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## Russia's Great Power Strategy under Putin and Medvedev

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#### Introduction

Russia is generally considered one of the great powers in the world, and is as such of key importance to European security. After Vladimir Putin became president in 2000, Russia's foreign policy became more ambitious and assertive thanks to its growing economic power and concentration of political power, at the same time as changes in the world offered opportunities which Russia could exploit. Dmitrii Medvedev, president since 2008, continues this policy in close cooperation with Putin, whom he appointed as prime minister.

This paper explores Russian foreign policy strategy under Putin and Medvedev by analysing the aims and principles as proclaimed in key official documents and statements and compares them with the political, military and economic means that are used in policy practice. The paper thus investigates the degree of consistency of goals and means and in which ways the actual policy has been successful in the face of external resistance. It focuses on conceptual underpinnings rather than bilateral relationships, negotiating behaviour or decision-making processes. The paper focuses on the recent years under Putin and Medvedev, but previous developments are also mentioned when necessary as a historical background.

Since Russia is an authoritarian state, where the executive power (the president) dominates over the legislative and judicial sectors, is responsible for foreign and security policy, and to a large extent controls the political opposition and the mass media, most attention is devoted to the top officials as for goal formulation. The paper thus deals with Russia as a relatively unified actor, interacting with other states on the world scene.

The paper first presents and examines the proclaimed general policy aims. It then addresses the political means to reach these aims by looking into Russian policy regarding international organisations, border issues, separatism and Russian minorities abroad. In the military dimension the uses of military bases, peacekeepers and exercises are singled out for scrutiny. In the economic dimension, finally, the Russian use of trade and transport, especially in the energy field, to further its aims is examined before the findings are summarized and some conclusions drawn. Throughout, a distinction will be made between Russian policy outside and inside the post-Soviet space.

#### Overriding policy aims

At least since Soviet times, Russian leaders have been keen on outlining long-term plans and doctrines in which the aims and means of their policy are explained to the people and the surrounding world. Just like Putin in 2000, President Medvedev after his accession to power launched a new Foreign Policy Concept in 2008, a new National Security Strategy in 2009 a new Defence Doctrine in 2010.<sup>2</sup> The first-mentioned Concept, which is the most relevant to foreign policy and presents priorities in terms of aims and means, enumerated the following basic objectives (quotes slightly edited):

<sup>1</sup> This paper has benefitted from comments on earlier drafts at an International Studies Association conference panel in Potsdam, 13-15 June 2009, and an international relations seminar at the Swedish National Defence College, 8 October 2009 as well as from comments by the UI staff.

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<sup>&</sup>lt;sup>2</sup> Kontseptsiia vneshnei politiki Rossiiskoi Federatsii, Prezident Rossii website. Offitsialnyi sait, 12 July 2008, www.kremlin, ru/text/docs/2008/07/204108.shtml, accessed 11 August 2008;, *Strategiia natsionalnoi bezopasnosti Rossiiskoi Federatsii do 2020 goda*, Sovet Bezopasnosti Rossiiskoi Federatsii website, www.scrf.gov.ru/documents/99.html, accessed 14 May 2009.

- Safeguarding the security of the country, maintaining and strengthening its sovereignty and territorial integrity, its strong and authoritative positions/.../as one of the influential centres in the world.
- Creating good external conditions for Russia's modernisation /.../for raising the
  population's living standard, consolidating society, strengthening the foundations of the
  constitutional system, rule of law state and democratic institutions, realizing human rights
  and freedoms, and thus secure the competitiveness of the country in a globalizing world;
- Influencing global processes in order to establish a just and democratic world order based on collective principles /.../ and the supremacy of international law, in particular the principles of the UN Charter/.../
- Creation of good-neighbourly relations with adjacent states and assistance in eliminating existing and preventing the emergence of new hotbeds of tension and conflicts in the adjoining regions of the Russian Federation and other parts of the world,
- Seeking consensus and coinciding positions with other states and international organisations in the process of solving tasks defined by Russia's national interests/.../
- Comprehensive defence of the rights and interests of Russian citizens and compatriots living abroad
- Contributing to an objective perception of Russia in the world as a democratic state with a socially oriented market economy and an independent foreign policy
- Promoting and popularizing the Russian language and the cultures of the peoples of Russia abroad /.../<sup>3</sup>

The Concept further describes Russian foreign policy as balanced and 'multi-vector' as a result of Russia being a vast Eurasian country. It claims Russia bears a responsibility for upholding security both on a global and regional level and is ready for common action. Throughout, priority is given to the adjoining region of post Soviet states (excluding the Baltics). Further NATO enlargement to this region is seen as a serious threat to Russian security. Thus Russia claims a greater say in world politics at US expense and wants its own zone of influence, an ambition which reminds of the US Monroe doctrine for the Americas.

The Concept obviously is primarily concerned with Russia's state interests and its position in the world. The call for a 'democratic' world order, or 'multipolarity', is evidently directed against the dominating position of the United States. External security is placed before economic development, which is largely seen as a means to the end. The points about Russians abroad can be seen as aiming to satisfy nationalist sentiments among the population. There is a clear risk of conflict between promoting the primary goal of strengthening Russia's position as one of the strong centres in the world and defending the Russians abroad on the one hand, and territorial integrity and the seeking of consensus with other states on the other. Further, there is little place in the Concept for democracy and human rights in the Western sense. Russia is claimed to be a 'sovereign democracy', which must be respected abroad, as it were an alternative value centre to Western democratic "Messianism". <sup>5</sup>

The above goals are repeated in the National Security Strategy, though internal security was given more attention, in Russian proposals for a new European security system (see below) and many other subsequent statements. After the war with Georgia in August

<sup>4</sup> Kontseptsiia, pp. 4-14.

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<sup>&</sup>lt;sup>3</sup> Kontseptsiia, pp. 1-2.

<sup>&</sup>lt;sup>5</sup> More on this in Andrew Monaghan, 'An enemy at the gates' or 'from victory to victory'?' Russian foreign policy', *International Affairs* (London) vol. 84, no. 4, 2008, pp. 728 ff.

2008 Medvedev formulated five short leading principles, at one and same time proclaiming the primacy of international law, advocating a multipolar world, interest in friendly relations with all states, priority for protecting Russians everywhere and talking of regions of 'privileged interests'. After the economic crisis, which hit Russia in 2009, the Foreign Ministry presented a programme on effective use of foreign policy factors for the long-term development of the Russian economy, which put more emphasis on improving relations with the West, but the first point of the Concept on security was still the top aim.

#### Political means: international organisations

Turning now to the issue of which means are proclaimed and which are used in practice in order to reach the different aims as proclaimed above, we first look at Russian policy in the most important international organisations. Since Soviet times the United Nations is seen as the main custodian of international law and an aim in itself. But the UN is also an important tool for promoting Russia's status as a great power and the aim of a multipolar world. Russian officials highly value its role as one of the five permanent members of the Security Council (SC) with a veto power. Russia has been in favour of reforms and making the Security Council more efficient and it has backed the candidacy of Germany and India, which are seen as friendly, to the council. However, for its support Russia has wanted something in return, and it is not willing to grant them veto power. Russia strongly defends the principle that the member states' military actions must be sanctioned by the SC. Following this principle Russia (along with China) hindered giving a UN mandate to the NATO attack on Yugoslavia in 1999 and the US-led invasion of Iraq, whereas the invasion of Afghanistan got it. In recent years Russia has used its veto power to prevent for instance harsh sanctions against President Mugabe's dictatorship in Zimbabwe, the genocide in Darfur, North Korea's nuclear blasts and Iran's nuclear programme.8

Since 1997 Russia has also appreciated its membership in the G-8 forum of the world leading industrial states, allegedly as a means to exercise collective leadership in the world. In 2006 Russia was entrusted to hold the presidency and made energy a priority issue. In the recommended including China, India and Brazil, which are seen as allies against the United States, in the forum. However, the G-8 forum is mainly a matter of prestige, since it cannot take binding decisions, and Russia does not fully qualify to participate in the economic discussions (G-7). Furthermore, Russia can easily be excluded or circumvented as when the foreign ministers of the other states in August 2008 condemned the Russian war in Georgia.

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<sup>&</sup>lt;sup>6</sup> Medvedev, 'Interview given by Dmitry Medvedev to Television Channels', 31 August 2008, Medvedev, 'Interview with Television Channel Euronews', President of Russia website, www.president.kremlin.ru, 2 September 2008, both accessed 4 September 2008.

<sup>&</sup>lt;sup>7</sup> Programma effektivnogo ispolzovaniia na sistemnoi osnove vneshnepoliticheskikh faktorov v tseliakh dolgosrochnogo razvitia Rossiiskoi Federatsii, Russkii Newswee, 24 May 2010, <a href="https://www.runewsweek.ru./country/34184">www.runewsweek.ru./country/34184</a>, accessed 24 May 2010.

<sup>&</sup>lt;sup>8</sup> *Der Spiegel*, no.36, 2008, p. 27; Pavel Felgenhauer 'Russia Skeptical on Imposing Sanctions Against North Korea', *Eurasia Daily Monitor (EDM)*, vol. 6, no. 102, 28 May 2009.

<sup>9</sup> Kontseptsiia, p. 5.

<sup>&</sup>lt;sup>10</sup> See also Pavel K. Baev, 'Leading in the concert of great powers. Lessons from Russia's G8 chairmanship', in Elana Wilson Rowe and Stina Torjesen (eds.) *The Multilateral Dimension in Russian Foreign Policy*, Routledge, London and New York, 2009, pp. 58-68.

<sup>&</sup>lt;sup>11</sup> David McKeeby, 'Russia's G8 partners condemn its role in Georgia crisis', America.gov, www.america.gov/st/peacesec-english, accessed 22 June 2010.

When the United States in late 2008 took the initiative to convene the leaders of the twenty most important economies (G-20) to discuss the deepening global financial crisis, and the G-20 then became institutionalized, Russia could not but go along with this and even suggested intensified interaction with more countries than the twenty. Still, he wanted to keep the G-8 and praised a proposal of having G-8 summits during the G20 summits. <sup>12</sup> In this connection Russia took the opportunity to blame the crisis on the 'unipolar economic model' and proposed together with China the creation of a new global financial system with a new supra-national reserve currency based on a basket of currencies, obviously including the ruble and weakening the position of the US dollar. <sup>13</sup> However, this idea gained little response, apparently because many states have large reserves in dollars.

Russia also likes to use its membership in regional organisations to further its interests. Most important among these organisations is the OSCE, which includes both the European states, the USA, Canada and all post-Soviet states and which works on a consensus principle. In the 1990s Russia wanted this organisation to replace NATO but failed. In the 2000s Russia was irritated by OSCE critique of the war in Chechnya, its calls on Russia to withdraw troops from Georgia and Moldova, and the growing OSCE activity in promoting democratic reforms in ex-Soviet republics. Russia succeeded to hamper OSCE operations, e.g. by refusing to accept budgets, and after the 2008 war in Georgia Russia vetoed further OSCE monitoring in South Ossetia. Instead Russia demanded that the OSCE should focus on security issues such as fighting terrorism. Furthermore, in 2007 Russia suspended its adherence to the treaty on limiting conventional weapons in Europe (CFE), which was one of the main achievements of the OSCE's precursor, the Conference on Security and Cooperation in Europe (CSCE).

During a visit to Berlin in June 2008 Medvedev launched the idea of a new pan-European security treaty, which then became a centerpiece in Russian foreign policy. In November 2009 a draft treaty was proposed, outlining conflict-solving mechanisms. <sup>14</sup> The process should start with an all-European summit, and the treaty was to be elaborated by all the states and organisations from 'Vancouver to Vladivostok'. It should reaffirm the basic principles of the UN and have a legally binding character. Medvedev claimed that the unipolar security system no longer worked and should be replaced by a multipolar one reinforcing territorial integrity, non-violence and negotiations. A key principle was that no party to the treaty should increase its security at the expense of any other. References were made to the enlargement of alliances, more specifically NATO eastern expansion, and the planned US missile system in Poland and the Czech Republic was also mentioned as relevant problem to be solved. Further, arms control mechanisms and reasonable thresholds should be determined. <sup>15</sup> Nothing was said about democracy and human rights. The intention obviously was to replace the OSCE and the Helsinki Accord, which included these topics, as well as the CFE. The overall aim of the proposal obviously was boost Russian influence in Europe at the expense of NATO. Some European states like France and Germany accepted to discuss the Russian proposal, but did not want to replace the existing structures such as the OSCE, and several states pointed out that Russia itself had recently violated the proposed principles in its

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<sup>&</sup>lt;sup>12</sup> Medvedev, 'News Conference following G20 Summit', 26 September 2009, President of Russia website. President of Russia website, www.president.kremlin.ru, accessed 5 October 2009.

website, President of Russia website, <a href="www.president.kremlin.ru">www.president.kremlin.ru</a>, accessed 5 October 2009.

13 Medvedev, 'Interview with BBC', 29 March 2009, accessed 21 April 2009; Dmitry Medvedev will take part in a G-20 summit', *The Moscow News*, no. 46, 2008, p. 4; Mikhail Sergeev, 'Kremlevskii arshin dlia "Bolshoi dvatsatki", *Nezavisimaia gazeta*, 17 March 2009.

<sup>&</sup>lt;sup>14</sup> Medvedev, Speech at Meeting with German Political, Parliamentary and Civil Leaders', 5 June 2008, 'European Security Treaty', 29 November 2009, President of Russia website, accessed 8 December 2009.

<sup>&</sup>lt;sup>15</sup> Kontseptsiia, p. 10; Medvedev, 'Speech at World Policy Conference', President of Russia website, <a href="https://www.president.kremlin.ru">www.president.kremlin.ru</a>, 8 October 2008, accessed 5 November 2008, p. 4.

war against Georgia. <sup>16</sup> Negotiations about the Russia proposal continue and are likely to do so for a considerable time.

Russia further has a joint council with NATO (NRC, in Russian called Russia-NATO Council)), which no other state has. This council, in which both sides are equal, was created in 2002 to promote cooperation in the war on terrorism, concerning the spread of weapons of mass destruction, crisis management and arms control. Along these lines Russia and NATO hold regular meetings, common exercises, etc. However, in 2008 NATO strongly condemned the Russian intrusion into Georgia and threatened to suspend Russia from the NRC. Russia then stepped out on its own accord, but in late 2009 the council started to work again. At the 2009 summit Russia's proposal for a new European security treaty and its participation (with arms transit) in efforts to stabilize Afghanistan were discussed. Still, Russia sees NATO as the main military threat and as dominated by the United States, and the Council has proved irrelevant for Russia's main concern, namely NATO enlargement to more post-Soviet states (see below).

As sort of a counterweight to NATO Russia cultivates its relations with the European Union, which is mainly viewed as an economic organisation. Russia has most of its foreign trade with EU members, there is a partnership cooperation agreement (PCA) with the EU since 1997, a joint council (PCC), cooperation in four fields ('common spaces') with roadmaps and action plans, as well as regular meetings on many levels. The problem is that Russia wants to be treated as an equal partner and does not want to adapt to EU standards. Decision-making in the Union is also slow and complicated. Negotiations on signing a new PCA since the first one lapsed in 2007 have dragged on since then.

Russia is further suspicious of EU support for democracy in the former Soviet area and its ambition to solve "frozen conflicts' there (see below). Russian leaders have criticized the new EU Eastern Partnership (EaP) programme with six former Soviet republics, which was launched in 2009, as an intrusion into Russia's sphere of influence and expressed the fear that anti-Russian countries could turn it into a partnership against Russia. <sup>18</sup> Another problem for Russia is that the EU overlaps with NATO and also comprises several ex-Communist states, which are highly suspicious of Russian ambitions. To overcome this resistance Russia has staked on bilateral cooperation with the great EU powers Germany, France and Italy, which are on better terms with Russia.

Furthermore, since 1996 Russia is a member of the Council of Europe (CoE), which embraces all European states except Belarus. Russian leaders often stress that Russia is belongs to the European civilisation and culture. True, the organisation has, as a special champion of democracy and human rights in Europe, criticized Russia on many occasions. In 2000 Russia's membership was suspended on account of the war in Chechnya, and after the war in Georgia several members wanted another suspension. But Russia still stays in the organisation and even held the presidency in 2006. The best explanation for this probably is that Russia on balance finds it better to be inside than outside, and many Western members also think so. Russia has found out that it can use the organisation to advance issues like minority rights (mainly against Estonia and Latvia) and free movement across the borders.

Digest, no. 55, 18 February 2009, www.res.ethz.ch, pp. 6 ff; Oldberg, 'Medvedev och den nya europeiska säkerheten', *Internationella studier*, no. 4. 2009, pp. 24-33.

17 NATO-Russia Council, 'NATO Secretary General holds talks with Russian leaders', 17 December

Perceptions, FOI-R—2243—SE, Stockholm, 2007, pp. 61 ff.

<sup>16</sup> Margarete Klein, 'Russia's Plan for a New Pan-European Security Regime' Russian Analytical

<sup>2009, &</sup>lt;a href="https://www.nato-russia-council.info/htm/EN/news/49.shtml">www.nato-russia-council.info/htm/EN/news/49.shtml</a>, accessed 22 December 2009; Andrei Terekhov, 'NATO pritormozilo initiative Medvedeva', <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 22 December 2009; Andrei Terekhov, 'NATO pritormozilo initiative Medvedeva', <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 22 December 2009; Andrei Terekhov, 'NATO pritormozilo initiative Medvedeva', <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 22 December 2009.

18 Medvedev, 'News conference following Russia-EU Summit', President of Russia website, <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 4 June 2009, p. 6, Karin Anderman & Eva Hagström Frisell & Carolina Vendil Pallin, <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 4 June 2009, p. 6, Karin Anderman & Eva Hagström Frisell & Carolina Vendil Pallin, <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 4 June 2009, p. 6, Karin Anderman & Eva Hagström Frisell & Carolina Vendil Pallin, <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 4 June 2009, p. 6, Karin Anderman & Eva Hagström Frisell & Carolina Vendil Pallin, <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 4 June 2009, p. 6, Karin Anderman & Eva Hagström Frisell & Carolina Vendil Pallin, <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 4 June 2009, p. 6, Karin Anderman & Eva Hagström Frisell & Carolina Vendil Pallin, <a href="https://www.nesounderence.org/news/49.shtml">www.nesounderence.org/news/49.shtml</a>, accessed 4 June 2009, p. 6, Karin Anderma

The CoE can also be used as a counterweight to EU ambitions to create its own legal space without Russia – and the United States is not member.<sup>19</sup>

Besides these all-European organisations Russia is a member in more limited organisations with adjacent states such as the Council of Baltic States, the Arctic Council and the Black Sea Economic Cooperation (BSEC), which can be used as means to solve regional issues. However Russia does not have more influence in them than much smaller states, some of which are NATO members, and the prestige value is limited.

Turning now away from European organisations, Russia as the biggest country in Asia is further actively involved in various Asian organisations such as the Asian-Pacific Economic Cooperation (APEC). Russia is an observer in ASEAN (Association of Southeast Asian Nations) and – on the strength of its Muslim minorities – the Organisation of the Islamic Conference. Russia further values its participation in less institutionalized groupings such as the six-party-negotiations concerning Korea, the Quartet of states trying to solve the Israeli-Palestinian conflict and the 5+1 states engaged in negotiations with Iran on nuclear issues. Participation in all these forums contributes to Russia's status as a great power with interests all over the world. However, the first mentioned Asian organisations are little concerned with security issues, and in the latter groupings Russia plays a minor role in the shadow of the United States.

Besides these multilateral groupings Russia is trying to develop a strategic triangle with its old friend India and with China, two great powers which have the biggest population in the world and have developed very fast in recent years. An extension of this triangle is the Shanghai Cooperation Organisation (see next section) and the BRIC including Brazil. At a meeting in 2005 Russian Foreign Minister Lavrov claimed that Russia, China and India have similar views on international law and multipolarity, separatism and terrorism, implicitly in opposition to the United States. <sup>20</sup> The problem here is that China and India have earlier been enemies, neither wants to be led by Russia, and both are more economically oriented towards the West than towards Russia. China is in fact emerging as a second superpower along with the United States (G-2), thus taking over the position that the Soviet Union once held.

It may be concluded that Russia through its engagement in international organisations and groupings since the 1990s has gained prestige and recognition both globally and regionally as well as maintained its position as a great power, thus in practice contributing to a multipolar world system. Russia has an influence especially in the UN Security Council on the strength of its veto power, even if this has repeatedly been circumvented. In most other organisations Russia is only one of many equal members, the field of activities is limited or no binding decisions can be taken. Russia's proposals to create a new security system in Europe so as to hamstring NATO or to form a new global financial system have little chance of success.

By engaging in so many different international organisations in many parts of the world, Russia is thus able to balance them off against each other. However, since this has not been very successful, Russia also exploits differences among the members inside the organisations in classical divide-and-rule game. In practice bilateral relations continue to play a key role. When George W. Bush was in power the United States again became the main opponent, mainly due to the war in Iraq and NATO enlargement, but when Barak Obama became president in 2009 and wanted to repair the relationship, Russia agreed. Before their first summit in April 2009 Medvedev thus emphasized the need of equality and mutual benefit and that the states have a 'special responsibility in world affairs' concerning strategic stability and nuclear security. He also proposed that Russia and the United States could help

<sup>20</sup> Sergei Blagov, 'Lavrov meets Chinese, Indian Counterparts', *EDM*, vol. 2, no. 108, 3 June 2005.

<sup>&</sup>lt;sup>19</sup> 'Towards a United Europe without Divides' (2007) *International Affairs* (Moscow) no. 2, pp. 104 ff.

lead the effort to establish universal rules and discipline in creating a new global financial system. <sup>21</sup> In April 2010 a new strategic arms reduction treaty was signed. <sup>22</sup> Such equal cooperation with the United States serves to elevate Russia above the other great powers at least in some respects.

The Foreign Ministry's modernisation programme of May 2010 enumerated what Russia wanted from international organisations and a vast number of states, from Germany to Yemen, and so-called modernisation partnerships started to be signed with several states on a bilateral basis.<sup>23</sup>

#### Political means: Organisations in the post-Soviet space

As stated in Medvedev's Foreign Policy Concept Russia gives priority to developing cooperation and promoting integration with the former Soviet republics (except the Baltic ones), which still are very dependent on Russia in different respects and degrees. This is probably also its most important means of underpinning its great power status in the world. Replacing the Soviet Union in 1991, Russia thus created the Commonwealth of Independent States (CIS), which has a plethora of organs; hundreds of meetings have been held and thousands of declarations issued. The Concept stressed the value of safeguarding the common heritage and the common security against threats such as international terrorism, extremism, drug trade, transnational crime and illegal immigration, and the principles of international law were proclaimed.<sup>24</sup>

Under the impression of the Rose Revolution in Georgia in 2003 and the Orange Revolution in Ukraine in 2004, the fight against Western-type democracy became a prominent task of the CIS, where most states are authoritarian or dictatorial. As a counterweight to Western election monitoring agencies, the CIS formed its own agency, which regularly has approved all elections among the members as free and fair.<sup>25</sup>

However, the CIS has proved to be a highly bureaucratic institution, where the implementation of decisions has been minimal. It is marred by conflicts between Russia and several members and conflict among the latter. Turkmenistan declared itself as neutral at the outset, the key state Ukraine has not signed the Charter so far and Georgia left the CIS after the war in 2008. Membership in the organisation did not hinder the more democratic Georgia, Ukraine, Azerbaijan and Moldova from forming their own pro-Western organisation (GUAM) inside the CIS in 1997 and striving to join NATO and the EU.

Facing these problems Russia has focused on cooperation with the most willing partners in certain fields, most importantly the Collective Security Treaty Organisation (CSTO), nowadays encompassing Russia, Belarus, Armenia, Uzbekistan, Kazakhstan, Kyrgyzstan and Tajikistan. 26 The organisation builds on common defence in case a member is under attack, but also aims at cooperation against terrorism, separatism, organized crime, etc. It has a joint secretariat, a joint staff and a collective security council, and many joint exercises have been held.<sup>27</sup> In 2009 a collective operational reaction force

<sup>&</sup>lt;sup>21</sup> Medvedev, 'Building Russian-U.S. bonds', President of Russia website, <u>www.president.kremlin.ru</u>, 31 March 2009, accessed 21 April 2009.

<sup>&</sup>lt;sup>22</sup> Medvedev, 'Joint news conference with US President Barack Obama', 8 April, accessed 5 May 2010.

<sup>&</sup>lt;sup>23</sup> Programma, p. 10-31.

<sup>&</sup>lt;sup>24</sup> Kontseptsiia, pp. 4 ff.

<sup>&</sup>lt;sup>25</sup> Jakob Hedenskog &, Robert L. Larsson, Russian Leverage on the CIS and the Baltic States, FOI-R— 2280—SE, Stockholm, 2007, pp. 19-27.

<sup>&</sup>lt;sup>26</sup> Strategiia 2009, p. 3.

<sup>&</sup>lt;sup>27</sup> Karsten J. Möller, CSTO, Collective Security Treaty Organisation, Danish Institute for International Studies, Copenhagen 2007, pp. 3 ff.

(CORF) with a joint command was formed, which according to Medvedev would be on a par with NATO. Russia dominates the command, contributes most of the troops and the costs and provides weapons at favourable prices. The CSTO has faithfully toed the Russian line on NATO enlargement and democracy, and in September 2008 the organisation backed the Russian war against Georgia. However, joint reaction forces had been created already in 2001, though this – as Medvedev in 2009 admitted – had remained a paper product. In 2009 the member states could only agree on contributing a battalion-size unit each, and these were to stay under national legislation and on national territory as Belarus and Uzbekistan insisted. The CSTO not even prevented Russia's close ally Kazakhstan from having military cooperation with the USA. For several years Russia has (in vain) attempted to get the CSTO recognized as an equal partner of NATO, which of course would elevate its status.

Besides the CSTO Russia is a leading member the Shanghai Cooperation Organisation (SCO), which also includes China and four Central Asian states, while India, Pakistan, Iran and Mongolia became observers in 2004-2005. Originally designed to solve border problems and build confidence after the breakup of the Soviet Union, the SCO's agenda includes fighting the "three evils" of terrorism, separatism and extremism. It has some permanent organs, including an anti-terrorist centre in Tashkent, regular top-level meetings are held as well as military exercises, which most often have a counter-terrorist nature. Also the SCO opposes Western-type democracy and NATO enlargement and serves as a counterpoise to Western organisations. In 2005 it called on the US to give a deadline for withdrawing its military bases, even though they were established to fight terrorism in Afghanistan. In this way China is involved in keeping NATO out of the region, while Russia at the same time maintains its old ties with the Central Asian states through the CSTO and the EurAsEc (below). On the flip side, the SCO legitimizes greater Chinese presence in the region and the Central Asian states can use it to play out the big neighbors against each other, even if they are most afraid of China.

In the economic field Russia mainly stakes on the Eurasian Economic Community (EurAsEc), which has the same members as the CSTO, but with Ukraine, Moldova and Armenia as observers. Here Russia has 40 per cent of the votes and a corresponding share of the costs. Within this community only Russia, Belarus and Kazakhstan have been able to form a customs union in 2010, but the others are invited to join.<sup>32</sup> A serious problem with the EEC is that it competes with the integration efforts of the EU, which seem to attract even Belarus. The EurAsEc thus has not been very useful in boosting Russian influence.

The closest ties Russia has with Belarus, which except for being a member of the above organisations entered into a "union state" with Russia in 1999. Especially the military integration has proceeded with a common air defence, many exercises and integrated military industries, there are border controls but no visas. President Aleksandr Lukashenko fully supports the Russian view of NATO enlargement and Western democracy, and in 2008

<sup>&</sup>lt;sup>28</sup> Medvedev, 'A summit of the CSTO', 'Press conference following the CSTO summit', President of Russia website, <a href="www.president.kremlin.ru">www.president.kremlin.ru</a>, 5 September 2008, accessed 8 September 2008;

<sup>&</sup>lt;sup>29</sup> Pavel Felgenhauer, 'A CSTO rapid-reaction force created as a NATO counterweight', Vladimir Socor, 'CSTO summit', *EDM*, vol 6, no. 24, 5 February 2009; Roger McDermott, 'Moscow boosts CSTO military dimension, *EDM*, vol. 7, no. 17, 26 January 2010,

<sup>&</sup>lt;sup>30</sup> Roger McDermott, 'Sino-Russian Military Exercises Conceived as a Show of Unity' *EDM*, vol. 6, no. 86, 5 May 2009.

<sup>&</sup>lt;sup>31</sup> Oldberg, *The Shanghai Cooperation Organisation – Powerhouse or Paper Tiger?* FOI-R—2301—SE, Stockholm, June 2007, pp 13ff.

<sup>&</sup>lt;sup>32</sup> Medvedev, 'Answers to questions from Russian journalists', President of Russia website, 27 November, accessed 8 December 2009.

he praised the Russian war against Georgia.<sup>33</sup> However, while Putin wanted Belarus to become a part of Russia, Lukashenko retained his dictatorial control of his country and insisted on equal terms in the union. The plans of a common constitution and a common currency have failed. In 2009 even Belarus started to take part in the EU Eastern Partnership along with the Customs Union. Despite this Union Russia in 2010 introduced customs on part of its oil export to Belarus, whereupon Belarus did not ratify the Customs Union.<sup>34</sup>

One may conclude from the above that Russia is the undisputed leader in the CIS area due to its size and the common heritage, and the organisations in the post-Soviet space have served to bolster Russia's position as a great power in the world. Most useful are the military CSTO and the SCO with China, whereas the CIS mainly serves as a meeting forum. However, the economic integration projects have been less successful, and even the union with the closest ally Belarus has remained a paper product. All organisations are inefficient bureaucratic formations of undemocratic countries. In order to reach its goals of control and integration Russia also in this region mainly relies on bilateral relations with other countries and on other political, military and economic tools than organisations.

#### The political use of borders and territorial integrity

As a means of reinforcing international law Medvedev's foreign policy concept mentions the importance of settling the Russian land and maritime borders. Russia thus has reached border agreements with China, with which it has good relations, and even ceded some contested island in the Amur river. However, with regard to Japan, which is allied with the United States Russia has refused to return four Kuril islands conquered during World War Two. With regard to the NATO member Norway, Russia since 1977 did not accept its claim to an economic zone based on the median line principle in the Barents Sea and around Svalbard, and a few incidents took place over illegal fishing in the 2000s. However, the countries managed jointly to administer a fishing regime in a grey zone in the Barents Sea, and in early 2010 they finally agreed on dividing the disputed area into two equal parts.<sup>35</sup>

This issue is connected to Russian claims to a big chunk of the Arctic Sea up to the North Pole on the basis of the extension of the Siberian continental shelf. The claim has been underpinned by more or less scientific expeditions and increased military presence.<sup>36</sup> However, economic interests are clearly also at work. Medvedev has stressed that the Arctic Sea is estimated to contain one fourth of the world's assets of oil and gas and that the exploitation of this is a guarantee of Russia's energy security. The Russian Security Council has issued an Arctic doctrine.<sup>37</sup>

<sup>&</sup>lt;sup>33</sup> Medvedev, 'Nachalo vstrechi s Prezidentom Belorussii Aleksandrom Lukashenko', Prezident Rossii website, www.president.kremlin.ru19 August 2008, accessed 25 August 2008; Vladimir Socor, 'Oil "export" duties: a peculiarity of the Russian-led Customs Union', *EDM*, vol. 7, no. 65, 5 April 2010.

34 David Marples, 'Lukashenko's gambit in relations with Moscow', *EDM*, vol. 6, no.152, 7 August 2009. ibidem,

<sup>&#</sup>x27;Belarus participates in Eastern Partnership Inauguration', EDM, vol. 6, no.95,18 May 2009.

<sup>&</sup>lt;sup>35</sup> Geir Hönneland, 'Cross-border cooperation in the North: the Case of Northwest Russia' in Elana Wilson Rowe, Russia and the North, University of Ottawa Press, Ottawa, pp. 35 ff, Medvedev, 'Joint press conference with Prime Minister of Norway Jens Stoltenberg, 27 April 2010, President of Russia website, accessed 5 May 2010. <sup>36</sup> Oldberg, 'Ryska intressen i Arktis' (Russian interests in the Arctic), in Niklas Granholm (ed.) Arktis strategiska frågor i en region i förändring (The Arctic – strategic issues in a region in flux) FOI – Swedish Defence Research Agency, 2008, pp. 39 f.

<sup>&</sup>lt;sup>37</sup> Medvedey, 'Speech at meeting of the Russian Security Council on protecting Russia's national interests in the Arctic', idem, 17 September 2008, accessed 18 September 2008; Sovet Bezopasnosti Rossiiskoi Federatsii, Osnovy gosudarstvennoi politiki Rossiiskoi Federatsii v Arktike, Security Council of the Russian Federation website, www.scrf.gov.ru/documents/99.html, accessed 1 June 2009.

As in the case of Japan, Russia further refutes territorial claims from small neighbours in the West. When Estonia and Latvia in 1991 reconstituted their interwar republics and questioned the border changes that Stalin had carried through during the war, Russia defended the present borders. With Lithuania, which accepted the present border, Yeltsin signed in 1997 an agreement on demarcation. However, when Estonia and Latvia abandoned their revision claims and wanted to sign border treaty in order to qualify for NATO and EU membership, Russia refused for this very reason: The State Duma did not ratify the border treaty with Lithuania until 2003, and the treaty with Latvia was signed in 2005. Russia also signed one with Estonia but abrogated it, because the ratification act of the Estonian parliament made a reference to the interwar border.<sup>38</sup>

Inside the CIS, Russia signed a border treaty with Belarus already in 1994, but Ukraine, which strove for NATO and EU membership, had to wait until 2003. However, this agreement has not resulted in the demarcation of the border. Conflict erupted concerning the sea border in the Sea of Azov, where Russia tried to take control of an island in the Kerch Strait. Finally, the parties agreed to share control over this gulf, which means that NATO ships could be barred from entry.<sup>39</sup>

The border issues are inevitably connected with the problem of territorial integrity and separatism. The Foreign Policy Concept repeatedly hailed the principles of international law, including non-violence, state sovereignty and territorial integrity, though it also mentioned people's right of self-determination, which contradicts the integrity principle. When the Soviet Union fell apart, Russia recognized the sovereignty and territorial integrity of the other ex-Soviet states, and fought two wars against separatists and terrorists in Chechnya to keep Russia together. These principles also became fundamental in the CIS and other organisations.

Russia further became an ardent champion of the integrity principle on the international arena. In 2008 Russia strongly resisted international recognition of Kosovo referring to the risks it posed to Spain, Great Britain, etc. <sup>40</sup> Another reason for the Russian view of Kosovo, however, was that Russia saw Serbia as a brother Slavic country, which had been attacked by NATO in 1999.

At the same time, despite its condemnation of separatism in Chechnya and Kosovo, Russia has supported it in some CIS states. It is closely allied with Armenia, which in the early 1990s "liberated' the Armenian enclave Nagorno-Karabakh in Azerbaijan; and then it became a mediator in this 'frozen' conflict. <sup>41</sup> Since the early 1990s Russia also helped the secessionists in South Ossetia and Abkhazia in Georgia and the Transnistrian region in Moldova – incidentally countries leaning towards the West – in many substantial ways. Russia condoned that hundreds of thousands of Azeris and Georgians fled or were expelled and were not permitted to return.

When the war in South Ossetia then erupted in August 2008, President Medvedev declared that Russia still recognized Georgia's sovereignty, but that territorial integrity was a complicated issue, which partly depended on the people's will. Georgia was

<sup>&</sup>lt;sup>38</sup> Oldberg 'Rysk-baltiska gränskonflikter och historiens betydelse' in Johan Dietsch *et al.* (eds.) *Historia mot strömmen. Kultur och konflikt i det moderna Europa*, Carlssons förlag, Stockholm 2007, pp 59 ff.

<sup>&</sup>lt;sup>39</sup> Jakob Hedenskog,, *The Ukrainian Dilemma*, Swedish Defence Research Agency (FOI) FOI-R-1199—SE, Stockholm 2004, pp. 20 ff.

<sup>&</sup>lt;sup>40</sup> Igor Kvitsinsky & L. Shtodina, 'Today Kosovo, Tomorrow the World?', *International Affairs* (Moscow), no. 4 2007, 2007, p. 32.

<sup>&</sup>lt;sup>41</sup> Robert L. Larsson, Konfliktlösning i Kaukasien, FOI-R—2108—SE, 2006, p. 61 ff.

said to have started the war and committed genocide on Russian citizens and Ossetians, and similarities with Kosovo were again pointed out. 42

After the war Russia soon recognized both South Ossetia and Abkhazia as independent states and concluded military alliances with them. However, the problem was that very few states recognized these "states", not even Russia's closest allies in the CSTO and SCO. Apparently aware of the problem, Prime Minister Putin once conceded that Russia could "swallow" Kosovo's independence, if the West recognizes Abkhazia and South Ossetia. 43 Theoretically, both sides could return to the principle of territorial integrity after these exceptions, but the West is not likely to enter the bargain.

A more ominous problem is the fact that Russia at times has questioned the integrity of Ukraine. When NATO in April 2008 discussed its application for membership, outgoing President Putin explained to US President Bush that Ukraine was not a real nation. If Ukraine joined NATO, the Crimea and the eastern parts would secede, he said. Later, however, Putin reassured a German TV channel that Russia still recognizes Ukraine's borders and that the Crimea was not contested.44

Territorial integrity is thus an oft repeated principle in Russian foreign policy, which is given priority over humanitarian concerns as in Chechnya and Kosovo. Russia has at the same time in practice undermined this principle by supporting separatists in CIS countries which crave NATO membership, thus turning the integrity aim into a political means. Humanitarian concerns were recalled only when Russians and their friends were at stake.

#### The political use of Russian minorities

According to President Medvedev's Foreign Policy Concept, the defence of Russian citizens and compatriots abroad is one of the most important aims. <sup>45</sup> In relation to Western states this is no security problem. The several million Russians who since the 1980s have emigrated, for example to Germany, the US and Israel are seen as connecting links, and Russia's main ambition is to help them through normal cultural exchange and use them in trade relations.

In ex-Soviet states, however, Russian minorities have become a problem to varying extents. When the Soviet Union collapsed, 23.5 million ethnic Russians ended up outside Russia, and Putin referred to this when he in his address to the Federal Assembly in 2005 shocked the world by calling the collapse the worst geopolitical disaster of the century.<sup>46</sup> Even if the numbers have shrunk due to emigration or re-identification, the Russian minorities are still sizable, especially in Kazakhstan (29.9%), Latvia (29.2%), Estonia (25.6%) and Ukraine (17.3%).47

After Putin came to power and the Russian economy started to grow, the Foreign Ministry was tasked to support the Russians abroad, using political parties and NGOs. On the state level Russia has often accused Estonia and Latvia in international forums of violating the human rights of the minorities in their legislation on citizenship, language and schools, which allegedly disqualified them from becoming members of NATO and the EU (cf. border issue above). The Russian consulates distributed passports to former Soviet

<sup>47</sup> Hedenskog & Larsson, pp. 30 ff.

<sup>&</sup>lt;sup>42</sup> Medvedev, 'Press statement following negotiations with French President Nicolas Sarkozy', President of Russia website, www.president.kremlin.ru, 12 August 2008, accessed 13 August.

<sup>&</sup>lt;sup>43</sup> Vladimir Putin, 'Interviu Predsedatelia Pravitelstva RF V.V: Putina', Internet-Portal Pravitelstva Rossijskoi Federatsii, www.government.ru, 29 August 2008, accessed 2 September 2008.

<sup>&</sup>lt;sup>44</sup> Putin, 'Interviu Predsedatelia', Socor, 'Moscow makes furious but empty threats' EDM, 14 April 2008.

45 Kontseptsiia, p. 2, Medvedev, 'Interview', 2 September 2008.

<sup>&</sup>lt;sup>46</sup> Putin, 'Poslanie Federalnomu sobraniiu Rossiiskoi Federatsii', President of Russia website, www.president.kremlin.ru, 25 April 2005,accessed 2 May 2005.

citizens so that more Russians adopted Russian citizenship rather than Estonian and Latvian in the 1990s, and hence they were also involved in the elections in Russia. In the spring of 2007 hundreds of young Russians rampaged through downtown Tallinn because the government had ordered the removal of a statue that symbolized the Soviet "liberation' of Estonia from fascism in 1944. The protests were backed by Moscow, economic sanctions were imposed, and the Estonian government fell victim to massive IT attacks. <sup>48</sup> However, Russia's support for its compatriots backfired in the sense that the government more than ever sought support from NATO and the EU, and the situation of the local Russians became more difficult.

In Georgia, Russia backed the South Ossetian and Abkhazian separatists when the central government tried to subdue them in the early 1990s. As many Georgians fled, some Russians moved in, and South Ossetians and Abkhazians, who went to Russia for jobs, were increasingly allotted Russian passports. In 2008 Russia excused its intrusion into Georgia proper by alleging that Georgia had committed genocide on Russian citizens in South Ossetia – or at least intended to do so, which is a big difference.<sup>49</sup> In fact 'only' a few hundred Ossetians died, while many more Georgians were killed or expelled in reprisal.

Russians also play an important role in the separatist region of Transnistria. Even though they only make up a third of the population, they dominate the leadership and many have Russian passports. Russia apparently wants the region to be autonomous with strong influence on the central government, and have a right to secession, if Moldova abandons its neutrality, whereas even the Communists, who were in power from 2001 to 2009, wished to incorporate Transnistria. Now that a rightist, EU-leaning government is in power, the situation seems dead-locked.

Concerning Ukraine, which is viewed as the most important Slavic brother country, Russia has preferred to support pro-Russian Ukrainian parties, who can keep the whole country away from NATO, rather than openly foment separatism. However, when NATO in 2008 took up the issue of Ukrainian membership, Russian interference in Crimea, the only region where the Russians are in majority, intensified. Putin talked about secession of some regions, and a deputy prime minister cautioned that 92 per cent of the naval base Sevastopol (about 100 000) was 'our compatriots'. Also here Russian passports have been distributed. Ominously, the leader of the pro-Russian Party of Region of Ukraine Viktor Yanukovich and the Crimean parliament in 2008 talked about recognizing South Ossetia and Abkhazia. However, when Yanukovich was elected president of Ukraine in early 2010, he rejected the aim of NATO membership and signed an agreement on letting Russia keep its naval base in Sevastopol for another 25 years (see below). Russia was very pleased, even though Yanukovich changed his mind on recognizing South Ossetia and Abkhazia. 25

In sum, Russia is able to support its citizens and compatriots within the CIS in many ways. This is amplified by the fact that Russia retains a great cultural influence though Russian mass media, which are available everywhere, the Russian language which remains a *lingua franca*, and old family ties across the borders. However, Russian support for its minorities has often backfired by pushing the governments to seek support in the West and to increase control over the minorities. Finally, it should be observed that support for Russian

<sup>51</sup> Larsson et al, p. 78; Interfax, 14 June 2008; Jakob Hedenskog, *Crimea after the Georgian Crisis*, FOI, Swedish Defence Research Agency, 2008, pp. 15 ff.

<sup>&</sup>lt;sup>48</sup> Russia's Involvement in the Tallinn Disturbances, Tallinn, International Centre for Defence Studies, 7 May 2007; William C. Ashmore, 'Impact of alleged Russian Cyber Attacks', *Baltic Security and Defence Review*, vol. 11, 2009, pp. 4-40.

<sup>&</sup>lt;sup>49</sup> Putin, 'Interviu', 29 August 2008.

<sup>&</sup>lt;sup>50</sup> Larsson et al., p. 80.

<sup>&</sup>lt;sup>52</sup> AFP, 'Ukraine disappoints Russia on Georgia rebel regions', AFP, 5 June 2010.

minorities abroad has mainly been directed at the most West-oriented and democratic ex-Soviet states. Russia has not used its minorities in Kazakhstan and Belarus against the governments, and has largely refrained from accusing the Central Asian regimes of discrimination against the Russian minorities, even though it would be quite justified.<sup>53</sup> Thus also Russian support for its diasporas is not a principle but a political means against perceived enemies.

#### Military means: Bases for support or pressure

Medvedev's Foreign Policy Concept repeatedly stresses the importance of dialogue and peaceful solutions as means for Russia to reach its goals. Violence must only be used in self-defence or sanctioned by the UN. After the war in Georgia Medvedev assured that Russians are peace-loving and that neither the Soviet Union nor Russia had *ever* started a war. <sup>54</sup> In relation to the West Medvedev's Concept declared that Russia would not let itself be dragged into a new arms race and stressed its interest in non-proliferation and arms reductions. <sup>55</sup> Yet, as shown above Russia has resorted to military means on a number of occasions. The Concept warned that if the partners were not prepared for cooperation, Russia would have to act independently, though always within the confines of international law.

During its economic crisis and rapprochement with the West in the 1990s, Russia dismantled its military bases in formerly Warsaw Pact countries in Europe and beyond, for instance in Cuba and Vietnam. However, when the United States in 2008 backed up Georgia during and after its war with Russia and signed a deal with Poland on basing US missiles there, Russia in response strengthened its ties with US-hostile Cuba, Venezuela and Libya, and there was talk about basing rights. Russia also got wider access to a port in Syria. <sup>56</sup>

In the CIS area the situation is totally different. Even if Russia withdrew its strategic nuclear forces and let the other successor states (except the Baltic ones) take over the military forces and installations on their territory in the 1990s, Russia kept and still to varying extents maintains bases for its air force, army and naval units in all these states, except for Uzbekistan and Turkmenistan. In the CSTO member states these bases serve the dual function of supporting the respective governments and of demonstrating presence to the United States and NATO. In 2008 Russia decided to expand its air defence base in Belarus in response to the planned US antiballistic missile base in Poland. In Armenia the Russian bases support the country in its conflict with Azerbaijan and against NATO-allied Turkey. In Kyrgyzstan Russia established a new air base in 2001, when the USA was allowed to build an air base there to support its war efforts in Afghanistan. Since then Russia has pressed for the elimination of the US base, and in 2009 it nearly succeeded by using economic incentives.<sup>57</sup>

More intriguing is perhaps the function of bases in states with which Russia has conflicts. Most important for Russia has been to retain its old naval base in Sevastopol from where the Russia fleet exercises a dominating military position in the Black Sea. According to an agreement of 1997, Russia was allowed to rent part of the port and some other objects on the peninsula for 20 years with a possible five years prolongation. Plans were made to move the base to Novorossiisk, but increasingly logistical and economic problems were pointed out, and efforts were made to stay. Obvious reasons for this was that Ukrainian

<sup>54</sup> Putin, 'Interviu', 29 August 2008; RIA Novosti, 18 August 2008.

<sup>56</sup> Pavel Felgenhauer, 'Moscow extends confrontation with the West to the Caribbean', *EDM*, vol. 5, no. 174, 11 September 2008.

<sup>57</sup> Roger McDermott, 'Manas scheduled to resume civilian status', EDM, vol. 6, no. 81, 28 April 2009.

<sup>&</sup>lt;sup>53</sup> Hedenskog & Larsson, p. 43.

<sup>&</sup>lt;sup>55</sup> Kontseptsiia, p. 6.

President Yushchenko strove for NATO membership, and retaining the Russian base was a way to stop that. When NATO discussed Ukrainian membership in April 2008, the Russian population in Sevastopol, especially the naval personnel, rose in protest, with active support from Russia. However, the tension was relaxed when Yanukovich came to power and signed a new base agreement, prolonging the Russian lease with 25 years, in exchange for a ten-year discount on the gas price.

With regard to Moldova, the 14<sup>th</sup> Soviet army group in Transnistria supported the formation of the Transnistrian republic there in 1991. Parts of the force was transferred to Transnistrian control and the rest was reduced, but about 1200 men remained (in 2008). 1999 Moldova called for Russian troop withdrawal, and got support from Western states. In 1999 Russia promised the OSCE to do so, but since then it has dragged its feet, demanding that the process should be synchronized with resolving the status of Transnistria and the accession of the Baltic states to the CFE. The most likely reasons for keeping the base are to exercise pressure on Moldova and lessen its chances to join NATO. In negotiations with Moldova, Russia has insisted on retaining its base in Transnistria as a peace force for at least 20 years.<sup>59</sup>

Concerning Georgia, Russia maintained after 1991 four military bases there. Allegedly these were to "protect' the country against NATO but in reality helped to support separatist regions. In 1999 Russia promised the OSCE to scrap the bases, but hardly had the last one, the naval base in Batumi, been evacuated in 2008 than the war between Russia and Georgia erupted. As a result of this Russia not only declared Abkhazia and South Ossetia as independent states and concluded military alliances with them but also decided to deploy 3700 troops in each and build a new naval base in Abkhazia. Besides supporting the new 'states', these bases are now a greater threat to Georgia than ever and complicate its striving for NATO/EU membership. Thus Russian military bases have often been used as a potent means of pressure against the often weak CIS states. They often serve as basis for military activities, which is the next topic.

#### Military Means: Peace-keeping and Military Activities

Beyond the ex-Soviet borders Russian military activities have been greatly reduced since Soviet times, not least for economic reasons. Still, Russia has contributed peacekeeping forces and observers to several UN missions, not least in Africa. However, during the 1999 war Russian peacekeepers in Bosnia surprised the world by a quick march into Kosovo, evidently in the hope of getting its own zone of peace-keeping, but that did not succeed and Russia instead chose to contribute to in NATO's peace force for a few years.

Furthermore, Russian forces have taken part in exercises with NATO and neighbouring Western states, whereby they have demonstrated their will to cooperate and exchange experience as well as to show the flag. True, Russia interrupted such exercises in 1999 as a protest against NATO's war over Kosovo and staged its biggest ever military manoeuvre with Belarus, training the use of nuclear weapons, but the cooperation soon resumed, most often in the common interest of fighting terrorism. Russia joined NATO's Active Endeavor activities in the Mediterranean, but together with Turkey it opposed extending them to the Black Sea.

As relations with NATO soured, Russia resumed in 2007 the Soviet practice of patrols with strategic bombers over the Atlantic, the Pacific and the Arctic Sea. The Northern fleet started exercises as far away as the Mediterranean, which also became an area of operation for the Black Sea fleet. After the US and NATO sent warships with humanitarian assistance to Georgia in the aftermath of its war with Russia, Russia sent some of its best

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<sup>&</sup>lt;sup>58</sup> Hedenskog, *Crimea*, pp. 15 ff.

<sup>&</sup>lt;sup>59</sup> Larsson et al, 2008, pp. 80 f.

warships and aircraft to the Caribbean Sea for exercises, which should mainly be seen as a warning to the US to stay out of Russia's perceived zone of influence in the Black Sea region.

Russia has also increasingly used its navy to further its interests in northern waters. In connection with the Nordstream project to build a gas pipeline across the Baltic to Germany, Russian leaders talked about new tasks for the Baltic Fleet, ranging from protecting the pipeline against terrorist attacks to clearing the sea bottom. In response to the planned US missile base in Poland Medvedev threatened in 2008 to base short-range Iskander missiles in Kaliningrad. As mentioned, the Northern Fleet has become more active in safeguarding Russian claims in the Arctic Sea

Turning now to Russian military activity in the CIS region, most of it takes place under the banner of peace-creation (*mirotvorchestvo*) and the fight against terrorism. There Russia does not accept the Western view of peace-keeping, since heavy weapons and forcible measures are applied and the principle of impartiality is infringed.<sup>61</sup>

In the 1990s a Russian army division, formally acting as a CIS peace-creating force, helped the government in Tajikistan win a bloody civil war against Islamists and it supported resistance against the Taliban regime in northern Afghanistan. In 2004 the troops in Tajikistan became a permanent Russian military base by treaty. In Moldova, besides the Russian troops in Transnistria, there has ever since the short civil war in 1992 existed a small joint peace-keeping force guarding the border zone along the Dniestr, in which the Russians and Transnistrians dominate over the Moldovans. In the mid-2000s President Voronin appealed to the West for creating a more international force and issuing international security guarantees, but Russia blocked these ideas.

Georgia is clearly the country most exposed to Russian military activities. During the Chechen wars Russia accused Georgia of harbouring terrorists in the Pankisi valley, it threatened to take unilateral military measures, and unidentified air bombings and incursions took place. Georgia was also targeted when the Russian armed forces after the terrorist attack on a school in nearby Beslan in 2004 were authorized to strike at terrorists abroad preemptively, thereby following the US model. 62

After Georgia tried to re-conquer Abkhazia and South Ossetia in the early 1990s, peacekeeping forces were stationed there, formally as a CIS force with UN observers and under an OSCE mandate, respectively. However, they consisted of Russian forces only, or were dominated by them, and Russia also here rejected demands to broaden their composition. Like the military bases the forces supported the separatist regimes, engaged in intermittent fighting with Georgian forces and in arms trade.

When Georgian NATO membership became topical in 2008, the number of military incidents from both sides increased. Russia fortified its forces in both Abkhazia and South Ossetia and staged a big maneuver in North Caucasus in the summer. When Georgia in August attacked Tskhinvali, the capital of South Ossetia, Russia very quickly struck back with superior armoured units from the north and occupied adjacent parts of Georgia proper. Russian troops also attacked from Abkhazia the Black Sea Fleet sank most of the small Georgian navy. The Russian air force bombed Georgian towns, and the government was subjected to cyber attacks. Russia accused the United States of supporting the Georgian attack and clearly set the task of crushing Georgia's military power and topple the NATO-oriented

<sup>61</sup> Lena Jonson & Clive Archer, (eds.) *Peacekeeping and the Role of Russia in Eurasia*, Westview Press, Boulder, 1996. pp. 3 ff.

<sup>&</sup>lt;sup>60</sup> Medvedev, 'Poslanie Federalnomu Sobraniiu Rossiiskoi Federatsii', Prezident Rossii website, www.president.kremlin.ru, 5 November 2008, accessed 5 November 2008, pp. 12 f.

<sup>&</sup>lt;sup>62</sup> Oldberg, *The War on Terrorism in Russian Foreign Policy*, FOI-R—2155—SE, Stockholm 2006, pp. 7-8.

President Saakashvili. 63 After the EU under French leadership intervened to stop the war, Russia agreed to a ceasefire and withdrew from Georgia proper in October, though not to the original positions as agreed. EU/OSCE observers arrived, but they were refused entry into South Ossetia and Abkhazia unless these were recognized as sovereign states.

As a result of the war Russia transformed its 'peacekeeping' forces into permanent military bases south of the Caucasus and took over the border controls. Putin explained that Russia 'only' wished to guarantee security in the region and preclude a new clandestine concentration of arms in Georgia. Russia has since then been very suspicious of Western aid to Georgia and protested vehemently against a NATO exercise in Georgia in May 2009.

In August 2009 Medvedev further called for (and got) a constitutional amendment, authorizing him to send troops into action abroad, for example to protect Russian citizens, thus admitting that the Russian invasion of Georgia had not been legal. Russia's territorial integrity was not under threat, there was no treaty obligation to assist South Ossetia, and the Federation Council had not given its sanction. 65

Even if Russia thus for the first time since Soviet times intruded into another country without invitation, won a short victorious war against a weak adversary and improved its military positions, the war also had negative effects. Russia did not manage to topple Saakashvili, who only became more resolved to seek American assistance and to join NATO. Azerbaijan and the CSTO ally Armenia were afflicted by the destruction of Georgian transport routes to the Black Sea. As noted the cohesion of the CSTO and the SCO was shaken, as no member state wanted to recognize the separatist republics. In the West, Russia lost credibility as a champion of peace and compromise, and its relations with NATO, the EU and other international organisations were at their worst since the Cold War. The war hastened the US missile agreement with Poland and several Western neighbours began to talk about strengthening their defence forces. However, in 2009 these effects started to subside.

By contrast it should be noted that Russia did not send any military forces to quell ethnic violence that erupted in southern Kyrgyzstan in June 2010, even though the interim government requested it. 66 It remains to be seen if this signifies a less interventionist policy in the CIS.

#### **Economic Means**

Turning now from the military to the economic dimension, Medvedev's Security Strategy declared that the primary security aim is to make Russia one of the five leading states in terms of GDP. This ambitious goal is consonant with the political aim of multipolarity. Economic growth should be attained by improving the innovation system, promoting productivity, resource development, modernization, etc, that is through Russia's own efforts. In this the state should have a regulating role, supporting Russian companies abroad and counteracting discrimination against them, at the same time as foreign investors are to be invited to invest in advanced sectors.<sup>67</sup> Thus politics has often intruded into the economic sphere.

<sup>64</sup> Putin, 'Interviu', 29 August 2008.

<sup>&</sup>lt;sup>63</sup> Larsson et al, pp. 18 ff.

<sup>&</sup>lt;sup>65</sup> Pavel Felgenhauer, 'Russia removes constitutional constraints on military interventions abroad', *EDM*, vol. 6, no. 227, 10 December 2009; Giorgi Kvelashvili, 'Medvedev proposes legal mechanisms', *EDM*, no. 157, 14 August 2009.

<sup>&</sup>lt;sup>66</sup> Felgenhauer, 'Moscow caught unprepared by the carnage in the Ferghana valley', *EDM*, vol. 7, no. 117, 17 June 2010.

<sup>&</sup>lt;sup>67</sup> Strategiia, pp. 7 ff.

An important means to modernisation is to integrate Russia into the world economy. For this purpose Russia has since the 1990s striven for WTO membership, participated in G-8 and G-20 meetings and tried to assert itself there. However, Russia has not been admitted into the WTO, partly because it has insisted on special conditions in opening up its domestic market, partly because every member (now 153) can veto its accession for political or economic reasons, be it the United States or Georgia. The earlier mentioned Foreign Ministry programme for promoting Russia's economic development in accordance with President Medvedev's priorities outlined how Russia should improve its relations with all important world organizations and a great number of states, so as to derive benefits from them and strengthen Russia's balancing role and its influence in the world.<sup>68</sup>

True, Russia's economy and foreign trade has developed enormously since the autarchic Soviet economy fell apart, while the share of CIS trade has diminished, and it was hard hit by the global financial crisis in 2008. Further, Russian trade outside the CIS is quite lopsided, which is seen as a security problem. Even though Russia as heir to the Soviet Union views itself as an industrial state, most of its export consists of raw materials, especially energy products, gold, nickel, aluminium, palladium and timber. <sup>69</sup> At the same time, Russian imports of industrial products and advanced technology from the West have increased. Russia nowadays imports trucks and cars also from China, rather than the opposite.

However, in one type of industrial products Russia has become prominent, indeed number two in the world after the United States, namely in military weapons. Since the 1990s Russia has stopped distributing arms to its socialist allies around the world for free or on credit and is instead selling all kinds of weapons (except nuclear) to all countries that are able to pay, including Venezuela and Brazil, Malaysia and Vietnam and Arab states like the Saudi-Arabia and the United Arab Emirates. Russia's best customers, however, are its old ally India and its new friend China. Russia has disregarded Western political embargoes imposed on arms exports to for example China (since 1989) Iran (since 1979), Sudan, and North Korea. In all cases Russia strives to make profits and get goodwill, in some it also supports anti-Western and anti-US states. In connection with arms deals Russia persuaded Nicaragua and Venezuela to recognize South Ossetia and Abkhazia as states. <sup>70</sup> However, Russian arms exports as a tool to win or keep allies may lose their competitiveness. China has reduced arms imports and started to export weapons on its own, and Russia has for the first time decided to import advanced weapons, namely unarmed air vehicles from Israel, and lastgeneration amphibious assault ships from France. 71 Inside the CIS, the weapons are sold at preferential prices.<sup>72</sup>

As for trade with the CIS states, Russia has on many occasions exploited the fact that they are more economically dependent on Russia than vice versa due to centuries of integration. For instance, after Georgia arrested four Russians for espionage in September 2006, Russia staged a total blockade of communications, froze money transfers and trade. In 2009 Russia stopped the import of Belarusian dairy products, to which Lukashenko responded by not attending a CSTO summit. Occasionally also Western states have been hit by Russian trade blockades, for example Denmark in 2002 on account of a Chechen

<sup>69</sup> Jan Leijonhielm & Robert L- Larsson, *Russia's Strategic Commodities: Energy and Metals as Security Levers*, FOI-R—1346—SE, November 2004, pp. 72 ff.
 <sup>70</sup> Pavel Felgenhauer, 'Venezuela's multibillion dollar Abkhazia and South Ossetia recognition fee',

<sup>&</sup>lt;sup>68</sup> Programma, pp. 3 ff.

<sup>&</sup>lt;sup>70</sup> Pavel Felgenhauer, 'Venezuela's multibillion dollar Abkhazia and South Ossetia recognition fee', *EDM*, vol. 9, no. 170, 17 September 2009. It was also able to buy recognition from tiny Nauru, allegely with 50 million dollars. *Dagens Nyheter*, 18 December 2009.

<sup>&</sup>lt;sup>71</sup> Roger McDermott, 'Mistral procurement divides Russian leadership', *EDM*, vol 6, no. 225, 8 December 2009.

<sup>&</sup>lt;sup>72</sup> Hedenskog & Larsson 2007, pp. 60 f.

<sup>&</sup>lt;sup>73</sup> Marples, 'Lukashenko's gambit', *EDM*, 7 August 2009.

conference in Copenhagen.<sup>74</sup> After accusing the United States of instigating the Georgian attack on South Ossetia in 2008, Russia introduced new sanitary standards on the import of American poultry, and the issue became an obstacle to Russia's WTO accession. 75 But, in trade embargoes and pricing policies political motives are most often mingled with economic ones, such as favouring Russian companies.

#### Energy as a political lever

Thanks to globalisation, rising demand and soaring world market prices, energy became the mainstay of the Russian economy and the most potent tool in its foreign policy in the 2000s. At the G-8 summit in 2005 President Putin boasted that Russia is the world leader on the energy market with the biggest potential in oil, gas and nuclear power taken together.<sup>76</sup> Indeed, Russia has become the world's leading producer and exporter of oil and natural gas and it has the largest reserves of gas and uranium (10 per cent).

The Energy Strategy of 2003 explicitly mentioned the great resources as a political instrument,<sup>77</sup> and so do the new foreign policy concept and the 2009 security doctrine. The latter sees competition over energy resources in the Middle East, the Arctic and Central Asia as a key long-term issue. <sup>78</sup> Since energy and energy exports are crucial to the Russian economy, the state has taken firm control of the sector by legislation, ownership, representation on boards, intelligence, etc, at the same time as the activities of foreign companies are circumscribed. Transneft, which is totally state-owned, has a monopoly on oil pipelines. Gazprom, which dominates the gas market and de facto has an export monopoly in Russia, has expanded into other sectors. A key goal is to take control of oil and gas pipelines and gain control over companies involved in distributing Russian gas abroad.

However, in the meantime the Russian companies have neglected to make investments in exploration of new reserves and to modernize pipelines at home. In order to satisfy the rising demand in Europe Russia therefore depends on importing energy from Turkmenistan, Kazakhstan and Uzbekistan, which is then resold to Europe at higher prices. But these states also want to diversify their export markets. Thus Turkmenistan has recently inaugurated one gas pipeline to China across Uzbekistan and Kazakhstan and one to Iran.<sup>80</sup>

Russian energy exports to Europe have grown since the 1990s so that EU states receive about 30 percent of their oil from Russia, with seven states exceeding 90 percent. Concerning gas Europe imports about half of it from Russia; for example Germany received 40 percent, Greece 84, Austria 78, and the Baltic states and Finland 100 percent in 2006.<sup>81</sup>

<sup>79</sup> Edward Lucas, *The New Cold War*, Bloomsbury, London 2008, pp. 211 ff.

<sup>&</sup>lt;sup>74</sup> Roth, *Bilateral disputes*, pp. 8 ff; Oldberg, 'The war on terrorism', pp. 19 f.

<sup>&</sup>lt;sup>75</sup> Michael Schwirtz, 'Russia fires a salvo in the poultry wars', *International Herald Tribune*, 18 January 2010, p.3.

<sup>&</sup>lt;sup>76</sup> Putin, 'Meeting with Russian and foreign media following the G-8 summit', Prezident Rossii

website, <a href="https://www.president.kremlin.ru">www.president.kremlin.ru</a>, 8 July 2005, accessed 30 August 2005.

Tarsson, Russia's Energy Policy: Security Dimensions and Russia's Reliability as an Energy *Supplier*, FOI-R—1934—SE, 2006, pp. 65 ff. <sup>78</sup> Strategiia, pp. 2 f.

<sup>&</sup>lt;sup>80</sup> Socor, 'Strategic implications of the Central Asia-China gas pipeline', EDM, 16, 18 December 2009, no. 230, 231, 'Iran and Turkmenistan inaugurate gas pipeline', EDM, 7 January 2010, vol. 7, no. 4; Sergei Blagov, 'Russia mends energy ties with Turkmenistan and Azerbaijan, EDM, 13 January 2010, no. 8.

<sup>&</sup>lt;sup>81</sup> Lucas, pp. 212 f.

On the other hand, Russia is even more dependent on EU states as a market, since 80 per cent of its oil exports go there and 60 percent of its gas.<sup>82</sup>

Russia can use the energy dependence of other states in many ways. It may be in the form of stopping or reducing supplies, either intentionally or referring to technical problems or incidents, or through its pricing policy and the handling of debts.

While Russia cannot much influence the prices of oil, since the world market is relatively free and transports mainly go by tankers, the gas prices are more linked to pipeline transport and regulated in bilateral agreements. In order to divide the markets and maximize prices Russia has in recent years tried to form a gas export cartel with Oatar, Iran and Algeria, and Gazprom is making investments in e.g. the Algerian energy sector.<sup>83</sup>

It should be noted that Russia (USSR) has not stopped gas and oil deliveries to the old EU states except when transit is involved (see below), but its pricing policy may have political effects. Even if the dependency is mutual, the democratic Western states are more susceptible to embargoes and price hikes than Russia, since they have a free press and the governments are exposed to free elections.

Russia has used its energy power most often against the CIS states, which have remained accustomed to low prices since Soviet times, while their industries mostly are very energy-consuming. According to one Swedish study, Russia used energy (oil and gas) as a lever against CIS states on 55 occasions in 1991-2006, most of them being supply cuts. In most cases, political motives were involved, such as to influence elections and to punish "bad" behaviour. 84 Ukraine has been hit on many occasions. In 2007 the Russian ambassador in Kiev openly stated that the gas price would depend on which government would be elected. The "gas war" with Ukraine in early 2009 strongly affected 18 European states further downstream. However, before the presidential election in January 2010, Russia did not use the gas weapon, which may have to do with the fact that the two main contenders were bent on improving relations with Russia. When the new president Yanukovich accepted to prolong the lease of the Sevastopol, Russia agreed to grant a 30 percent discount on Russian exports for ten years, and several deals were concluded. Russia also proposed to merge the states' main gas companies and that Ukraine should join the Customs Union, but Ukraine said no.85

Russia has also used its energy power against its closest ally Belarus, though primarily as a means of taking over state-owned Belarusian infrastructure.86 In January 2010 Russia drastically raised its export duty on oil (35.6 per cent of standard tariff) to Belarusian refineries, which had made good profits by exporting most of their production to the west. This can also be seen as a reaction to the growing Belarusian interest in the EU Eastern Partnership mentioned above. 87 As a counter argument Belarus referred to its accession to the CIS Customs Union, but it did not ratify it. In June 2010 Russia also reduced gas supplies, since Belarus did not accept a new price hike, while transit through Ukraine increased instead, whereupon Belarus stopped gas transit to Lithuania and Poland.<sup>88</sup>

<sup>82</sup> Larsson, Russia's Energy Policy , pp. 178 ff. See also Stefan Meister, Nach dem Gasstreit zwischen Russland und der Ukraine, Deutsche Gesellschaft für Auswärtige Politik, Berlin, no. 2. 2009.

<sup>83</sup> Larsson, Russia's Energy policy, pp. 33 ff, 177 ff.

<sup>84</sup> Hedenskog & Larsson, Russian Leverage, pp. 46 ff.

<sup>&</sup>lt;sup>85</sup> Pavel Korduban, 'Gas in exchange for naval base: a boon for Ukraine's weak economy, EDM, vol. 7, no. 82, 28 April 2010, Medvedev, 'News conference following Russian-Ukrainian talks', www.eng.kremlin.ru, accessed 25 May 2010.

86 Hedenskog & Larsson, *Russian Leverage*, pp. 73 ff.

<sup>&</sup>lt;sup>87</sup> Socor, 'Moscow using oil export duty to pressure Belarus', 'Belarus' oil sector: a target of opportunity for Moscow', EDM, 5 and 8 January 2010, no. 2 and 5.

Ellen Barry, 'Russia trims gas over Belarus debts', International Herald Tribune, 22 June 2010; Michael Swirtz, 'Tensions rise as Belarus and Russia feud over gas', ibid. 23 June 2010.

The energy weapon has also frequently been used against the Baltic states for partly political reasons. After Russia failed to gain control on the Latvian oil terminal in Ventspils in 2002, Russia closed the oil pipeline. In 2006 Russia definitely closed its oil pipeline to Lithuania referring to repairs after the Mazeikiu refinery was sold to a Polish company. After the statue incident with Estonia in 2007 Russian coal and oil deliveries were stopped. 89

A key goal in Russian energy policy, thus, is to get control over transport routes and escape dependence on transit countries which can exercise counter-pressure by raising fees and tap from the pipelines, if they themselves are under pressure. In order to escape such dependency, Russia has since the 1990s expanded or built new ports in the Gulf of Finland for its export of oil and coal directly to the West instead of relying on transit through Baltic states. In 2005 Russia and Germany agreed to lay a gas pipeline across the Baltic Sea and a consortium was formed called Nord Stream, in which Gazprom holds 51 percent. Sweden, Finland and Denmark after long investigations into the environmental risks in laying the pipeline across their economic zones in 2009 approved of the project. Poland and the Baltic states opposed it, because they lost transit income and became more exposed to Russian pressure. To counter Russian pressure they strive to secure oil, gas and electricity from the West. It is also doubtful whether Nordstream will be economically profitable in view of rising costs and problems in securing Russian gas reserves to fill the pipeline.

For the sake of diversification Russia has also built a gas pipeline across the Black Sea to Turkey (Blue Stream) and is now planning a South Stream through the Black Sea, circumventing Ukraine and Turkey and forestalling the EU Nabucco pipeline project, which is planned to bring gas to Europe through Turkey bypassing Russia. To this effect Russia has signed deals for example with Bulgaria and Serbia, deals which include major Russian shares in their energy assets. The latter deal was probably facilitated by common view concerning Kosovo. However, the course of South Stream is constantly changing as Russia plays off the competing Balkan countries against each other. A special problem is that Russia still has to get permission from either Turkey or Romania for transiting their economic zones in the Black Sea.

Further, Russia in 1999 signed an agreement on an oil pipeline across Bulgaria and Greece, where it was to have a majority stake, in order to avoid Turkish restrictions on passage through the Bosphorus. However, this deal may be overtaken by a recent agreement between Russia and Turkey, whereby Turkey would allow a Russian gas pipeline through its economic sea zone, and Russia would supply oil to a new pipeline across Anatolia to the Mediterranean. There is also a political element in the Russian project of building an oil pipeline in East Siberia to the Pacific coast. Russia long played out Japan against China as recipients and participants, but arrived at the compromise of building it along the long border, but half-way to have a spur to Daqing in China, thus maximizing independence and foreign investment. The question is whether the resources will suffice for both markets.

Returning to Europe, Russia energy policy, however, meets resistance from several EU states, which want to diversify imports and forms of energy, improve efficiency and liberalize the energy market. The EU insists that Russia should ratify the EU Energy

<sup>&</sup>lt;sup>89</sup> Larsson, *Russia's energy policy*, pp. 184-191; Mathias Roth, *Bilateral Disputes between EU Member States and Russia*, Centre for European Policy Studies, Working Document, no. 319, Brussels 2009, pp. 12 ff.

<sup>&</sup>lt;sup>90</sup> Lucas, pp. 227 ff; Socor, 'Gazprom play map games in the Balkans with South Stream', *EDM*, vol 7, no. 120, 22 June 2010.Socor, 'Moscow playing with multiple options on Black Sea pipelines' *EDM*, vol 6, no. 103, 29 May 2009.

<sup>&</sup>lt;sup>91</sup> Socor, 'Samsun—Ceyhan pipeline project designed to divert Kasakhstani oil', *EDM*, vol 6, no. 195, 23 October 2009.

<sup>92</sup> Larsson, Russia's Energy Policy, pp. 245 ff.

Charter, which would decouple energy producers from pipelines. In March 2009 the EU signed an agreement with Ukraine on renovating and expanding its gas pipeline system and integrating it with the European one. Russia reacted strongly and instead proposed an agreement between producers and consumers ensuring that transit routes are maintained and renovated. 93 At the EU-Russia summit in May 2009, Commission President Manuel Barroso invited Russia to participate in the project and complied to discuss the Energy Charter. 94 The new Ukrainian president Yanukovich later supported this idea, presumably as a way to dissuade Russia from the South Stream project.

However, a still greater threat to Russian gas power is the fact that the US has started to exploit its vast resources of so-called unconventional gas and in 2009 became the world's leading gas producer and potentially a net exporter with LNG tankers. This has already led to sinking gas prices in Europe and threatens to make the construction of Nordstream's planned second pipeline unprofitable. This may be the reason why the vast Shtokman gas exploration project (together with Norwegian and French firms), which should feed that pipeline, was postponed in early 2010.95

Turning finally to nuclear energy, Russia (USSR) has been a leading power ever since the 1950s until the Chernobyl accident in 1986 and the economic slump in the 1990s, and former Soviet and Warsaw Pact states (like Ukraine, Lithuania and Bulgaria) plus Finland with Russian nuclear reactors depended on Russia nuclear fuel and services. Under Putin Russia decided on a new large-scale nuclear power expansion at home and abroad. Agreements on building new reactors have been signed with Belarus (which was particularly hit by the Chernobyl accident in 1986) with Russian loans, Kazakhstan, Bulgaria and Turkey. Outside that region Russia has built reactors in China, India and Iran, especially in the latter case profiting from Western embargoes, and more reactors are on contract (in India eight). Russia further covers one third of European uranium needs, and sells ex-military uranium for civil use through the United States, satisfying 15 per cent of global needs. Russia claims to be able to undercut world prices for nuclear fuel and services by some 30 per cent, but concerning nuclear technology it faces tough competition from western states.<sup>96</sup>

Russia thus makes frequent use of its economic means, especially in the energy sphere where it stands strong, so as to promote its interests. These are permeated by political concerns, handled as they are by top politicians. However, Russia is more dependent on the west than vice versa, and only with regard to weaker CIS states has Russian economic power been fairly effective.

#### Russian aims and means in review

The policy doctrines referred to at the beginning of this paper are primarily intended to guide Russian foreign policy but in actual fact they leave room for a very flexible implementation. The priorities are unclear, goals and means are mixed and there are several contradictions, for instance between furthering Russian influence abroad and good relations with neighbours. Support for Russians abroad is both a proclaimed goal in itself and a powerful means to

<sup>93</sup> Meister, 'Crisis in Russia-EU energy relationship', pp. 1-2.

<sup>&</sup>lt;sup>94</sup> Medvedev, 'News conference following Russia-EU summit', 22 May 2009, Roman Kupchinsky, 'Medvedev proposes a new 'energy balance' in Europe', EDM, vol. 9, no. 81, 28 April 2009.

<sup>&</sup>lt;sup>95</sup> Vladimir Socor, 'Shtokman gas project postponed: Implications for Russia, Europe and the US, EDM, vol. 7, 9 February 2010.

<sup>&</sup>lt;sup>96</sup> World Nuclear Association, Nuclear power in Russia, 20 January 2010, www.world-nuclear.org, accessed, 20 January 2010, pp. 26-28, Tom Balmforth, 'Russia and India agree on nuclear energy', Rossiiskaia gazeta, 14 December 2009, www.telegraph.co.uk/sponsored/russianowbusiness/6809717, accessed 20 January 2010; Lale Sariibrahimoglu, 'Turkey and Russia renew bilateral conficence', EDM, 13 August 2009, no. 156.

project Russian influence. The furthering of this aim in the post-Soviet space often collides with the principle of territorial integrity, evoking strong counter-reactions and backfiring on the minorities.

The goal of modernizing Russia has gained increasing weight under Medvedev, but it still seems to be subordinated to the aim of safeguarding Russian security, which is seen to be under constant threat. In the main, international politics is still in practice handled as a zero-sum game. The prestige of being respected as a great or world power matters very much, whether as the second nuclear power next to the United States, one of three world pillars with the US and the EU, or one of the five veto powers in the UN Security Council. International recognition of Russia as a great power and the support for Russians abroad also serve the purpose of maintaining domestic support for the political leadership in the Kremlin. However, many of the CIS states and other neighbours see Russia as a *big* power threatening their security and sovereignty rather than as a benevolent great power. This the Russian leaders seemingly find very hard to understand, since they are reluctant to admit that Russia or the Soviet Union have ever attacked or occupied other states in the past.

Concerning changes in Russia's use of different means over the last decade, the record shows that after regaining its strength and self-confidence in the early 2000s, Russia has primarily used political means to achieve its goals. However, it has reserved the option of using military means, especially in the CIS where its military power is overwhelming. It won an easy military victory against Georgia in 2008, though the political costs vis-à-vis the West were high, at least for some time. In the early 2000s the main motive for using military means was to fight terrorism and separatism, but in the Georgian war the protection of Russians abroad took the upper hand.

Growing economic strength resulted in a more active and aggressive use of economic levers, especially in the energy field, where many EU and CIS neighbours depend on Russia. The control of pipelines is a powerful Russian lever to achieve economic and political goals, but also this has been met with countermeasures. In late 2008 also Russia was severely affected by the global economic crisis, and President Medvedev's growing stress on the need for modernisation seems to push Russia to seek support mainly from the West. However, the fact that many CIS neighbors remain dependent on Russia and have been hit harder by the crisis invites continued Russian use of economic levers against them. Even Russia's closest ally Belarus has been affected.

One may conclude that in practice the Russian political leadership conducts a very flexible, pragmatic foreign policy, using its political, military and economic resources ad hoc and availing itself of upcoming opportunities to the utmost. In international politics Russia continues to play a balancing game and to exploit splits among its partners. Instead of multilateral cooperation, it primarily relies on bilateral relations, where it can prevail over weaker partners. Most important for Russia is apparently to control the CIS region and keep NATO out of it. To this end all means are applied, even when harming Russia's economy.

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