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The crisis of the post–Cold War European order

What to do about Russia's newly found taste for confrontation with the West

How should the West react to Russia's unrestrained pursuit of national interest? A policy of engagement defined as a focus on national interest, and a radical turn from value-based foreign policy to nineteenth century Realpolitik, is not a workable option for relations between Russia and the West, argues Ivan Krastev.

Introduction

Post–Cold War Europe is history. In less than a decade, and powered by the soaring price of oil, President Vladimir Putin has turned Russia into a powerful international player. Russia's reliance on Western credits has turned into Europe's reliance on Russian gas. Russia's military budget has increased six-fold since the beginning of the century, and Russia's intelligence networks have penetrated all corners of Europe. Russia has regained its influence in Central Asia, and it has established a strategic cooperation with China in the framework of the Shanghai Cooperation Organisation. The general mood in Moscow these days is that "Russia is up, America is down, and Europe is out. Russia, previously a Pluto in the Western solar system, has spun out of its orbit, powered by the determination to find its own system."¹

The rhetoric of EU–Russia cooperation and partnership cannot mask the fact that mutual suspicion, misperception, frustration, and paranoia are starting to determine the dynamics of the relationship between Russia and the European Union. Russia's opposition to the West–sponsored independence of Kosovo and to the proposed installation of an American anti–missile defense system in Poland and the Czech Republic on the one hand, and Brussels' growing concerns about Russia's aggressive energy policy in Europe on the other, have poisoned the relationship by bringing back memories of the Cold War. "The Soviet Union was easier to deal with than Russia is today," observed a senior French diplomat. "Sometimes the Soviets were difficult, but you knew they were being obstructive in order to achieve an objective. Now Russia seeks to block the West systematically on every subject, apparently without a purpose."² In the eyes of the West, Russia has turned from a partner–in–the–making into an adversary–in–the–making. The mixture of mercantilism and messianism that is at the core of the Kremlin's new foreign policy frightens Europe.

Putin's new assertive foreign policy, expressed most powerfully in the Russian President's speech last February at the Munich Security Conference, rests on two key assumptions and one strategic calculation. The first assumption is that the United States' global hegemony is unsustainable and the decline of American power is irreversible. Russians are tempted to view the current crisis

of America's global power as an analogy alongside the crisis of the Soviet power of the 1980s. The Russian media view the debacle in Iraq as "America's Afghanistan". Washington's conflicts with its European allies in the aftermath of the American invasion in Iraq are conceptualized as the dismantling of the informal American empire in Europe. The recent U.S. mortgage and banking crisis is seen as a signal of the fundamental weakness of the American economy.

The second assumption is that the European Union is a threat to Russian interests by way of its very existence as a post-modern empire. In Russia's view, however, the European Union is a temporary phenomenon exactly because of its post-modern nature. Russia's European strategy is based on the expectation that sovereign nation-states will determine Europe's future. This explains Moscow's stress on bilateral relations with big European member states (the sovereign states) and its growing reluctance to deal with the European Union. In the early years of his presidency, Vladimir Putin tended to view the European Union as a benevolent competitor and a strategic ally in Moscow's desire for a multipolar world. But the Orange Revolution in Ukraine became Russia's 9/11; it had a revolutionary impact on Russia's foreign policy thinking. Moscow realized that the European Union is the only great power with unsettled borders and that the urge to expand its principles and institutions are built into the European project. In response to the explosion of the "colour revolutions" in Georgia and Ukraine and the U.S.'s endorsement of regime change as a legitimate policy objective, Putin adopted the concept of sovereign democracy — security understood as absolute sovereignty — as the less interference from the outside, the safer you are.

Moscow's strategic calculation is that "the West is losing its monopoly on the globalization processes"³ and the next decade presents a window of opportunity for restoring Russia's global influence. Otherwise Russia will be overshadowed by the rise of China and Moscow will remain an "economy class" Great Power. In this sense, Russia's newly found taste for confrontation with the West is not an emotional overreaction or a theatrical grandstanding — it is a strategic choice. The Kremlin's new foreign policy is not circumstantial in nature. It is the expression of a new foreign policy consensus within the Russian elite and the Russian society at large. The change of personalities inside the Kremlin is unlikely to change this consensus.

The exceptionalism of the European Union

"What came to an end in 1989," wrote British diplomat Robert Cooper, summarizing Europe's consensus, "was not just the Cold War or even the Second World War. What came to an end in Europe (but perhaps only in Europe) were the political systems of three centuries: the balance of power and the imperial urge."⁴

The European policy elite assumed that the end of the Cold War meant the emergence of a new European order. The key elements of this post-modern European order were thought to be a highly developed system of mutual interference in each other's domestic affairs and security based on openness and transparency. The post-modern system does not rely on a balance of power; nor does it emphasize sovereignty or the separation of domestic and foreign affairs. It rejects the use of force as an instrument for settling conflicts and promotes increased mutual dependence between European states. The construction of the common European legal space, based on the priority of human rights institutionalized in the European Convention on Human Rights,

is the embodiment of post–Cold War Europe. The essence of this order is the gradual transformation of the traditional European nation–state into an EU member state or an EU–compatible state.

Brussels' view on the interaction between the post–modern European order and American global hegemony has always been a mixture of ambiguity and hypocrisy. European policy elites were openly opposing America's unipolar world, advocating multilateralism and even multi–polarity. At the same time, the EU project was based on the United States' security umbrella in Europe and on America's global hegemony. The tension between the EU's post–modernism and the U.S.'s enlightened modernism was one of the reasons for the transatlantic crisis in 2003. The United States has tolerated the EU's exceptionalism regardless.

In its "Power Audit of EU–Russia Relations", the European Council on Foreign Relations nervously stated that "Russia has emerged as the most divisive issue in the European Union." Moscow has succeeded in splitting EU member states into "Trojan horses", "new cold warriors", "strategic partners", and friendly and frosty pragmatists. It has also provoked a clash between European business elites (Russia–friendly) and political and security elites (Russia–nervous). It has eroded EU consensus. In the view of the Council, Russia is "setting itself up as an ideological alternative to the European Union, with a different approach to sovereignty, power, and world order."

Three Russian decisions marked the end of the post–Cold War European order: withdrawal from the Treaty of Conventional Forces; deliberate efforts to block the work of the Organisation for Security and Co–operation in Europe (OSCE) in the field of election monitoring; and refusal to ratify the Reform of the European Court on Human Rights, Protocol no. 14 to the European Convention on Human Rights. It is clear that Russia and the European Union have opposing views on the nature of the post–Cold War European order and on the sources of instability in Eurasia.

Russia was not a post–modern state in the 1990s, but part of the post–modern European order. The Treaty on Conventional Forces in Europe, the OSCE (based on intrusive inspections and active monitoring), and Russia's membership in the Council of Europe were the major instruments for integrating Russia in the post–modern system. They made Russia look as if it had accepted the post–modern imperatives of openness and interdependency while as a state still suffering from disfunctionality and an identity crisis. Russia's weakness has created the illusion that Moscow ideologically subscribes to the post–Cold War order in Europe. The reality turned out to be very different. As soon as it had an opportunity, Moscow chose to part with post–modernity and built its statehood according to European practices and ideologies of the nineteenth century rather than the European ideas of the twentyfirst century.

The European illusion that Russia can be a partner of the European Union in its struggle for a multipolar world based on international law is dead. For Moscow, support of multilateralism and the advocacy of a multipolar world were simply tactical weapons for contesting American hegemony. In reality, Russia's foreign policy instincts are more "American" than European. Russia believes in power, unilateralism, and an unrestrained pursuit of national interest. From the Kremlin's point of view, sovereignty is not a right; its meaning is not a seat in the United Nations. For the Kremlin, sovereignty is a capacity. It implies economic independence, military strength, and cultural

identity. In the Kremlin's vocabulary, sovereign power is a synonym for Great Power. While the European Union was founded as a response to the perils of nationalism and the catastrophic rivalries of European nation-states in the first half of the twentieth century, Russia's foreign policy thinking is shaped by the perils of the post-national politics and the disintegration of the Soviet Union. European nightmares are rooted in the experience of the 1930s. Russia's nightmares are shaped by the Russian experience of the 1980s and 1990s. The European Union views the lack of democracy as a major source of instability in Eurasia. Russia views weak democracies and the Western policy of exporting democracy as the major source of instability in the post-Soviet space. The clash between these contrasting views of the European order was unavoidable.

At present, Russia's view of the European order is a mixture of nostalgia for the time of the "concert of Europe" and envy of today's China, which is managing to balance the economic opening to the West with rejection of any Western interference in its domestic politics. The Kremlin-sponsored ideology of sovereign democracy is meant to integrate Russia in the world economy while at the same time preventing any foreign interference in Russia's domestic politics.

Putin's Russia is not a pedestrian authoritarian state and it is not the paperback edition of the Soviet Union. Putin's Russia is a controversial project that combines the gains of Russia's capitalist revolution and the fears of democratic politics that shapes Russian political tradition. The communist one-party state has been replaced by Putin's one-pipeline state. Putin offered to Russian society consumer rights but not political rights, elections but not popular control of power, and state sovereignty but not individual autonomy. Putin's sovereign democracy model has succeeded to secure political stability, but it has failed to create a stable political system. Putin could speak and act for Russia to an extent that is rare in the history of the world. However, the cohabitation of Putin's hand-picked successor Dimitri Medvedev (to be elected President shortly after this writing, in March 2008), and Vladimir Putin himself (in the dual role of Prime Minister and a national leader) may turn out to be less harmonious than the succession strategists expect. In Russia, the transfer of power has always been also about redistribution of property. The existence of two centres of power at the heart of the Russian political system makes the regime profoundly unstable. In Putin's own words, "centralized power is in Russia's DNA."

Russia is both a rising global power and a weak state with corrupt and inefficient institutions. Putin's Russia is more democratic but less predictable and reliable than the Soviet Union. Putin's regime seems rock solid and at the same time extremely vulnerable. Russia's economic growth looks both impressive and unsustainable. The more capitalist and Westernized Russia becomes, the more anti-Western its policies become.

The Policy Trap

At present, Western policymakers are oscillating between their desire to speak tough and teach Russia a lesson, and the realization that the West has lost most of its leverage over Russia. The West's strategy in Russia is lost in the controversy between those who want to contain Russia and those who want to engage Russia. Unfortunately "containment" and "engagement" are policy slogans and not effective strategies.

What exactly is the West preparing itself to contain — Russia's ideology, Russia's anticipated territorial expansion, or Russia's economic presence in Europe? Containing its ideology will be tricky because Putin does not present a coherent ideology for export. Sovereign democracy, while attractive to some post-communist elites and societies, is primarily a defensive weapon. At the core of Moscow's soft power today is not the attraction of Putinism as an ideology, but the oil money and the corruption skills of Russian companies. Containing Russia's territorial aspirations will also be a misguided objective. Russia's foreign policy (unlike the Soviet one) is not obsessed with territory. Moscow is not dreaming about restoring its territorial empire. What the Kremlin is interested in is control over the energy infrastructure in post-Soviet states and the neutralization of Western influence. When it comes to Russia's economic presence in Europe, the notion of "containment" confronts the very logic of the free market on which the West was founded. The cost of anti-Russian protectionism in the European Union will be the slowing of growth in Europe. Unlike the Soviet Union that was determined to destroy capitalism, Putin's Kremlin is in the business of exploiting and enjoying it. Russia has become "undeniably capitalist, relatively open, and reasonably integrated in the world".⁵ The economic containment of Russia will be forcefully opposed by Europe's business community and by European consumers. In short, containment is not a policy option that will work. It is a rhetorical figure or, as Russian Minister Sergei Lavrov likes to claim, containing Russia is a mentality.⁶

"Engagement" is also nothing more than a policy slogan. It is easy to agree that Russia and the West share strategic interests. The West needs Russia's cooperation in dealing with Iran's nuclear ambitions, in fighting international terrorism, and in managing the rise of Asia. Russia needs the West for its technological and institutional modernization. But a policy of engagement defined as a focus on national interest, and a radical turn from value-based foreign policy to nineteenth century *Realpolitik*, is not a workable option for today's relations between Russia and the West. The advocates of a "grand bargain" between Russia and the West fail to take into consideration the peculiar nature of the European Union as a global policy player. While the United States is an ideological power by choice, the European Union is an ideological power by its very nature. As reknowned historian and political scientist George Kennan said of "the political personality" of Soviet power, the EU's power also "as we know it today is the product of ideology and circumstances".⁷ At the moment when the European Union shifts to traditional nineteenth century-style *Realpolitik*, the common EU foreign policy is not imaginable anymore. The grand bargain with Russia will result in the re-nationalization of the big EU member states' foreign policies and will destroy the hope of a common European foreign policy.

In short, the West is facing an unhappy choice. Sticking to the policy rationale of the 1990s risks an escalation in its confrontation with Russia; however, breaking with that policy rationale threatens the relevance of the European Union as a global policy player. The West should decide how to treat Russia — as a rising global power or as a declining great power that enjoys a temporary rise thanks to the high price of oil. Treating Russia as a declining power is seductive but dangerous.

Threatening Russia as effective authoritarian state will be a mistake. Putin's regime is less stable and more ineffective than most observers believe. The hope that Russia's revisionism gives a new rationale for enlarging NATO and anchoring countries like Georgia and Ukraine to the West is also illusory. In

the long-term, Putin's Russia cannot play the role once played by the Soviet Union, and making EU and NATO enlargement the West's principal and only strategy can also backfire. Such a strategy overestimates the EU's and NATO's transformational power. The recent developments in the Balkans demonstrate that the soft power of the EU and NATO is in decline. It is also obvious that NATO and EU enlargements are not a panacea for weak states and divided societies. The adoption of a strategy of further NATO enlargement in the post-Soviet space risks importing instability into the European Union and NATO instead of exporting stability into Eurasia. Secondly, the EU and the United States view Russia differently. For the United States, Russia is primarily a global power and Washington is interested in Moscow's cooperation in sustaining the global order. For the European Union, Russia is first and foremost a European power. Brussels is interested in preserving the post-modern nature of the European order. A common transatlantic strategy is viewed as desirable by both the United States and the European Union, but it will be extremely difficult to achieve. While U.S. policymakers can decide to build their relationship with Russia primarily around cooperation in the field of non-proliferation and counter-terrorism, this is not a strategy option for the European Union.

The real source of confrontation between Russia and the European Union today is not primarily rival interests or unshared values; it is political incompatibility. Russia's challenge to the European Union cannot be reduced to the issue of energy dependency and Moscow's ambition to dominate her "near abroad" that happens to be the EU's "new neighbourhood". At the heart of the current crisis is not the clash between democracy and authoritarianism — history demonstrates that democratic and authoritarian states can easily cooperate — but the clash between the post-modern state embodied by the European Union and the traditional modern state embodied by Russia.

The European Union, with its emphases on human rights and openness, threatens the Kremlin's "sovereign democracy" project. Russia's insistence on balance of power and mercantilist geopolitical hardball stimulates the re-nationalization of the foreign policy of EU member states. In Moscow, the EU's policy of democracy promotion awakens the nightmare of ethnic and religious politics and the threat of territorial disintegration of the Russian Federation. At the same time, faced with the invasion of Russian state-minded companies, EU member states are tempted to ring-fence certain sectors of their economies (such as domestic energy markets), thus threatening the liberal economic order that is at the centre of the European project. Russia, on the other hand, feels threatened by the invasion of Western-funded nongovernmental organisations. The Kremlin is tempted to re-create the police state in order to prevent foreign interference in its domestic politics. Brussels is ready to endorse the Central Asian autocrats in order to limit its dependence on Russian gas. In short, what threatens Europe today is not mutually destructive nuclear war, but mutual destabilization of Russia and the European Union that can result in the marginalization of Europe in global politics.

Reinventing the European Order

The post-Cold War was an exceptional and admirable decade in European history. It expanded the frontiers of freedom and democracy and made the reunification of Europe possible. Today, we face a completely different reality. While the capitalist revolution has triumphed, the democratic revolution is in retreat. The U.S.-dominated unipolar world is in crisis and the European Union has lost some of its ability to shape realities in its own periphery. Both

the United States and the European Union suffer from a profound crisis of self-confidence. Many societies in the world have second thoughts about democratic revolutions and the export of democracy. EU expansion is on hold because the European publics are less and less enthusiastic about new rounds of enlargements. The United States and NATO have lost prestige and legitimacy in the context of the Iraq war and the operation in Afghanistan.

In short, the policies of the 1990s were possible in the 1990s. Continuing the policies of 1990s in this new context creates grounds for reintroducing the sphere-of-influence politics in Europe rather than expanding the borders of democracy. The re-emergence of two blocks in Europe should not be an objective of EU foreign policy.

Breaking with the policies of the 1990s also presents a risk. There is a growing consensus today that the West made a strategic mistake taking advantage of Russia's weakness in the 1990s and treating Russia as a defeated enemy instead of treating it as a transformed enemy.⁸ But the claim that Russia's current foreign policy is simply a reaction or overreaction to the Western policies of the 1990s is unconvincing. It serves to justify Putin's policies and not to explain them. Ronald Asmus, executive director of the German Marshall Fund's Brussels office and former U.S. deputy assistant secretary of state for European affairs, is correct to insist that "had NATO and the European Union not acted in the 1990s, Europe today would be messier, less stable, and a more inward-looking place".⁹ The concessions of the European Union and the United States to Putin's Russia could be read as a sign of weakness and not a sign of good will. Countries like Ukraine and Georgia are legitimately concerned that a "Russia first policy" can be detrimental to their political and economic development.

EU policy toward Russia should start with the recognition that Russia will remain a global player during the next decade. At the same time, it is unlikely that Russia will become a mature liberal democracy during that period. The European Union should also recognize that for Moscow "the result of the policy of integration with the West in the 1990s was the establishment of external control over Russian resources; the construction of European and global security systems patterned after NATO and without Russia's participation in it; and continuous loss of Russia's influence in the area of its strategic interests (former Soviet republics)."¹⁰ So, Russia has legitimate concerns about the asymmetrical impact of the end of the Cold War on its security. Russia felt betrayed in its expectations that the end of the Cold War would mean demilitarization of Central and Eastern Europe. And while NATO enlargement did not bring any real security threats to Russia, it has changed the military balance between Russia and the West and it has fueled Moscow's revisionism. Russia has legitimate reasons to suspect that the West's policy of democracy promotion is more interested in promoting Western foreign policy objectives than in strengthening democratic institutions. Western "blessing" for the bombing of the Russian Parliament in 1993 and Western endorsement of the "free and fair" re-election of Boris Yeltsin in 1996 have given democracy promotion a dubious name.

What the European Union and the United States can offer Russia today is not a "grand bargain", but an opportunity for reinventing the post-Cold War European order. Tradeoffs like Kosovo's independence for non-installation of America's anti-missile defense shield in Poland and the Czech Republic will not work. The European Union should focus on establishing institutional foundations for the co-existence of a post-modern *empire-in-building* in the

Western part of the continent, and a post-imperial *nation–state–in–building* in Russia. Both projects are internally controversial and fragile. The world does not know a state structure similar to the present European Union and the world has never known a Russian nation–state. It was Count Sergei Witte, prime minister under Nicholas II, who said that there was no such thing as Russia, but only a Russian empire.

The post-modern European order has emerged on the ruins and in the shells of the Cold War institutions like OSCE and the Treaty of Conventional Weapons. It was shaped by the EU's Eastern enlargement and the understanding of the enlargement of the European Union as a reunification of Europe. From Brussels, there was no immediate pressure to re-invent the institutional foundation of the European order because EU enlargement was the institutional foundation of the new European order. Brussels was molding the new European order by transforming the economy and the political institutions on its periphery. The democratization of its neighbours was the EU's common foreign policy. Brussels' message to the former communist societies was that if you behave like us, you will become one of us. This is no longer true. The new reality in Europe is the emergence of a post-enlargement European Union and a resurgent Russia that presents itself as an alternative model to the EU. Re-institutionalizing the European order is an imperative for taming confrontation between Moscow and Brussels and the only alternative to the re-emergence of spheres of influence in Europe. The Western policy community presently rejects all of Russia's attempts for renegotiating the Treaty on Conventional Weapons as well as the mandate and the agenda of the OSCE. The conventional wisdom is that the result of such renegotiations would be a retreat from the achievements of the 1990s. But how correct is this judgment?

The European Union cannot act as a fervent guardian of the post-Cold War status quo without risking a total collapse of the institutional infrastructure of post-Cold War Europe. In reality, it is in Brussels' interest to take the initiative and to engage Russia in a dialogue over the institutional foundations of the shaken European order. The EU's main objective in political terms should be to preserve the distinctive character of this order. More so than the world at large, Europe today is founded on the centrality of human rights and the rule of law. This is something that Brussels should fight for and that it should preserve. The EU's main objective in institutional terms should be to centre the institutions of the new European order around the European Union as a principal policy actor and not on its member states. The dual nature of Russia's regime — capitalist and non-democratic, European and anti-EU — and the finalization of EU institutional reforms suggest such a strategy.

The Kremlin is not rejecting any of the basic principles of the democratic West. Officially, it is not rejecting liberal democracy but trying to define its national model. The Kremlin is not officially rejecting the primacy of human rights and a rule-of-law based society, it is simply not practicing them. Moscow's major complaint is not about the West's standards, it's about the West's double standards. What the European Union should make use of is the fact that the legitimacy of Russia's current regime is based to a large extent on the perception that it is a regime that strives to bring Russia back into the European civilization. It is true that Russia does not dream of being part of the European Union any more. However, Russia's stability depends on preserving the European nature of its regime.

It is not by accident that — unlike his Central Asian fellow-presidents — President Vladimir Putin decided to step out of office and let go of power after the end of his second term. The regime is doomed, the moment the Russian elite loses their European legitimacy. This European dependence opens an opportunity for the West to defend its principles in negotiating the new European order with Russia. Brussels should offer its own vision for the institutional framework of Europe.

The Lisbon treaty unblocked the EU reform agenda and allowed Brussels to concentrate on building an EU-centered European order that would guarantee the coexistence of the EU's post-modern empire and post-imperial Russia without hurting the interests of third countries. The transformation of the Contact Group on Kosovo consisting of six countries (the United States, Russia, France, the United Kingdom, Germany, and Italy) into the Troika Process consisting of the United States, Russia, and the European Union is the model for such re-institutionalization of Europe. Creating institutional incentives for the EU's unity can help Europe overcome the structural contradiction of the European project. The transformation of the OSCE into a political forum where EU member states will be individually represented by the European Union, for example, could be such an institutional innovation. If Russia's strategy aims to erode the Union by focusing on bilateral relations with selected member states, Brussels' priority should be to institutionalize the Union as Russia's negotiating partner. Reinventing the European order will allow both the European Union to achieve this major objective and will create the institutional framework for cooperation and competition. Russia will secure non-interference in its domestic politics while the European Union will reinstitute a European order based on the rule of law and transparency.

We need a new European order that will not only allow the coexistence of a post-modern European Union and a post-imperial Russia, but allow for a co-existence based on the principles of the Council of Europe. The European Union and the United States cannot pretend any more that they have the legitimacy or the capacity to transform Russia into a liberal democracy in the coming decade. But the European Union should not allow Russia to send it into a benevolent irrelevance.

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¹ Dmitri V. Trenin, "Getting Russia right", Carnegie endowment for international peace, 2007.

² Quoted after Charles Grant, "A new deal with Russia?", *Prospect Magazine*, November 2007.

³ Sergei Karaganov, "A new epoch of confrontation", *Russia in global affairs*. No. 4, October–December 2007.

⁴ Robert Cooper, "The breaking of nations: Order and chaos in the twenty-first century", London: Atlantic Books, 2003.

⁵ Dmitri V. Trenin, "Getting Russia right", Carnegie endowment for international peace, 2007.

⁶ Sergei Lavrov, "Containing Russia: Back to the future?", *Russia in global affairs*. No.4, October–December 2007.

⁷ Cf.: George Kennan, "The sources of Soviet conduct" (1947), "*The political personality of Soviet power as we know it today is the product of ideology and circumstances.*"

⁸ Dimitri K. Simes, "Losing Russia. The costs of renewed confrontation", *Foreign Affairs*, November/December 2007.

⁹ Ronald D. Asmus, "Europe's Eastern promise. Rethinking NATO and EU enlargement", *Foreign Affairs*, January/February 2008.

¹⁰ Konstantin Kosachev, "Russia and the West: Where the differences lie," *Russia in global affairs*. No. 4, October–December 2007.

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