interpreted the statement as tacit support for Russian demands of “autonomy” for Eastern parts of the country that would lead to secession.

As the Ukraine crisis evolved, major Western-European powers, especially Germany, decided that it was too serious an issue to be left to “hawkish” Poland and gradually marginalized it — and thus by extension the whole of the Visegrad group. This further undermined solidarity among the Visegrad countries who saw their first attempt to be a serious player in EU foreign affairs frustrated. Initially, they had responded to the crisis with a large degree of unity, as three Visegrad foreign ministers were among the first to visit Ukraine and express solidarity with and support for the new leadership in February 2014. That same month, Polish Foreign Minister Radoslaw Sikorski joined his German and French counterparts in brokering a deal between the EuroMaidan and Yanukovych. In so doing, Sikorski had the full support of the Visegrad countries. As some EU heavyweights, and especially Germany, moved into a key role in handling the crisis, Poland and the other Visegrad countries were marginalized, and differences among them soon resurfaced.

Hungary continued to pursue a seemingly more Russia-friendly policy and — together with the Czech Republic and Slovakia — questioned the rationale of the sanctions that the EU had imposed on Russia. It also insisted on maintaining its economic relations with Russia, especially through South Stream and the Paks nuclear power station. Despite its doubts in the sanctions policy and its

³⁹ Orban renews autonomy call for ethnic Hungarians in Ukraine, *Reuters*, May 17, 2014.

own emphasis on economic ties, however, Hungary never even attempted to oppose any measures taken by the EU and NATO against Russia. Instead, it approved and faithfully implemented the political decisions taken by those organizations.

The Hungarian public has been quite divided over the crisis in Ukraine. As it generally shows very little interest in foreign policy, the debate was limited to a small group of intellectuals and the media. A surprisingly strong part of the Hungarian political elite came out directly or indirectly in support of Russia, blaming the United States for EuroMaidan, and justifying Russia's annexation of Crimea on the grounds of history and defending the Russian "minority." This came with suggestions that the Hungarian and Russian minorities shared a difficult situation and should enjoy the same rights. The early decision by the "new" Ukrainian parliament to cancel a law that would have allowed regions to make Russian the second official language prompted strong reactions in Hungary, although people missed the fact that this decision never came into force. Beyond that, no major public debate on the Ukraine crisis erupted; what little there was had little or no impact on the government but rather reflected broader anti-Western demagoguery.

Singled Out by the Critics

Perhaps the most marked aspect of Hungary's positioning in the Ukraine crisis has been the criticism the country has drawn from many in the EU. Hungary was among those EU countries that openly voiced their doubts about sanctions against Russia, arguing that the delay in their introduction and their relative weakness eventually was mainly due to the reluctance of big EU states and their economic interests. The prime example was France, which long stuck to its planned delivery of military vessels to Russia while refusing, along with all larger EU members, to even to talk about arms

deliveries to Ukraine. Nevertheless, it was Hungary that was blamed for undermining solidarity and common action.

Certainly, Hungarian policies on South Stream and Paks or demands for autonomy of its minority in Ukraine invited some criticism. Equally importantly, critics responded to the aggressive rhetoric of some Hungarian leaders. Meant mainly for internal consumption, some leaders in Hungary have been very critical of the West and suggested that some traditional principles of Western democracy should be revisited. The most notorious example of this was Orbán's "illiberal democracy" speech in July 2014.⁴⁰ This was definitely not the message that the West wanted to hear at a time when it became clear that the Ukraine crisis was rapidly evolving into a systemic conflict between democracy and its adversaries.

Hungary committed a next blunder when it announced in September 2014 that it would stop its reverse flow of gas to Ukraine.⁴¹ Coming three days after a visit by officials from Russian gas giant Gazprom to Budapest, this announcement suggested a departure from earlier commitments to Ukraine under Russian influence. In response, the Hungarian government took pains to explain that it had "forgotten" to fill the huge gas storages in the country and that given the oncoming winter, all incoming gas was to replenish reserves. It also pledged to resume deliveries to Ukraine in early 2015. Nonetheless, the damage was done and criticism was poured out over Hungary.

Throughout the Ukraine crisis, critics appear to have singled out Hungary less on the basis of its political actions and more driven by a number of underlying factors. First, larger and smaller EU countries are clearly treated differently. Hungary

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⁴⁰ Orbán wants to build "illiberal state," *EU Observer*, July 28, 2014

⁴¹ Hungary suspends gas supplies to Ukraine, *BBC*, September 26, 2014.

Given experiences over the last year, Hungary is likely to become less critical of common EU and Western decisions, including stronger support for sanctions imposed on Russia.

surely differs in the positions taken vis-à-vis the crisis from Poland and other more “hawkish” states, but its policies parallel that of a good many more “dovish” EU members. What is more, several large EU members have displayed even greater “Russia friendliness” than Hungary.

Second, Hungary has long been criticized for many other reasons, especially for its domestic political developments and prospects for democracy. It has long been in the limelight more than other EU members, and its positioning during the Ukraine crisis has been particularly scrutinized. Third, the government in Budapest clearly made a number of mistakes, some in the form of concrete actions but most in its political rhetoric. It was clearly not wise for Hungary to criticize common decisions, such as sanctions, in a way that undermines Western unity.

Where Next for Hungary?

Given experiences over the last year, Hungary is likely to become less critical of common EU and Western decisions, including stronger support for sanctions imposed on Russia. Its government strongly supported the decisions of the NATO Summit in Wales in September 2014, saying that they “significantly improve the military security of Hungary and Central Europe” and that “we can guarantee the security of Hungary only and exclusively within the framework of NATO.” In parallel, Orban has also tried to reconcile his strong insistence on national interests and loyalty to principles and allies: “We have a geopolitical situation that is factual. These are facts. We have more powerful and bigger neighbors to the East and to the West. Ideals and principles are important but national interests are more important. Consequently, we will be loyal to our NATO allies even if we do not share even 50 percent of what they say and think.”⁴²

⁴² Viktor Orbán: We don't want a new Wall to the East, *The Budapest Beacon*, November 20, 2014

By November 2014, Orban also took a stronger stance than before in support of Ukraine. According to him, Hungary’s “interest is for Ukraine to retain its sovereignty, for it to be strong. We’re going to give all the help we can to do this.” This indicates not least a new awareness of the dangers presented by the friendly advances of Vladimir Putin, who singled out Hungary as “one of the most important political, trade, and economic partners for Russia,” with whom relations “are based on a rich history and mutual respect of the two nations.”⁴³ Such promises, however, ring increasingly hollow as Russia has become a political pariah, edges closer to economic breakdown, and cancelled the South Stream project, in which Hungary placed many hopes.

Beyond Hungary, the Visegrad countries have also restrengthened their position as a group. In a joint statement in November 2014, their foreign ministers stressed “respect for Ukraine’s independence, sovereignty, and territorial integrity within its internationally recognized borders” and reasserted the “non-recognition of the illegal annexation of the Crimean peninsula by the Russian Federation.”⁴⁴ The Visegrad countries will hardly stand in the way of further common action. If anything, they hope for the EU and the United States to institute a sound and comprehensive policy toward Russia. Should such a policy be proposed, it would surely find their support, including from their most-criticized member, Hungary.

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⁴³ Russia’s relations with Hungary warm as ties with West chill, *Reuters*, November 19, 2014

⁴⁴ Visegrad Group, Joint Statement of the Visegrad Group Foreign Ministers on Ukraine, October 30, 2014.

7

LATVIA: EU PRESIDENCY AT A TIME OF GEOPOLITICAL CRISIS

KRISTĪNE BĒRZIŅA

By taking over the rotating presidency of the Council of the European Union for the first time in January 2015, Latvia is completing its transformation from Soviet republic to leading EU and NATO member. This gives the small Baltic state the opportunity to provide leadership on the crisis in Ukraine and to shape a strong EU voice against an aggressive Russia.

Latvia's approach to the Ukraine crisis must balance two opposing aspects. Latvia feels at risk from Russian aggression and has therefore increased defense measures. At the same time, Latvia has close cultural and economic ties to Russia. Latvia's deep ties to Russia suggests that the country may be more open to engaging Russia to promote de-escalation in Ukraine rather than isolating it.

Latvia staunchly supports Ukraine's sovereignty and territorial integrity. The government has denounced the annexation of Crimea, called for a greater NATO presence in the Baltics, fought against Russian propaganda, and supported sanctions against Russia. However, Latvia has not fully turned its back on its big neighbor. Latvia's large ethnic Russian population maintains close ties with Russia, and the two countries have very significant trade ties. In effect, Latvia has kept economic and cultural doors open to Russia should the situation in Ukraine de-escalate. Latvia may advocate for the swift removal of sanctions if enough progress were made in Ukraine.

As Latvia embarks on the Council presidency, it will push for more unified EU support for Ukraine but will also strive to balance tough defense policies with incentives for economic re-engagement with Russia. This will be especially important as the EU sanctions come up for review in March 2015. The presidency will also prove important for defining the EU's ties to the neighborhood more generally. The Eastern Partnership Summit that will be held in Riga in May 2015 will give Latvia and the EU an

opportunity to reimagine and reinvigorate relations with Eastern neighbors.

Latvia's Support for Ukraine and Sharp Elbows for Russia

As a former Soviet republic, Ukraine still suffers from the same economic and political challenges that Latvia faced in the 1990s. For this reason, Latvia has strongly supported Ukraine's efforts to develop closer ties to the EU. Ahead of the Eastern Partnership Summit in Vilnius in November 2013, Latvia's speaker of parliament expressed the hope that an EU Association Agreement would allow Ukraine and Latvia "to continue to develop [their] welfare [...] and cooperate as free and independent countries."⁴⁵

Although there is no land border between them, the two countries have close cultural ties. Ethnic Ukrainians constitute the third largest population group in Latvia. Throughout the conflict, Latvia has provided humanitarian aid and expert support to Ukraine, including treating wounded Ukrainian soldiers, conducting workshops for government and civil society on anti-corruption, organizing joint seminars for defense officials, sending electric power generators, and helping to create a European studies program for Ukrainian universities.

Ukraine has also asked for Latvia's advice on EU integration, which is especially important as it seeks to make full use of the opportunities presented by the Association Agreement. As Latvia's Foreign Minister Edgars Rinkēvičs has argued, "The signing of the Association Agreement is not an end goal, but rather, just the beginning."⁴⁶

In addition to bilateral support, Latvia backs Ukraine in many international forums. In

⁴⁵ Solvita Āboltiņa: Ukraina var rēķināties ar Latvijas atbalstu ES asociācijas līguma noslēgšanā, October 2, 2013.

⁴⁶ Statement by Foreign Minister Edgars Rinkēvičs, July 16, 2014.

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November 2014, for example, Rinkēvičs met with UN Secretary-General Ban Ki-moon to draw attention to the needs of the Tatar people in Crimea since the annexation.⁴⁷

The Ukraine conflict has also changed Latvia's relations with Russia. As an EU and NATO member and a former Soviet republic, Latvia is on the front line of the re-emerging struggle between East and West. The crisis in Ukraine has left many Latvians afraid that their country may become the next battleground. As a result, Latvia has pushed for greater NATO protection for the Baltic states and welcomed the United States' decision to rotate some of its armed forces on Latvian territory.

Despite close economic ties, Latvia has supported sanctions against Russia and fought against Russia's propaganda campaigns. In a controversial move, Latvia temporarily suspended a Russian state television channel from broadcasting in the country in order to stop what it considered hate speech. In the future, Latvia would like to provide alternative Russian-language broadcasting, possibly with the support of the EU and the United States.⁴⁸

Latvia's actions in relation to Ukraine and Russia have been more moderate than those of neighboring Lithuania. The latter has taken more drastic actions such as offering to provide arms to Ukraine, creating a rapid response force, and breaking its energy dependence on Russia by leasing a liquefied natural gas ship to import gas from Norway's Statoil. In response to Lithuania's pledge to provide arms, Latvia's Prime Minister Laimdota Straujuma argued that Latvia would support Ukraine "in a different way."⁴⁹

⁴⁷ "Foreign Minister argues for 'Energy Union,'" *Latvian Public Broadcasting*, November 3, 2014.

⁴⁸ Corey Flintoff, *Baltic States Battle Russian Media Blitz*, *NPR*, September 4, 2014.

⁴⁹ No arms to Ukraine, vows PM, *Latvian Public Broadcasting*, November 25, 2014.

Determinants of Latvia's Policies

Historical experience makes Latvia very sensitive to Russia's annexation of Crimea while at the same time making policy with regard to Russia especially challenging. Nearly 30 percent of the population speaks Russian as a first language, yet many ethnic Russians are not allowed to vote in elections and have special non-citizen status.⁵⁰ As a result, while some political and business voices push for a tough stance against Russia, others urge maintaining economic and cultural ties with it.

The center-right government is pro-Western and has remained popular throughout the economic crisis and the conflict in Ukraine. Parliamentary elections in October 2014 gave the ruling coalition a new mandate. The prime minister, foreign minister, and defense minister remained in place.

The opposition has a more complex relationship with Russia. The top opposition party is the center-left Harmony Center, which represents many ethnic Russian voters. In the past two parliamentary elections, it won the most seats but was unable to build a coalition to form a government. It is, however, the governing party in the Riga city council.

Ethnic affiliation carries more weight than left-right divides in Latvia, with ethnic Latvian parties on the right and ethnic Russian parties on the left. Harmony Center is trying to break this pattern and present a center-left political voice for all ethnic groups. At the same time, though, it maintains close political ties with Russia and signed a cooperation agreement with Vladimir Putin's United Russia party in 2009.

⁵⁰ Estonia and Latvia are the only EU member states that instituted a "non-citizen" status in the 1990s. In Latvia, non-citizens are legal residents who did not meet the original requirements for citizenship in 1991 and have not naturalized to obtain citizenship. Non-citizens are not able to vote but are free to travel throughout the Schengen area and Russia. Children of non-citizens receive Latvian citizenship unless the parents object. Non-citizens comprised 14.1 percent of Latvia's population in 2011.

The experience of the mayor of Riga, Nils Ušakovs, illustrates the difficulty of balancing economic and cultural ties to Russia with political integration in Europe. An ethnic Russian who was naturalized as a Latvian citizen and was educated in Denmark, Ušakovs represents a new generation of ethnic Russians who struggle between the rival pulls of the EU and Russia. He has denounced the annexation of Crimea but opposes sanctions against Russia. He has also built strong relations to social democratic parties in Western Europe, which, for example, gained him the endorsement of the president of the European Parliament, Martin Schulz, in advance of the Latvian parliamentary elections this year. At the same time, Ušakovs has close ties to Moscow, for example visiting Russian Prime Minister Dmitry Medvedev to foster better trade between his city and Russia at the same time as the NATO Wales Summit was debating how to address Russian actions in Ukraine.⁵¹

Economic and infrastructure links with Russia are a further vulnerability that can affect policy. Russia's significant stake in Latvia's strategic energy infrastructure precludes diversification of energy resources. Gazprom owns 34 percent of the national gas company, Latvijas Gāze, and Latvia is fully dependent on Russia for its natural gas supplies. In theory, Latvia could purchase natural gas from other sources through Lithuania's new liquefied natural gas import facility. Latvia could even store the new gas in its large facility in Inčukalns. But the site cannot be used as part of any effort to diversify energy sources before 2017. Until then, Latvijas Gāze has exclusive rights to the facility, and no other gas companies may store gas at the site. After 2017, the Latvian government will be able to review Latvijas Gāze's use of the facility and possibly demand that Latvijas Gāze unbundle gas supply

⁵¹ Michael Birnbaum, In Latvia, fresh fears of aggression as Kremlin warns about Russian minorities, *The Washington Post*, September 27, 2014.

from gas storage, thereby allowing third parties to store gas in Inčukalns.

Russia's economic influence extends beyond energy. Russia is one of Latvia's largest export markets. The Latvian government supported sanctions against Russia in spite of the heavy toll that they could take on the country. Already, Latvia has been heavily affected by Russia's import embargo on dairy products, meats, fruits, and vegetables from the EU. The Ministry of Economics has forecasted a 0.25 percent drop in GDP as a result.⁵²

Dairy producers and fruit and vegetable growers have been hardest hit. Because of the drop in demand from Russia, the wholesale price of milk in Latvia fell by 25 percent between July and November 2014, and the price of butter and cheese fell by 19-20 percent. The market price of vegetables fell by 30-50 percent.⁵³

The government weighs the significant economic costs of sanctions against their political significance. Prime Minister Laimdota Straujuma has warned that the worst-case scenario could be a 10 percent drop in GDP if Russia were to cut off all economic ties with Latvia. This is unlikely to happen but if it did, the prime minister argued, the principle of political sovereignty would justify economic hardship. "We cannot back down on sanctions. [...] Independence is more important than economic hardship, which we can overcome," she said.⁵⁴

Economic, political, and social tensions within Latvia will continue to feed the debate on relations

⁵² Krievijas sankciju netiešā ietekme uz Latvijas ekonomiku var sasniegt 0,25% no IKP, *Nozare.lv*, September 30, 2014.

⁵³ Ziņojums: Latvijas un Krievijas attiecību pasliktināšanās gadījumā transporta nozares zaudējumi var sasniegt vienu miljardu eiro, *Finance.net*, November 25, 2014.

⁵⁴ Straujuma: Sankciju ietekme būs pārvarama; neatkarība svarīgāka par ekonomiku, *Latvian Public Broadcasting*, August 8, 2014.

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with Russia. But strong support for Ukraine will continue during and after Latvia's EU presidency regardless.

Outlook

Through the EU presidency, Latvia will play a significant role in shaping European policies on the crisis in Ukraine. Rather than isolating Russia, it may try to keep the door open to normalizing relations should the situation in Ukraine improve.

Although Latvia was a strong supporter of the adoption of sanctions on Russia in 2014, it is open to revisiting the question. Ilze Juhansone, the Latvian ambassador to the EU, recently argued that the government would be open to either increasing or reducing sanctions, depending on the situation in Ukraine, and that sanctions were not an objective in and of themselves.⁵⁵

With regard to the Eastern Partnership, Latvia is likely to focus on greater engagement with civil society and on redefining political and economic relations with the countries concerned. The Riga Summit is being planned as a forum for re-evaluating the relationship between the EU and its eastern neighbors, and the EU Council's program calls for approaching the neighborhood through

⁵⁵ Latvija savas prezidentūras laikā gatava atbalstīt gan sankciju pastiprināšanu, gan vājināšanu, *Delfi.lv*, November 21, 2014.

a more differentiated approach than before.⁵⁶ In particular, Latvia is planning to focus on "civil society and people-to-people contacts, which implies progress in visa liberalisation."⁵⁷

Finally, Latvia will likely work more through the EU to enact policies related to Ukraine and Russia rather than approach these issues bilaterally with the United States. But this by no means discounts the importance of transatlantic relations for the country. NATO troop rotations in Latvia are crucial to its security and it clearly values the continued role of NATO visibility of troops and air patrols on its territory.

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⁵⁶ The Council of the European Union, 18 Month Programme of the Council of the European Union (1 July 2014 - 31 December 2015), 11258/14, Brussels, June 23, 2014, p. 28.

⁵⁷ Quote from Ilze Juhansone, Latvian Ambassador to the EU, in Georgi Gotev, Upcoming Latvian EU presidency slammed for anti-Russian bias, *Euractiv.com*, November 21, 2014.

8

LITHUANIA: A STAUNCH SUPPORTER OF A EUROPEAN UKRAINE

VYTIS JURKONIS

Lithuania has been a strong advocate of Ukraine for many years for reasons that range from diplomatic ambitions to close cultural and historical ties and a genuine belief that the country has always been and should remain part of Europe. This is reinforced by networks of personal contacts between politicians and officials of both countries, who are able to communicate in a common language, and at a certain level of mutual understanding.

Lithuania's efforts in support of Ukraine's European aspirations made it one of the trailblazers on the issue within the transatlantic community. Some criticized the small Baltic country for trying to punch above its weight, but its support has only increased since Russia's aggression in Eastern Ukraine. It has championed Ukraine's cause in international organizations, and shown support through numerous bilateral visits by politicians and high-ranking officials. There has also been an unprecedented involvement of Lithuanian civil society, which started with local solidarity actions and evolved into voluntary missions of doctors to EuroMaidan and charity concerts supporting Ukraine.

The Vilnius Summit in November 2013 was a key turning point, and some have argued that Lithuania's strong role in the Ukraine crisis was coincidental. However, the EU's Eastern neighborhood had been Lithuania's foreign policy priority for more than a decade before. And Lithuania's efforts to become a credible international actor had been just as consistent. Driven by the concept of smart power, Lithuania gradually increased its international visibility, grew its diplomatic capacity, and gained experience in

coalition-building.⁵⁸ It had also taken a principled stance in repeated disputes with Moscow. For example, it was the main opponent of EU negotiations for a Partnership and Cooperation Agreement with Russia,⁵⁹ and an outspoken critic of Russia over its aggression against Georgia in 2008. Lithuanian support to Ukraine is, therefore, a logical outcome of its priorities and a result of its long-term efforts in the Eastern neighborhood.

The Association Agreement: Advocating a Historical Opportunity

Signing the Association Agreement with Ukraine was one of the key priorities of the Lithuanian presidency of the EU in the second half of 2013. Though other countries like Georgia and Moldova were expected to initial agreements, there was a strong feeling that the Eastern Partnership summit in Vilnius in November 2013 would be all about Ukraine. Expectations were running high, and few only wanted to consider a "Plan B," if President Viktor Yanukovich reneged on his promises to the EU.

There was some understanding that without a coherent human rights agenda, and especially anti-corruption measures, any agreement with Ukraine would simply not be sustainable. The stalling of reforms and a worsening human rights record in the country in 2011-12 were hardly promising. Consequently, focusing entirely on values might have jeopardized the Association Agreement. Therefore the advocates of a European Ukraine faced the dilemma of getting Ukraine back on the association track, while encouraging the EU to

⁵⁸ Lithuania chaired the Council of the Baltic Sea States in 2009-10, the Community of Democracies in 2009-11, the Organization for Security and Cooperation in Europe in 2011, and the Baltic Council of Ministers in 2012. It held the rotating presidency of the Council of the European Union in 2013 and became a non-permanent member of the Security Council at the United Nations in 2014.

⁵⁹ EU Deadlocked Over Negotiations With Russia, *Deutsche Welle*, April 30, 2008.

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remain engaged on human rights and corruption issues. The visit of Lithuanian President Dalia Grybauskaitė to Ukraine in May 2012, when she was the first foreign leader to meet jailed former Prime Minister Yulia Tymoshenko, was one example of this nuanced policy.

Ahead of the Vilnius summit, Lithuanian diplomats were active in European capitals to promote the vision of this historical opportunity, and in Kyiv to convince the Ukrainian leadership to sign the agreement. Expectations were rising since Ukraine had finally started undertaking reforms and reached a peak once former Minister of Interior Yuriy Lutsenko was released from jail in August 2013. Nonetheless, some Lithuanian diplomats were still suspicious of Yanukovich's real intentions and the work of the Kremlin behind the scenes.

Armenia's last-minute decision to back off from its Association Agreement, after President Serzh Sargsyan met President Vladimir Putin in September 2013, was closely followed by a Russian embargo on Lithuanian dairy products. These signals, as well as new delaying tactics by the Ukrainian leadership, indicated the need to consider alternatives for the summit, but the inertia was too strong. Too much energy and too many resources had been invested. However, the biggest argument for staying the course was to show that no third parties could interfere in the dialogue between Brussels and the Eastern Partnership countries.

EuroMaidan: The Unexpected Power of the People

The enthusiasm and energy of the international community in advocating a European perspective for Ukraine apparently made a much stronger impression on its society than on its officials and politicians. The experience of EuroMaidan showed that many advocates of dealing exclusively

with political and business elites had once again underestimated the power of the people.

At that level, the European Union was hardly ready to play hard ball with Russia and to be dragged into a geopolitical battle, which has never been its strong suit. The Kremlin had more leverage in economic or energy-related issues, as well as more influence on Ukrainian oligarchs and certain politicians. It was naïve, therefore, to expect that an EU financial assistance package could outweigh Russian promises.

The EU and Ukraine's leadership were negotiating a financial assistance worth at least €3 billion, but this approach had inherent flaws. First, the Association Agreement was about Ukraine's willingness to transform itself and undertake systemic reforms. Second, Russia could always surpass any financial incentive offered by the EU. Finally, similar financial assistance was not on offer for Georgia and Moldova, or others in the region, which undermined the entire idea of the Eastern Partnership and offered an obvious target for Russian propaganda.

If the debate about values and pragmatism in foreign affairs could not be resolved during the Vilnius summit, the arguments in favor of values were evident in the squares of Ukraine. The determination of the Ukrainian people to stand in the cold to express their desire to be part of Europe won the hearts and minds of many Lithuanians who started organizing solidarity actions almost immediately.

After the summit, Lithuanian politicians started visiting⁶⁰ the EuroMaidan and their counterparts in Ukraine. The events in Ukraine reminded

⁶⁰ Speaker of the Lithuanian Parliament Loreta Grauziniene's visit to Ukraine on December 4, 2013, revealed some controversies and a lack of coordination among Lithuanian foreign policymakers. Lithuanian Minister of Foreign Affairs Linas Linkevicius paid an official visit on December 13, 2013.

Lithuanians of Soviet attempts to suppress their struggle for independence in 1991 and brought to mind stories about Ukrainians defending the Lithuanian parliament at that time. Public support for Ukrainians has been high. Due the proximity and relatively cheap travel, Lithuanians started going to Kyiv on weekends, civil society organizations sent buses with solidarity groups to Ukraine, and musicians held concerts to support EuroMaidan. Lithuania hosted and provided treatment for the victims of oppression in Ukraine. Government and private funding covered the medical costs for over 60 Ukrainians, including Dmytro Bulatov, the leader of the AutoMaidan. Many more activists were given long-term visas and some of them used the opportunity to take shelter in Lithuania and joined solidarity actions there.

Ukrainian police brutality against EuroMaidan further boosted public support for the protesters. Following the snipers' shooting at the people of EuroMaidan, Lithuanian doctors and psychologists went to Ukraine to help, and Minister of Foreign Affairs Linas Linkevicius visited Ukraine again a week after the shootings.

Kremlin Aggression: No More Business as Usual

There are many reasons why Lithuania was and remains cautious about Russia's policies and intentions. Despite being part of the Euroatlantic community and a member of the EU and NATO, it has repeatedly experienced pressure from Russia. This has ranged from attempts to influence individual politicians to numerous obstacles to businesses and transport on the Russian border, not to mention constant attempts to manipulate the historical memory of Lithuania. For example, the president of Lithuania was impeached in 2004 as a result of his dealings with a Russian businessman, and in 2005 a Russian fighter jet crashed on Lithuanian territory.

Attacks on neighboring Baltic states, such as the protests and subsequent cyber-attacks in Estonia in 2007, heightened concern. Adding to this was Lithuania's position as an "energy island," fully dependent on Russian gas supplies and paying one of the highest gas prices in Europe. This context was not entirely understood by Lithuania's partners in the EU.

The involvement of Russian special forces in countering EuroMaidan, the role of Ukrainian oligarchs and their connections to Russia, and the annexation of Crimea restarted the debate in Lithuania about its own vulnerabilities.⁶¹ There were discussions about possible Russian provocations of various kinds, the manipulation of ethnic minorities, the influence of propaganda and information war, economic measures and sanctions, as well as political corruption and influence on certain politicians and parties. Lithuanian society, however, has been mostly concerned about the possible impact of the crisis on the economy (34.9 percent), energy security (33.5 percent), information war (28.3 percent), military intervention (27.6 percent), while only a minority (17.3 percent) said there was no threat from Russia.⁶²

Lithuania's ambassador to Ukraine, Petras Vaitiekunas, was the only EU diplomat to monitor and report about the situation in Crimea during the fake referendum there. As chair of the UN Security Council, Lithuania initiated an emergency meeting on the crisis in Ukraine in February 2014 and has remained active on the matter ever since in almost all available venues, including the EU institutions, the OSCE, the UN, and NATO.

⁶¹ Has the Military Crusade of V. Putin Scared Lithuanian people, *Delfi.lt*, March 27, 2014.

⁶² Gyventoju apklausa del Rusijos keliamos gresmes, *Spinter Research*, October 27, 2014.

The involvement of Russian special forces in countering EuroMaidan, the role of Ukrainian oligarchs and their connections to Russia, and the annexation of Crimea restarted the debate in Lithuania about its own vulnerabilities.

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Lithuanian humanitarian aid to Ukraine has exceeded €250,000, with over €130,000 transferred via international organizations. This was supplemented by different civic and charitable initiatives such as Blue/Yellow, “For Democracy. Ukraine,” and the Democracy and Development Assistance Fund. The support has included medical supplies, clothing, food, and assistance to internally displaced people.

Lithuania has also provided long-term experts to the Ukrainian government and consultations in the sectors of environment and energy, education, and agriculture. It has also contributed to the OSCE Special Monitoring Mission to Ukraine.

Ukraine’s presidential election in May 2014 coincided with the second round of Lithuania’s presidential poll, in which Dalia Grybauskaitė was reelected. The Russian media wrongly tried to portray her criticism of Russia’s actions in Ukraine as a campaign tactic to mobilize the electorate on the right. She has since substantially hardened her position toward Russia, saying it “is terrorizing its neighbors and using terrorist methods.”⁶³ Soon after the elections, she was personally targeted in the information war; a book titled “Red Dalia” speculating about her Soviet past was distributed to all members of the European Parliament.

Some Lithuanian businesses, especially logistics companies, warned about the possible negative consequences of sanctions on the economy. Prime Minister Algirdas Butkevicius has said that the worst-case scenario of all exports to Russia ending might cost 4 percent of GDP. Meanwhile, economists say that the main effect of the sanctions is that exports take more time than before and became more complicated.⁶⁴ If the crisis

⁶³ Lithuania’s president: ‘Russia is terrorizing its neighbors and using terrorist methods’, *The Washington Post*, September 24, 2014.

⁶⁴ The export is happening, but it takes longer and became more complicated, *Verslo žinios*, November 2, 2014.

remains unsolved and sanctions are maintained, Lithuania’s businesses will have to redirect their focus to other markets, in which they already have some experience. Meanwhile, the Lithuanian Confederation of Industrialists organized a high level Ukraine-Lithuania business mission to Brussels in December 2014.

Lithuania has always been one of the leading promoters of energy security and the Third Energy Package in the EU.⁶⁵ In the context of the Russian aggression in Ukraine, the arrival of the floating LNG terminal “Independence” in Klaipeda in October 2014 was particularly important and marks the first major step toward energy independence from Russia. Though Lithuania has received a 23 percent price reduction from Gazprom for its supplies in 2014, it does not plan to change its energy security policy.⁶⁶

The national security debate has moved on to a new level as a result of the crisis in Ukraine. The embarrassing fact that Lithuania had failed to reach the target of 2 percent of GDP dedicated to defense spending needed to be addressed not only by usual declarations. The parliament has finally decided on additional allocations to the national security budget. Meanwhile, large numbers of citizens joined the Lithuanian Riflemen Union, a voluntary paramilitary organization created in 1919, indicating that national security is also a concern of society at large. Parallel to that, NATO’s military presence in the Baltics has significantly increased, showing that the alliance is taking the security situation in the region seriously.

⁶⁵ The EU’s Third Energy Package seeks to unbundle ownership and increase competition in the energy market (gas and electricity). Gazprom (and consequently Russia) opposing these measures as discriminatory; see The Energy Package: Dispute between Russian and the EU, *European Dialogue*, June 4, 2011.

⁶⁶ Lithuania Grabs LNG in Effort to Curb Russian Dominance, *Bloomberg*, October 27, 2014.

Lithuania's embassy will be the NATO Contact Point Embassy in Ukraine from 2015 to 2017. In September 2014, Ukraine, Poland, and Lithuania agreed to set up a joint military brigade. The long-term cooperation includes the training of the Ukrainian personnel and sharing NATO standards.

Outlook

The war in Ukraine has mobilized the entire Lithuanian society and forced the authorities to take concrete steps in the sphere of national security. Engagement with Ukraine and a principled position regarding Russia have only strengthened further. Nonetheless, Lithuania still needs to work closely with its transatlantic partners and use all available international platforms, having been previously labeled a “new cold-warrior” in 2007 as if the threats it faced from Russia had been imaginary.

The reactions of the EU and NATO show that the aggressiveness of Russia is not perceived as business as usual, though there remain inconsistencies and uneven political will over how to respond. The biggest concern today is the future of Ukraine, as its success or failure will largely determine the future

of the EU's entire Eastern neighborhood. Lithuania is among the main advocates of maintaining the Eastern Partnership and continuing support for countries that are interested in a European dimension.

Many challenges for Ukraine remain. Concerted action by the international community as well as the Ukrainian government is needed for dealing with the country's internal vulnerabilities and managing its external threats. Furthermore, while there is no illusion about the potential for dialogue with the Kremlin anymore, the need to restore communication with Russian society is evident more than ever. Lithuania is prepared to face those challenges.

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9

POLAND: SEARCHING FOR A STRATEGIC RESPONSE

MICHAŁ BARANOWSKI AND BARTOSZ CICHOCKI

Poland needs to step up its game when it comes to proposing new ideas for a long-term Western strategy toward Russia, before the voices seeking reconciliation with Russia and a return to “business as usual” overwhelm the debate.

2014 marked major jubilees for Poland: a quarter-century since the first post-Communist government of Tadeusz Mazowiecki, the 15th anniversary of joining NATO, and a decade of membership in the European Union. The festive mood, however, was dampened by dramatic developments on the country’s doorstep.

From Warsaw’s perspective, 2014 was a watershed moment in Western relations with Russia. First, Russia’s annexation of Crimea, and later its support for separatists and direct engagement in the war in Eastern Ukraine confirmed Poland’s worst worries, which were planted during the 2008 Russia-Georgia War. Not only did Russia violate Ukraine’s sovereignty and break international law, it has also undermined the basic premise of the European security system enshrined in the Helsinki Final Act signed in 1975. The Polish analysis is that this is not a passing crisis, but a permanent change in Russia’s foreign policy, aimed at rebuilding its sphere of influence in Eastern Europe, with implications for the whole continent. Poland has been active on the crisis in Ukraine since its earliest days. First President Viktor Yanukovich, then Russia, intimidated Ukraine’s society’s struggle for sovereignty — an aim that Poland has always supported. Poland is no less vulnerable to Russia’s disregard for independence and territorial integrity than Ukraine in 2014, Kyrgyzstan in 2010, and Georgia in 2008.

However, despite its early engagement and activity, Poland did not make it to the Normandy format talks in which Germany, France, Ukraine, and Russia have attempted to negotiate the resolution of the conflict. Poland needs to step up its game when it comes to proposing new ideas for a long-term Western strategy toward Russia, before the voices seeking reconciliation with Russia and a return to “business as usual” overwhelm the debate.

The Early Stage of the Conflict

The EuroMaidan was sparked by the all-but-transparent decision of then-President Yanukovich to suspend talks about an Association Agreement with the EU on the eve of the Eastern Partnership summit in Vilnius in November 2013. As a vocal supporter of Ukraine’s integration with the EU, Poland felt a responsibility to take a stance. Since the Vilnius summit, the issues of Ukraine signing the agreement and preventing further violence in the country have been central in the Polish government’s bilateral and multilateral talks with Ukrainian, EU, and NATO allies.

Contrary to widespread belief, Poland was not supportive of regime change in Ukraine, even when evidence materialized of the use of excessive force by riot police and interior ministry troops or after the bloodshed on Institutaska Street in Kyiv on February 20, 2014. Arriving in the Ukrainian capital on that day, a mission of the foreign ministers of Poland, Germany, and France was aimed at stopping the immediate violence and encouraging a long-term dialogue on a power-sharing arrangement between EuroMaidan and Yanukovich. When Yanukovich fled to Russia, Poland demanded that the EuroMaidan leadership conduct free and fair presidential and parliamentary elections. Additionally, in March 2014, President Bronisław Komorowski announced an assistance program for Ukraine, which prioritized reform of local and regional self-government, the fighting against corruption, and support for small and medium enterprises. It was backed with €70 million in funding.

Poland also condemned the invasion and annexation of Crimea but tried to avoid turning the issue into a bilateral spat with Russia. When Russian troops and weapons ignited the anti-government rebellion in the east of Ukraine, Prime Minister Donald Tusk, Foreign Minister

Radosław Sikorski and Defense Minister Tomasz Siemoniak condemned Russia's actions. Poland focused exclusively on actions that could be carried out through the institutions of the transatlantic community in response to Russia's behavior.

Within the EU, it championed visa restrictions and economic sanctions while within NATO, it pushed for a reaffirmation of Article V security guarantees through practical steps to strengthen territorial defense.

NATO

NATO has been the primary venue for Poland to buttress its security. In preparations for the September 2014 NATO summit, it pursued a goal of increasing the presence of allied forces on its North-Eastern flank. While Poland's focus was to support the emergence of the West's consolidation amid the crisis — both within the EU and NATO — the ultimate goal was for the Alliance to recognize the permanent change in the security dynamic in the East, and to create a permanent NATO presence on the ground. In April 2014, Sikorski spoke about the need for permanently deploying two heavy NATO brigades in Poland. This statement exposed an existing rift within NATO, and German Foreign Minister Frank-Walter Steinmeier responded by pointing out that the NATO-Russia Founding Act of 1997 called specifically for *not* deploying substantial combat forces in Central Europe. This exchange foreshadowed difficult negotiations, challenging the Polish-German relations ahead of the NATO summit.

It was clear, however, that Poland would not tolerate open divisions in new and old NATO member states, and it threatened to veto any direct reference to the NATO-Russia Founding Act. The summit's result was the creation of a Readiness Action Plan allowing NATO to deploy a force of several thousand soldiers at very short notice, as well as an acknowledgement that the presence of allied troops

in the Baltic states and Poland would be sustained continuously. Even though it was not an optimal outcome for Poland, this was largely in line with its priorities.

In August, it was reported that Ukraine had requested military help from Poland. The government vehemently denied that any decision of this sort has been taken and kept repeating that this question could only be decided at the NATO level. When NATO Secretary-General Anders Fogh Rasmussen said at the summit that it was up to the allies to supply Ukraine with arms and to decide of what sort they would be, some senior Polish officials went as far as to suggest this was a commercial issue and the government would not interfere.⁶⁷ When the conservative presidential candidate Andrzej Duda admitted in early 2015 that sending Polish troops to Ukraine was worth considering, Prime Minister Ewa Kopacz vehemently rejected such an option.⁶⁸ The issue of military assistance to Ukraine shows that Poland's position on the Russian invasion of Ukraine in fact has been cautious, especially when it comes to military involvement in the conflict.

Public Opinion

Poland's engagement in seeking a resolution of the crisis in Ukraine has been a key issue for its public. According to the German Marshall Fund's *Transatlantic Trends* survey, 78 percent of Poles supported economic aid to Ukraine, 77 percent supported sanctions against Russia, and 67 percent supported helping Ukraine even if it heightened the risk of conflict with Russia.⁶⁹ High public expectations may turn politically costly

⁶⁷ Deputy Foreign Minister Rafał Trzaskowski in an interview for *RMF FM* radio, October 21, 2014.

⁶⁸ Poland not to send troops to Donbas — PM Kopacz, *Belsat TV*, January 26, 2015.

⁶⁹ The German Marshall Fund of the United States, *Transatlantic Trends 2014*.

The issue of military assistance to Ukraine shows that Poland's position on the Russian invasion of Ukraine in fact has been cautious, especially when it comes to military involvement in the conflict.

Poland and Russia have come out of the Cold War with clear but contradicting security identities: Poland with a transatlantic one relying on cooperation, and Russia with a post-imperial one aiming at self-reliance.

for the government in the election year, if Poland continues to be left out of the ongoing negotiations to end the Russia-Ukraine conflict.

Still, Poland's participation in the Normandy format talks was rejected due to its alleged partisanship and radicalism — as confirmed both by Ukraine's ambassador to Warsaw and the German government's special envoy for Russia, Central Asia, and the Eastern Partnership countries. Paradoxically enough, the Polish government found itself under continuous criticism domestically for its alleged drift amid the crisis. In particular, its decisions to limit military assistance for Ukraine's army to non-lethal equipment, acceptance to postpone the EU-Ukraine Deep and Comprehensive Free Trade Agreement (DCFTA), and the modest outcomes of the NATO summit were the cause of criticism.⁷⁰

Poland's increasingly careful conduct over the Russia-Ukraine conflict followed the logic explained in two key statements. First, as newly appointed Prime Minister Ewa Kopacz underlined in her parliamentary address on October 1, 2014, "It is vital to the national interest to prevent the West's position being watered down (...), but it is equally important to prevent Poland's isolation as a result of unrealistic targets set by ourselves." The other statement came from Grzegorz Schetyna, Sikorski's successor as foreign minister, who told the Sejm on November 6, 2014, "The rising tide of isolationism and anti-Western feelings and the negation of European values build a wall that divides Russia from Europe. A critical assessment of Russia's policy does not alter the fact that we will remain neighbors and economic partners."

⁷⁰ Legendary Solidarity leader Zbigniew Bujak called Polish passiveness toward Ukraine "treason": *Polska na granicy zdrady*, *Rzeczpospolita*, January 21, 2015. Prominent Civic Platform member Paweł Zalewski compared the move to a "European coup d'état in Ukraine": *Europejski zamach stanu na Ukrainie*, *Rzeczpospolita*, September 19, 2014.

Poland has navigated a fine line between active advocacy for Ukraine and supporting Western unity. This position stems also from the assessment of the country's economic, social, and military potential as inadequate for standing up to the deteriorating security environment. Thus, Poland's NATO and EU membership and bilateral alliance with the United States are the country's primary security guarantees. At the same time, Poland realizes the limits of consensus and the overabundance of threats that its allies face globally. Therefore, in parallel to acting through NATO and the EU, Poland has launched a major program of military modernization, with a budget of \$40 billion over the coming decade, and increased annual spending for defense to 2 percent of GDP.

Poland finds itself between the devil and the deep blue sea. It is the only EU and NATO member that borders both Ukraine and Russia. Poland is highly dependent on Russian gas (70 percent of domestic consumption) and oil (almost 100 percent). Poland, Russia, and Ukraine have inherited a vast legacy of past encounters, contributing to a mix of mutual admiration, suspicion, and contempt. Poland and Russia have come out of the Cold War with clear but contradicting security identities: Poland with a transatlantic one relying on cooperation, and Russia with a post-imperial one aiming at self-reliance. The sustainability of either of these identities relies to a great extent on Ukraine's strategic choice between transatlanticism and Eurasianism.

With all that in mind, early in its first term, the Tusk government concluded that open skepticism toward the scope of the EU's engagement with Russia and too much ambition toward the EU's engagement with Ukraine might lead to Poland's isolation on the international scene, as was the case under the previous government between 2005 and 2008. In 2008, the government offered Russia a "normalization" (the U.S.-Russian "reset" was yet to be invented). Contrary to what critics said at

the time, there was little naïveté about the nature of Russia behind this offer. Instead, there was an assumption that showing Warsaw’s allies that it was capable of improving its relations with Moscow would help root Poland in the mainstream of EU and NATO.

Some indicators may prove this assumption was right, including Tusk’s rise to the position of European Council president, the 2014 NATO summit decisions on the spearhead force, continuous allied military presence in Central Europe and an upgraded headquarters of the multinational corps in Szczecin. Additionally, Russia’s aggression in Ukraine has strengthened Poland’s relations in defense and security with the United States bilaterally and at the NATO level. It has also helped attract attention and tighten cooperation with a number of like-minded NATO countries and partners: Canada, Romania, and Australia among them.

Domestic Factors

Domestically, the major test the ruling coalition faces concerns the social-economic impact of Russian counter-sanctions on European food imports. Polish food exports to Russia amounted to €1 billion in 2013. No less than 3,000 Polish transport companies, responsible for 20 percent of EU deliveries to Russia, are estimated to suffer approximately €100 million in losses per month. Due to Russia’s own imposition of foreign travel restrictions for its public servants, Polish resorts are also expected to lose 10 percent of their income. As a result, the impact of this on rural and small business voters could be a key factor benefiting the opposition Law and Justice party (PiS) in the upcoming parliamentary elections in the fall of 2015.

The PiS leadership has said that the government should be ready to act beyond, and even against, the

Western mainstream if existential national interests were threatened by Russia. The conservatives have little doubt Russia is capable of exerting political, economic, and even military — though most probably one below Article V threshold — pressure against Poland. According to the conservative opposition’s narrative, Russia’s actions in Ukraine intend to challenge the post-Cold War order, in particular to limit the U.S. role in the European security architecture, and to create a buffer zone in Central and Eastern Europe. Therefore, bowing to Moscow’s demands for Ukraine’s “federalization” and neutrality will not be sustainable.⁷¹

The second-largest opposition party, the post-Communist Democratic Left Alliance (SLD) insists that Poland is not militarily or otherwise threatened, and it should avoid ungrounded hawkishness toward Russia. In an interview with Russia’s *RIA Novosti* in August 2014, the party’s leader and former prime minister Leszek Miller failed to recognize any external sources of the conflict in Ukraine and instead accused Kyiv’s policies of being driven by the “explicitly fascist” Right Sector.⁷²

Outlook

Poland’s policy toward the conflict is embedded within the EU and NATO debates. NATO’s ability to swiftly and fully implement the 2014 summit conclusions and to come up with actions relevant to the level of threat will play an important role in reassuring Polish voters ahead of the 2015 parliamentary and presidential elections. The EU’s eagerness to compensate for the losses that Russia’s counter-sanctions imposed on Poland’s

Russia’s aggression in Ukraine has strengthened Poland’s relations in defense and security with the United States bilaterally and at the NATO level.

⁷¹ See, for example, PiS MP Krzysztof Szczerski’s response to Foreign Minister Grzegorz Schetyna’s parliamentary speech, November 6, 2014, pp. 175-178.

⁷² Лешек Миллер: конфликт на востоке Украины нельзя решить военным путем, *RIA Novosti*, August 25, 2014.

Further military escalation by Russia, sluggish reform progress on the Ukrainian side, and insufficient German support for a visible role of Poland in conflict settlement may tilt Warsaw's foreign policy toward change, rather than continuity.

food producers and transport companies is no less important in this regard.

As the Normandy format talks have apparently exhausted their potential, there is an opportunity to create a new one, one in which Poland could play a more active role — though not necessarily a direct one. The country would also welcome an increased role played by the United States. Poland may be also expected to push for an increased and long-term role for NATO and the EU in the reform efforts undertaken by Kyiv. It is worth noting in this regard that Poland, together with the U.K. and Sweden, succeeded in establishing the EU Advisory Mission for Civilian Security Sector Reform Ukraine (EUAM Ukraine), which is only the second such EU mission after one established for Georgia. Poland could be also expected to advocate for energy security to become yet another ground for closer international cooperation in Ukraine. During her first visit to Ukraine in January 2015, Kopacz paid much attention to the issue. In particular, she offered a gas pipeline to connect Ukraine with the future LNG terminal in Świnoujście, and help with modernizing the country's coal electricity plants, currently relying predominantly on Russian supply.

The question is, however, whether or not current Polish policy toward the Russia-Ukraine conflict will prove sustainable in the election year of 2015. The main contenders demonstrate significant political differences when it comes to the conflict in the EU's neighborhood, as mentioned earlier. Adding to the uncertainty is the sensitivity of the Polish public to both the events unfolding in the Eastern neighborhood and the level of Western solidarity. Very likely, further military escalation by Russia, sluggish reform progress on the Ukrainian side, and insufficient German support for a visible role of Poland in conflict settlement may tilt Warsaw's foreign policy toward change, rather than continuity.

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10

ROMANIA: LARGELY IMMUNE TO RUSSIAN PRESSURES

ALINA INAYEH

Romania's keen interest in developments in Europe's east long predates the eruption of the crisis in Ukraine. In 2004, together with Germany, it launched the Black Sea Synergy, a strategy meant to bring that region closer to the EU and to develop intra-regional ties.⁷³ In 2009, this was replaced by the Eastern Partnership as the EU's official strategy toward the region. Despite being disappointed to see its own earlier initiative overtaken, Romania continued to support EU actions and initiatives in the region. It also backed NATO membership for Georgia and Ukraine at the alliance's Bucharest summit in 2008, and has constantly pushed for closer cooperation between these countries and the EU.

Romania and Ukraine

Romania and Ukraine have kept good neighborly relations despite the territorial dispute they inherited after the dissolution of the Soviet Union. For 18 years, the two countries disputed the Serpent Island, a rock in the Black Sea, and the shelf adjacent to it. The dispute was solved in 2009 at the International Court of Justice.⁷⁴ Another, ongoing, source of tension has been the treatment of the ethnic Romanian minority in Ukraine. According to Romanian official sources, there are around 400,000 Ukrainians of Romanian origins — a group that the authorities in Kyiv divide into Romanians (150,000) and Moldovans (258,600).⁷⁵ Throughout the 20 years of Ukrainian independent statehood, the Romanian minority, as well as other ones, has lacked collective rights such as access to education, information and media in its mother tongue, and political representation at regional and national levels. In order to protect a national

identity still being developed in the new state and at a constant risk of being suffocated by Russia, the Ukrainian authorities have at times taken measures at the expense of minorities. This has given rise to tensions between Romania and Ukraine, which successive governments in both countries have managed to keep at a level that did not prevent a constructive and cooperative relationship from operating.

Located on the Eastern border of the European Union, Romania has a direct interest in a stable and secure EU neighborhood, and it regards the advancement of European norms, values, and, eventually, institutions there as a guarantee of its long-term stability, as outlined in the Black Sea Synergy. It was, therefore, very disappointed by then-Ukrainian President Viktor Yanukovych's decision to reject the Association Agreement with the EU in November 2013. Not only did Romania see this as going against its interest in a Black Sea region that is stable and shares European values, but many there also feared it could affect the European trajectory of Moldova, Romania's sister country, which the EU used to address together with Ukraine in the hope that the latter would benefit the former's quicker progress toward an Association Agreement.

Despite their disappointment with Yanukovych's decision, leaders in Bucharest initially kept a distance from the protests in Ukraine, and they abstained from appearing on EuroMaidan or flagging their support to the pro-European protesters. Romania did, however, react promptly to the forcible repression of protesters, condemning the actions taken against the Ukrainian people by their leaders. In this context, Romania reiterated its support for the European future of Ukraine. After Yanukovych was ousted and a new government installed in Kyiv, it responded promptly and vocally to all consequent events. It condemned Russia's

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⁷³ European External Action Service, Black Sea Synergy.

⁷⁴ International Court of Justice, Maritime Delimitation in the Black Sea (Romania v. Ukraine), press release 2009/9, March 2, 2009.

⁷⁵ Romanian Ministry of Foreign Affairs, Comunitatea românească din Ucraina, opened on December 11, 2014.

Romania continues to be vocal in its condemnation of Russia's actions in the region.

annexation of Crimea and, repeatedly, Russia's waging and fuelling war in Eastern Ukraine.⁷⁶

Romania continues to pay close attention to the treatment of minorities in Ukraine, while remaining a consistent supporter of the country's territorial integrity. It is very sensitive to the issue of Romanian minorities in neighboring countries, and to the issue of ethnic minorities in general, as it is not itself a stranger to ethnic tensions. Romania also always firmly condemns any act of separatism and has done so regarding Eastern Ukraine as it has its own concerns about separatist threats. This constant preoccupation, dictated by the domestic and regional contexts, did not impede the development of good relations with the post-Yanukovich government. Since February 2014, Romanian leaders have met with their new Ukrainian counterparts several times, seeking to further develop bilateral relations and to assist Ukraine in its current transition.⁷⁷

Romania as an EU and NATO Member

Having initially condemned Russia's annexation of Crimea and its destabilizing actions in Eastern Ukraine, Romania continues to be vocal in its condemnation of Russia's actions in the region.⁷⁸ It fully implements all sanctions imposed by the EU against Russian individuals and companies. Not only did Romania approve of the sanctions since they were first imposed in March 2014, it has also, alongside Poland and the United Kingdom, asked for their toughening at the EU summits in July and August 2014.

Together with Poland and the Baltic countries, Romania has also asked for increased security measures in the region, and it has fully supported

⁷⁶ President of Romania, press statement, March 16, 2014.

⁷⁷ Romanian Ministry of Foreign Affairs, Official position of Romania on Ukraine.

⁷⁸ President of Romania, press statement, May 13, 2014.

and taken part in NATO operations in the region and in the Black Sea. Its air force has conducted joint exercises with the U.S. military, and assisted NATO in its air-policing efforts. The port of Constanta hosted the *USS Truxtun* and *USS Donald Cook* during their missions in the Black Sea.⁷⁹ As a faithful partner of the United States and an active member of NATO, Romania agreed to host elements of the NATO anti-ballistic missile shield that Russia fiercely opposes. This decision has further strained the relation between those two countries.

Romania and Russia

Romania's reaction to Ukraine crisis is not surprising. A constant supporter of the region's rapprochement with Europe, it also has a little more leverage in its relations with Russia than other new members of the EU.

Although it continues to import some gas from Russia, Romania has other resources that cover most of its consumption. Its imports of gas from Russia in 2013 amounted to 10 percent of consumption, down from 25 percent in 2012.⁸⁰ According to the Ministry of Energy, Romania has enough reserves to go through this winter without any imports from Russia, should the latter decide to cut off supply in retaliation for its position in the Ukraine crisis.⁸¹ In addition to its current gas reserves, Romania has also recently discovered important new ones on the shelf of the Black Sea, some of them already under exploration. According to officials and initial estimates, these new reserves will allow the country not only to be fully energy-independent by 2019, but also to

⁷⁹ Carl Osgood, NATO Deploys Ever Closer to Russia, *Executive Intelligence Review*, April 11, 2014.

⁸⁰ România poate importa acum gaz din Austria, la același preț cu cel luat de la Gazprom, *Economica.net*, August 19, 2014.

⁸¹ Romanian Ministry of Energy, press release, July 16, 2014.

become a net exporter by the same date.⁸² Romania already exports gas to Moldova, alleviating the latter's dependency on Russia, and is planning interconnectors with Bulgaria and Hungary. Its low dependence on Russian gas makes it less constrained than some other countries in the region in taking firm positions on Russia's actions.

Relations between Romania and Russia have been rather sinuous for the past 200 years. In 1816, Romania lost Bessarabia to Russia after the latter won the Russian-Turkish War, and the region then went back and forth between the two countries until 1944, when it became part of the USSR. Most of Bessarabia is now within Moldova, which has close, antagonistic ties to both Romania, which supports Moldova's integration in the EU, and to Russia, which opposes it. The attempted secession of Transnistria from Moldova in 1992, after a war in which Russia supported the separatists with troops and weaponry, further complicated the situation. Russian troops have been stationed in Transnistria ever since, despite Moscow having signed the Istanbul Accord that stipulates their withdrawal.⁸³ For the past 22 years, Romania, alongside other European countries, has condemned Russia for its continued support of the Transnistrian separatists and its military presence there.

Romania's relations with Russia are also affected by another historical legacy, as Russia has long refused to return 93.5 tons of gold that Romania evacuated there in 1916 when faced with invasion by Germany.

Since its language, unlike the other ones in Eastern Europe, is a Latin language, Romania is

traditionally closer in culture to European countries of Latin origin than to Russia. Today, as during the communist era, Romanians enjoy a high degree of immunity to Russian propaganda because they do not understand the Russian-speaking media. There is hence little affinity with Russia within Romanian society. Instead, the complicated historical relationship and the country's non-Slavic origins have contributed to a general distrust of Russia, which has been constant throughout the last century. A recent survey of Romanian sentiment toward other countries places Russia as the least-liked one, with only 37 percent expressing a positive feeling toward it.⁸⁴

Russia's Reaction to Romania's Position in the Ukraine Crisis

In recent months, the Russian Ministry of Foreign Affairs has criticized the "anti-Russian" attitude of Romania's leadership. After the election of Romania's new president, Klaus Johannis, in November 2014, a Russian statement expressed hope that he would not adopt the attitude of his predecessor, Traian Băsescu, but instead put relations between the two countries back on a friendlier track.⁸⁵

Romania is not seriously concerned about losing access to the Russian market for its goods, as economic relations between the two countries plummeted in the 1990s. Trade with Russia account for only 3.4 percent of Romania's overall economic exchanges;⁸⁶ the EU is Romania's main trading partner with over 70 percent. The authorities are increasingly wary, however, of the infiltration of Russian capital in the economy and the risk of

The authorities are increasingly wary, however, of the infiltration of Russian capital in the economy and the risk of destabilization this may pose in some sectors.

⁸² Romania's proven reserves are estimated at 100 billion cubic meters, and Romania consumes 12.4 bcm/year. New reserves in the Black Sea are currently estimated at 42-84 bcm, although their exploration has not been finalized.

⁸³ Organization for Security and Co-operation in Europe, Istanbul Document 1999.

⁸⁴ Sondaj INSCOP: Ce țîns simpatizează șș antipatizează Româniî. Germania șe Rusia, la extreme, *INSCOP*, July 30, 2014.

⁸⁵ МИД РФ ждет от нового президента Румынии «перелома» в отношениях с Россией, *Regnum*, November 21, 2014.

⁸⁶ Embassy of Russian Federation to Romania, Relațiile comerciale și economice ruso-române.

Despite Russia's efforts to influence public opinion and decision-makers in Romania, there is no major division of attitudes toward it, and no major tension between the politics and the economics of the relationship.

destabilization this may pose in some sectors. Official figures list Russia as an unimportant foreign investor, with total investments officially under \$100 million. However, Russian capital also enters the economy through third countries or from offshore locations. Romania's main foreign investors are the Netherlands and Austria, two of the countries most transited by Russian capital.⁸⁷ For example, Lukoil's presence in Romania — beginning in 1998, when it purchased the Petrotel refinery — is not officially listed as a Russian investment, but as a Dutch one, having been registered by its subsidiary in the Netherlands. Purchases in the early 1990s by Russian groups, with third country capital, of three of Romania's main steel plants and their subsequent bankruptcy due to poor management have raised suspicions about the intentions of Russian investors.

Russian propaganda is also finding its way into Romania. Since March 2014, the Russian media intensified their spinning of news about Romanian leaders and events in the country through Voice of Russia radio, which broadcasts in Romanian. In late 2014, a new Romanian-language news website, RussiaToday.ro, an offshoot of RT, was launched. Despite Russia's efforts to influence public opinion and decision-makers in Romania, there is no major division of attitudes toward it, and no major tension between the politics and the economics

⁸⁷ Romanian National Bank, Foreign direct investment (FDI) in Romania.

of the relationship. Some intellectuals pursue a pro-Russian discourse, but they are rare exceptions. In general, Romania's society and politicians have reacted in the same way to events in Ukraine and to Russia's actions, and are wary of potential Russian moves in Southern Bessarabia (Bugeac), that would bring Russia closer Romania's border.⁸⁸

Romania is well aware that its stance on the situation in Ukraine and on Russia's actions in the region makes it a target for Russian retaliation. Officials are not as much concerned about a military attack from Russia, which is considered a possibility albeit unlikely, as they are about its potential actions to destabilize the region through Transnistria and to weaken the economy. Yet lack of economic dependence on Russia and of divisive opinions on Russia within society gives Romania good leverage in its relation with it, and allows for a firm attitude against its aggression. Romania's successful transition from an autocratic regime to a democracy and its current successes in the fight against corruption make it a valuable partner for Ukraine in its current developments, a relationship both countries seem interested to pursue, and one that the EU should promote further.

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⁸⁸ Russia threatens Moldova over its EU relations, *Euractiv*, September 3, 2014.

11

SLOVAKIA: AMBIGUITY IN ACTION

ALEXANDER DULEBA

Led by Prime Minister Robert Fico, Slovakia's center-left government tries to combine two contradictory policy lines toward the Ukrainian crisis. It supports Ukraine's European integration process; but at the same time, it opposes EU sanctions against Russia. Leaders of the parliamentary opposition, including President Andrej Kiska (in office since June 2014), have criticized the government for its uncertain position on developments in Ukraine, including Russia's annexation of Crimea and the support it provides to separatists in Donbass.

The public in Slovakia is also divided over the crisis. According to one poll, 45 percent of citizens agree that Slovakia should support the European integration of Ukraine, while 49 percent say the EU should not punish Russia.⁸⁹ As the Fico government has so far approved all restrictive measures the EU adopted against Russia, its anti-sanction rhetoric is primarily meant for domestic consumption.

Given the nature of the ongoing conflict between Ukraine and Russia, however, it is getting clearer that the government's essentially pragmatic Eastern policy is not sustainable. Should the EU and NATO be brought into a higher level of confrontation with Russia, Slovakia is unlikely to become a spoiler of a common policy of the West.

Slovakia's Multi-Voice Policy

Fico has been one of the most outspoken opponents of economic sanctions against Russia, not least because of their impact on Slovakia's own economy. Commenting on the conclusion of the EU summit in May 2014 that acknowledged preparatory work on targeted measures against Russia, he said that tougher sanctions would be "suicidal" and

"nonsensical."⁹⁰ Fico has also rejected demands for Slovakia to increase its defense spending and to meet the country's commitments under NATO membership, especially in view of Russia's military aggression against Ukraine.⁹¹

Instead Fico, as well as Foreign and European Affairs Minister Miroslav Lajčák, have stressed that Slovakia's conduct in the Ukraine crisis is that of a responsible EU member, including when it comes to policy toward Russia. The prime minister has also pointed to the conflicting stance of other member states, giving the example of France and its reluctance to cancel the sale of military vessels to Russia. Fico has also noted the apparent contradiction as the EU was trying to prevent an energy crisis in Ukraine, while a "German, French and Italian company" signed a deal with Russia's Gazprom on the construction of South Stream, a gas pipeline to bypass Ukraine.⁹² Fico did not comment on the decision of France in September 2014 to postpone delivery of Mistral vessels to Russia, or the announcement by Gazprom in December 2014 to cancel the construction of South Stream.

Despite its anti-sanctions rhetoric, however, the Slovak government has approved all restrictive measures against Russia adopted by the EU. What is more, it concluded a gas supply agreement with Ukraine in April 2014, when Gazprom raised its prices to levels that Ukraine refused to pay. Gas supplies will not, as Ukraine had originally hoped for, use the main transit pipelines on Slovak territory that can carry larger volumes, as Slovakia argued that this would violate its transit contract

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⁸⁹ Public opinion poll commissioned by the Research Center of the Slovak Foreign Policy Association, and conducted by the FOCUS Agency in October 2014.

⁹⁰ Slovakia nurtures special ties to Russia, despite EU sanctions, *Reuters*, May 22, 2014; Fico praises EU decision not to impose further sanctions against Russia, *The Slovak Spectator*, May 29, 2014.

⁹¹ Slovakia nurtures special ties to Russia, despite EU sanctions, *Reuters*, May 22, 2014.

⁹² PM Fico questions EU solidarity on Ukraine, *The Daily Slovakia*, May 15, 2014.

Slovakia's Eastern policy has strived to combine support for democratic change in the Eastern Partnership countries, including their European integration, and pragmatic cooperation with Russia, including "zero conflict relations" between the EU/NATO and Russia.

with Gazprom.⁹³ Instead, an alternative technical solution was found in upgrading a previously unused pipeline from Slovakia's Vojany power station near the Ukrainian border. With an annual capacity of 10 billion cubic meters (bcm), or 40 percent of needed gas imports to Ukraine, this pipeline started operations in September 2014. Two months later, its capacity was increased to 11.4 bcm per year. Even though Russia responded by reducing its gas deliveries to Slovakia, Lajčák rejected calls to stop the flow of gas to Ukraine, saying that "[o]ur reverse flow has already saved approximately a half billion USD to Ukraine ... We continue with practical help to Ukraine through the reverse flow despite the 50 percent gas supply reduction for Slovakia. This is our concrete contribution to the discussion on how to help Ukraine to survive this winter."⁹⁴

The anti-sanctions rhetoric of the prime minister is not the only official view of the Ukrainian crisis, however. Ivan Gašparovič, Slovak president until June 2014 and elected with the support of Fico's ruling Direction-Social Democracy (SMER) party, was the first official to declare publicly that the EU should respond to Russia's aggression by offering Ukraine a clear EU membership perspective.⁹⁵ In October 2014, while stressing the need for a diplomatic solution to the crisis, Lajčák also said that the EU should open discussions on a European perspective for Eastern Partnership countries.⁹⁶

⁹³ Slovakia reaches reverse gas flow deal with Ukraine, *Reuters*, April 22, 2014.

⁹⁴ Lajčák: It's necessary to formulate our expectations from the future Ukrainian Government to be formed after the parliamentary elections, Ministry of Foreign and European Affairs of the Slovak Republic, October 20, 2014.

⁹⁵ Speech by Ivan Gašparovič, President of the Slovak Republic, at the Foreign and European Policy Review Conference, Bratislava, March 24, 2014.

⁹⁶ Speech by Miroslav Lajčák, Deputy Prime Minister and Minister of Foreign and European Affairs of the Slovak Republic, at the conference "Crisis in Eastern Europe: Scenarios and Policy of the EU," Bratislava, October 27, 2014.

The strongest criticism of the Fico government has come from newly elected President Andrej Kiska, who defeated the prime minister in the presidential elections in March 2014. His election campaign stressed condemnation of Russia's annexation of Crimea, support for democratic change in Ukraine, and the need for Western solidarity. In his inaugural speech, Kiska said "I will continue in the tradition of previous presidents who were always strong supporters of Euroatlantic cooperation."⁹⁷

Policy Determinants and Public Discourse

Over the last years, Slovakia's Eastern policy has strived to combine support for democratic change in the Eastern Partnership countries, including their European integration, and pragmatic cooperation with Russia, including "zero conflict relations" between the EU/NATO and Russia. The Ukraine crisis has shown that this policy mix is hardly manageable. Whereas the right-center governments led by Mikuláš Dzurinda (2002-06) and Iveta Radičová (2010-12) preferred the EU's value-based approach to the region, even at the cost of eventual conflicts with Russia, the left-center governments led by Fico (2006-10, and since 2012) have favored pragmatic zero-conflict relations with Russia over closer ties with the EU of Eastern Partnership countries.

The current government supports the Eastern Partnership initiative but stresses that it should not become an anti-Russian project. Slovak pragmatists advocate an EU policy toward Eastern Europe, which prioritizes trade liberalization with Russia, Ukraine, and Belarus. They welcome the conclusion of a Deep and Comprehensive Free Trade Agreement (DCFTA) with Ukraine and support free-trade agreements with Russia and Belarus. However, they do not consider political conditionality, which is a part of any comprehensive

⁹⁷ Slovakia. A New President, *The Economist*, June 19, 2014.

EU trade deal with third countries, a factor that should prevent the EU from doing business with Russia or Belarus. The pragmatist line in Slovak policy acknowledges that the country's main trading partner in the region is Russia (bilateral trade reached €8.7 billion in 2013), followed by Ukraine (€1.1 billion) and Belarus (€100 million), while other Eastern neighbors hardly figure.⁹⁸

Events in Ukraine have not changed this approach. The Slovak government continues to support Association Agreements, including a DCFTA, with Ukraine, Moldova, and Georgia on one hand, while calling for good relations with Russia on the other. In 2013, Lajčák initiated two meetings of the Friends of Ukraine, a group created by the foreign ministers of some EU countries, in order to promote the signature of an association agreement with Ukraine at the Vilnius summit in November of that year.⁹⁹ Since then, Slovakia has expressed its support for the new government that was ushered in by the EuroMaidan, the territorial integrity of Ukraine, and its European integration course. It also offered to Ukraine its own transformation experience with building stable democratic institutions, implementing economic and social reforms, and harmonizing legislation as required by the Association Agreement.

Leaders of the parliamentary opposition parties — the center-right Slovak Democratic and Christian Union, Christian Democratic Movement, the liberal Most-Hid and Freedom and Solidarity parties — have criticized the Fico government for its unclear position on the Ukraine crisis and the

⁹⁸ According to the Statistical Office of the Slovak Republic in 2014, Slovakia's bilateral trade turnover with other Eastern Partnership countries was rather negligible: Moldova — €70 million, Azerbaijan — €70 million, Georgia — €6 million, Armenia — €5 million.

⁹⁹ Na podnet ministra M. Lajčáka sa v Luxemburgu zišla Skupina priateľov Ukrajiny, Ministerstvo zahraničných vecí a európskych záležitostí SR, October 21, 2013.

Russian occupation of Crimea.¹⁰⁰ They demanded a clear European perspective for Ukraine during a special parliamentary debate in March 2014.¹⁰¹ Slovak NGOs and think tanks have also contributed to the public debate on the EuroMaidan revolution and the Ukraine crisis by organizing a series of events and by calling on the government to meet NATO and EU membership commitments, to support the European integration of Ukraine, and to assist Ukraine in facing Russia's aggression and in implementing reforms.¹⁰²

By contrast, opinions in line with Russian positions have also been voiced, especially by representatives of the marginal, non-parliamentary Slovak National Party and of the extreme right-wing People's Party Our Slovakia.¹⁰³ A new phenomenon in the foreign policy debate is a strong activation of "alternative" social and internet media, including new NGOs that promote the Russian narrative of the crisis.¹⁰⁴ In this context, it is worth noting that Fico himself has publicly agreed with some key points of the Russian narrative, including that the crisis is a geopolitical clash between the United States and Russia.¹⁰⁵

¹⁰⁰ Vláda pri Ukrajine poriadne zaváhala, *SITA*, March 18, 2014.

¹⁰¹ Návrh Vyhlásenia Národnej rady Slovenskej republiky k situácii v Ukrajine, March 18, 2014.

¹⁰² For more about respective activities of the Slovak NGO sector see Demeš, Pavol, "Nové výzvy pred slovenským tretím sektorom," in: Mesežnikov, G., Bútorová, Z., Kollár, M. (eds) *Desať rokov v Únii: Slovenská a česká cesta*. Bratislava: Inštitút pre verejné otázky, 2014, pp. 97-105.

¹⁰³ A. Danko označil za jednu z príčin krízy na Ukrajine rozpínanosť EÚ, *TERAZ Slovensko*, April 25, 2014; Kotleba píše ukrajinskému prezidentovi Janukovyčovi: Neustupujte, *SME*, January 31, 2014.

¹⁰⁴ The leading "alternative media" in Slovakia that promotes the Russian narrative of the crisis is the internet radio *Slobodný vysielateľ* (Free broadcaster). The leading pro-Russian group of activists that has become publically visible in the course of the crisis is named *Pokojní bojovníci* (Peaceful fighters).

¹⁰⁵ Robert Fico zopakoval: Na Ukrajine ide o súboj medzi USA a Ruskom, *Trend*, September 6, 2014.

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The Fico government will continue its double-track Eastern policy, even if both policy lines might seem incompatible.

As a result, public opinion has shown a diffuse picture. In an October 2014 poll, 45 percent of Slovak citizens expressed support for the European integration of Ukraine, while 33 percent disagreed and 22 percent were unsure. However, only 27 percent backed EU sanctions against Russia even if they might hurt Slovakia economically, a position 49 percent rejected. Only 25 percent wanted Slovakia to be more critical and act more vigorously toward Russia than it did before the Ukrainian crisis (54 percent disagreed). Finally, 49 percent agreed that Slovakia should maintain active relations with Russia regardless of whether it interfered with Ukraine's internal affairs (22 percent disagreed). Among voters of the ruling SMER party, opposition to sanctions against Russia, and a desire to keep active ties with Russia was particularly pronounced, suggesting that the main addressee of the government's anti-sanction rhetoric was its own electorate rather than the governments of EU and NATO allies.¹⁰⁶

Outlook

Even if Fico genuinely believes in the Russian narrative of the crisis, the fact is that his government and he personally have agreed so far with all restrictive measures against Russia adopted by the EU. The contradiction between his public statements at home and his endorsement of EU decisions in Brussels, including when it comes to the reverse gas flow for Ukraine, can be explained primarily by domestic political factors.

First, having lost the presidential election in March 2014, including the debate on Slovakia's policy on the crisis, Fico needs to mobilize his SMER party

¹⁰⁶ Public opinion research conducted by the FOCUS agency and commissioned by the Research Center of the Slovak Foreign Policy Association in 2014.

ahead of the March 2016 parliamentary elections. He needs to present his political agenda, including his positions on the Ukraine crisis, in clear distinction from both Kiska (who was elected as an independent) and the parliamentary opposition. Regardless of what he may think about the crisis, political logic pushes him to tell SMER voters what they want to hear.

Second, as a left-of-center pragmatist, Fico will never favor trade with Russia (4 percent of Slovak foreign trade in 2013) at the expense of trade with EU member states, which accounts for 85 percent of the country's foreign trade. In other words, whatever he says about the crisis, it is very unlikely that under his government Slovakia will spoil the common EU policy.

The Fico government will continue its double-track Eastern policy, even if both policy lines might seem incompatible. First, it will aim to minimize the conflict between the West and Russia by supporting any step toward a diplomatic solution, cancellation of sanctions and reopening prospects for trade liberalization between the EU and Russia. Second, it will provide support to Ukraine in implementing its agreements with the EU.

If the EU and NATO are drawn into further confrontation with Russia as a result of a further escalation of the conflict in Ukraine, and if a clear majority of member states decides to toughen policy toward Russia, the government of Fico will accommodate. In sum, Slovakia will be neither a key driver nor a spoiler of EU and NATO policy in the Ukraine crisis.

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