

## EU-CANADA NETWORK POLICY BRIEFS

# EU and Russia in the Shared European Neighbourhood: Why Escalation of Tensions is Unlikely

Toms Rostoks<sup>1</sup>

May 2019

The Jean Monnet Network on EU-Canada Relations: *The EU and Canada in Dialogue* is housed at [Carleton University](#) in Ottawa, Canada. The project supports a network involving Carleton University and four European partner universities: [University of Antwerp](#), [Technical University Darmstadt](#), [Technical University Munich](#), and [University of Latvia](#).

This policy brief is based on a presentation at the Network workshop, *The EU and Canada in the Face of Changing US Global Policy*, held on March 25, 2019, at Carleton University. The Workshop was co-funded by the Erasmus+ Programme of the European Union and by Carleton University.



Co-funded by the  
Erasmus+ Programme  
of the European Union

*The European Union support for the production of publications does not constitute an endorsement of the contents, which reflect the views only of the authors, and the European Union cannot be held responsible for any use which may be made of the information contained therein.*

---

<sup>1</sup> Toms Rostoks is Associate Professor of International Relations at the Department of Political Science, University of Latvia and Senior Researcher at the Centre for Security and Strategic Research at the National Defence Academy of Latvia.

# EU and Russia in the Shared European Neighbourhood: Why Escalation of Tensions is Unlikely

Toms Rostoks

May 2019

This policy paper looks at the underlying reasons behind the worsening of the relations between the EU and Russia and its future implications. It looks at three potential reasons behind the current impasse: competition, security dilemma, and normative principles. The policy paper concludes that the best explanation is provided by the contradictory normative principles that the EU and Russia espouse. The EU insists that Ukraine has the right to choose its own alignment, while Russia disagrees. Although these contradictory views may contribute to further deterioration of the EU-Russia relations, that is unlikely to happen because the risks involved are too high. Russia has scored tactical victories in Crimea and the Donbass region, but these have also become strategic losses. Any escalation of hostilities in Ukraine and beyond would likely spell further strategic defeats for Russia. Thus, stability fraught with danger is likely to prevail. Although this is good news, it is less than satisfying for those who seek substantial improvement in Russia's relations with its Western partners.

Russia and the EU have not been able to get along particularly well over the past few years, the conflict over Ukraine and its consequences being the prime example. This policy paper discusses some of the underlying reasons behind the different approaches that Russia and the EU have adopted vis-à-vis the six Eastern Partnership countries and assesses whether the approaches of the respective actors have changed since 2014/15 when the annexation of Crimea happened and the military fighting in the Donbass region reached its peak.

Although much has changed since 2014, the changes in the European security environment mask important continuities. With regard to the changes that have taken place, the relationship between Russia and Ukraine has been broken and is beyond repair at this point. Contrary to prior expectations, the president-elect of Ukraine, Mr. Volodymyr Zelensky, has adopted harsh rhetoric against Russia shortly after the presidential election. Furthermore, other European countries have taken note of Russia's readiness to employ military force to achieve its policy objectives. NATO defence spending has increased since 2015, although the rate of increase varies greatly among member states of the alliance. The EU and the US have imposed restrictive measures aimed against Russia, and NATO military presence has increased in the so-called frontline states, such as the Baltic states and Romania.

With regard to continuities, it is worth noting that the EU has not backed away from forging a closer relationship with Ukraine, or any other Eastern Partnership (EaP) country for that matter. In a nutshell, the principles upon which foreign policies of Russia and the EU are based have hardly changed. This means that there is some potential for further deterioration of security environment in Europe. Although the existence of continuities may indicate that there is considerable potential for EU-Russia relations to deteriorate even further, this policy paper argues the exact opposite.

The following paragraphs provide the argumentation to support the claim that further escalation is unlikely. Although foreign policy principles and key interests of both actors have not changed, there are good reasons why escalation is unlikely. Russia has become a diminished economic power since the start of the conflict in Ukraine, and any further escalation of Russia's relations with its EU, NATO, and EaP neighbours would further the image of Russia as a serial aggressor and endanger long-term economic development prospects of Russia. The EU and NATO, in turn, are unlikely to take provocative steps such as offering EU and/or NATO membership to Ukraine and other EaP countries. There is little appetite for conflict on both sides.

### **What went wrong in 2014**

There are numerous explanations for what transpired in Ukraine in 2014 and why Russia pursued policies which resulted in the annexation of Crimea and the military conflict in the eastern part of Ukraine. The chain of events which resulted in crisis decision-making in the capitals in Russia, Ukraine and the EU is well-known and need not be retold. The two prevailing explanations, however, are flawed and incomplete at best. The first explanation is that both Russia and the EU were involved in intensive security and economic competition over Ukraine (and other EaP countries). This explanation is simply wrong because although some competition might have been involved, the EU never competed over any of the six European neighbours. There must have been more competitiveness on the part of Russia, but the EU never intended to compete. In fact, the EU's approach to its neighbours has always been such that the neighbours themselves were vying for EU's attention and membership. Core EU member states and EU institutions were aware that closer relations with the EU were beneficial for its neighbours. Ever since 1995 when Finland, Sweden and Austria became member states, successive EU enlargements involved countries that were inferior in terms of democracy and economic development and, thus, did not have much to bring to the table (apart from enthusiasm for integration). The same approach applied to Ukraine as well, except for the fact that the EU membership was not even on the table. The EU never wanted to pull Ukraine closer because building a closer relationship with the EU was regarded as important for Ukraine, not the EU. Thus, there was no competition.

The second explanation stems from the security dilemma (or integration dilemma which is a concept that has been derived from security dilemma). According to this explanation, the conflict in Ukraine was the result of self-interested actors seeking security, not expansion. The EU and Russia sleepwalked into the crisis, each seeking security for itself while ignoring negative externalities that this created for the other. There is some truth to this argument because the EU's plan to sign a free trade agreement which might be followed by an even closer relationship with Ukraine was a major concern for Russia whose economic and security interests were largely ignored by the EU. However, this explanation is not fully satisfactory because the EU was not motivated by security considerations when negotiated the Association Agreement (as well as the Deep and Comprehensive Trade Agreement) with Ukraine. The EU mostly relies on soft power. It attracts other countries through the values that it represents. Also, the EU is a community of states which have managed to build a security community, that is, its member states have eliminated military force as a factor in relations between the EU member states. Thus, the EU to a great extent relies on its soft power in relations with other actors.

What the competition and security dilemma arguments miss is the normative foundation of the EU foreign policy, namely, the right of all countries to choose their alignments and partnerships.

According to the Western worldview, all countries should choose their partners and organizational membership voluntarily. Such questions should be decided in Kyiv, Chisinau, Tbilisi, Minsk and elsewhere, but not in Moscow, Brussels, and Washington. This is partly a self-serving principle from which Western powers can certainly benefit because their military power is mostly deemed to be non-threatening, their economic power is a major source of attraction, and their soft power is far superior to that of Russia. Given the possibility to choose between Brussels and Moscow, most EaP countries would probably choose integration with the EU, not Russia. This is, however, more than just a self-serving hypocrisy. This is a principle which has been an integral part of the regional security order in Europe after the Cold War. Russia never accepted this principle, but the Western regional economic and security integration projects functioned according to the “right to choose” principle. Unfortunately, this set the EU and Russia on a collision course. On surface, this may look like a case of great power competition or security rivalry, but these argument miss the point that contradictory normative principles were at the heart of the conflict.

### **What is unlikely to go wrong again**

The “right to choose” principle was the underlying cause of conflict over Ukraine. Has this principle been abandoned since then by the EU? The short answer in “No”. There is ample evidence that the EU foreign policy still adheres to this principle. The EU-Ukraine relations have strengthened since 2014. The EU has helped to stabilize Ukraine’s economy, and it has also stepped up support for Ukraine through the EaP policy. The Association Agreement, including the Deep and Comprehensive Free Trade Area agreement, was signed with Ukraine in 2014. Trade relations between the EU and Ukraine have intensified, and the EU has been a staunch supporter of the reform process in Ukraine. Citizens of Ukraine holding biometric passports enjoy visa-free travel to EU since June 2017 which means that there is now a lot more potential to strengthen people-to-people contacts between Ukraine and the EU. Considerable progress in terms of strengthening relations has also taken place in relations between the EU and some other EaP countries. And still, escalation of hostilities is unlikely.

The EU might still think that Ukraine and other EaP countries should have the right to choose where they belong, and Russia might disagree with that, but there are a number of factors which make the escalation of the conflict over Ukraine unlikely. First, Russia has become a lesser power. According to SIPRI database, its defence expenditure fell slightly in 2018.<sup>2</sup> Not only Russia’s defence expenditure constituted less than 10% of what the US spent on its military, but Russia also spent less on defence than China, India, Saudi Arabia, and France. Although Russia is a formidable military power, it cannot afford a conflict which would involve NATO. Second, the EU and the US restrictive measures are still in place. Russia has to consider that any escalatory steps that it might take could be met with additional restrictive measures, that is, more diplomatic, political, and economic sanctions could be added to the ones that were already in place. This would further weaken Russia. Third, there are no upcoming major foreign policy decisions for Ukraine regarding its relations with the EU and NATO. Russia has acted against Georgia and Ukraine in past when it felt the need to prevent something from happening. Aggression was only unleashed when there was a prospect of a major foreign policy defeat for Russia. If Russia’s track record can provide analysts with any clues regarding its future behaviour, Russia is unlikely to use military aggression because there are no upcoming major decisions for EaP countries and domestic crises which would

---

<sup>2</sup> Stockholm International Peace Research Institute Military Expenditure Database. Accessed April 30, 2019. <https://www.sipri.org/databases/milex>

require Russia's intervention. Finally, Russia is one of the key proponents of the emerging multipolar world order. Under multipolarity, however, countries can expect to reap significant benefits from staying out of international conflicts which have the potential to weaken them. Russia has learned this the hard way because it was held accountable for aggression against Ukraine. As a consequence, Russia emerged from this conflict considerably weaker than it was before the annexation of Crimea. In Ukraine, it scored a tactical victory only to suffer a strategic defeat. Ironically, Ukraine might turn out to be a real country after all. If Russia draws the right lessons from this conflict, it is unlikely to use military force against its neighbours any time soon because the fallout from such conflicts could further weaken it.

This policy paper concludes that, first, the underlying normative principles of Russian and the EU approaches to EaP countries have not changed since 2014. The EU insists that these countries have the right to choose with whom they want to trade and pursue integration, while Russia seems to differ on this. This contradiction was the underlying cause of the conflict over Ukraine, and there is some potential that it might cause tensions in future as well. Second, however, it is unlikely that tensions will rise in the short term because the risks are too high to warrant further escalation. The EU might be more hesitant when it comes to further integration with the EaP countries which would go beyond Association Agreements, while Russia might be more sceptical of using military force against its neighbours because that would likely result in further punishment and isolation.