

RECOMMENDATIONS FOR THE EU FOREIGN POLICY CHIEF: EASTERN EUROPE AND RUSSIA

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Carnegie Europe spearheaded a review process to assess the European Union's foreign policies. Drawing on consultations with experts from around the world, this memo proposes a new strategy for turning Europe into a more effective international actor.

- 1) **See Russia for what it is.** The Russian government today is more authoritarian internally and more aggressive externally than it has ever been since the collapse of the Soviet Union, a trajectory very different from the path the EU would like Russia to travel. The EU must take a more pragmatic approach that understands Russia as it is, not what the EU would like it to be. However, while Russia now looks to be consolidating as an authoritarian power, it remains a fragile country. The economy is too dependent on the exploitation and redistribution of natural resources, and political institutions remain too weak and centralized on the office of the president. The EU has to continue working with Moscow on international issues on the basis of European interests, but the union should be prepared for different scenarios in Russia, including massive political unrest. In the meantime, the EU should continue to invest in its relations with ordinary Russians through visa liberalization and exchange programs.
- 2) **Do not shy away from political confrontation.** The EU has no interest in accommodating a neoimperialist power in its Eastern neighborhood that is keen on expanding control over other neighbors using coercive means including military force. The Ukraine crisis has shown that the EU should be prepared to use many different types of sanctions. To the extent Russia wants to profit from economic interconnectedness with Europe, it needs to stick to the rules. This especially applies to access to the EU's internal market, such as in the energy and finance sectors. Beyond the internal market, the EU also has a strong interest in making sure that Russia adheres to the international laws to which it has signed up, such as the UN charter and WTO rules.
- 3) **Unite the EU approach to Russian energy.** Diversification of European energy suppliers away from Russia should be actively pursued, as should the creation of a European energy union. But it is

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probably unrealistic to assume that dependence on Russia can be reduced very significantly and very quickly for many EU member states, even with a more interconnected internal energy market and potential new North American supplies. Nevertheless, Moscow may earn less from its energy reserves in the future, perhaps greatly slowing Russian economic growth given the overdependence of the Russian economy on the fluctuations of energy markets. As a result, the EU's energy dependence on Russia may become a much stronger form of strategic leverage with Moscow, if EU governments develop a united approach.

- 4) **Help the EU's Eastern neighbors become more resilient.** The EU—the Brussels-based institutions and the member states—should deepen relationships with the countries of Eastern Europe and the South Caucasus and help stabilize them over the longer term. Relations with Eastern Europe should not be considered a subchapter of relations with Russia, and

Moscow should not have a veto over EU relations with other countries in the region. More specifically, the EU should help its Eastern neighbors secure their borders, reform their security sectors, grow their economies, and pacify internal conflicts. More robust and stable states in the Eastern neighborhood should be a priority for the EU.

- 5) **Do not close the door on potential EU membership for Eastern neighbors.** Although there is currently no appetite for further enlargement in most EU capitals, the EU should not abandon its most powerful geopolitical instrument. The union should support pro-EU reformers in Eastern Europe by remaining open to the perspective of membership—at the end of their internal reform processes, which remain deeply challenging. In addition, the EU could greatly improve the visibility of the numerous socioeconomic projects it is undertaking in those countries, thereby improving its image and attractiveness.

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