

EU FOREIGN POLICY: TOWARD EFFECTIVE CRISIS RESPONSE?

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Abstract:

The present paper addresses the problem of the effectiveness of the EU foreign policy in the crisis situations. On the ground of liberal intergovernmentalism it was noted that states' preferences are often differently prioritized by the Member States. The analysis of three different cases revealed that the degree of cohesion of the European foreign policy is linked to the issue area and political environment. It was also revealed that ongoing Ukrainian crisis with the active involvement of Russia was considered to be as the threat undermining European values, and thus EU functioning. In order to make the foreign policy of the European Union cohesive and effectively respond to the challenges, EU Member States should find such a motive or preference, which would remain equally important despite changing political environment.

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Introduction

The European Union after the Lisbon Treaty received its legal personality as well as number of tools to express a unified voice. The role of the institutional component should have become more important, as the creation Permanent President position in the European Council, creation of European External Action Service (EEAS) as well as expansion of powers of High Representative on CFSP were aimed to increase the weight of the EU on the international stage as a foreign policy actor in its own right. Nonetheless, in practice little has changed, as crucial foreign policy decisions are being negotiated within the European Council. Here, the wide variation in the EU member countries positions' toward significant foreign policy issues demonstrates that EU Member States are not ready to waive their national rights to formulate an autonomous foreign policy nor to delegate this right to the supranational bodies. Examples from recent history include such issues as the differences among Member States toward the wars in Afghanistan and Iraq as well as varied positions on the Arab spring and military operations in Libya and Syria. However, the example of Ukrainian crisis may become a turning point in the degree to which Member States will sacrifice their autonomy in order to achieve a common position on foreign policy toward Russia in the wake of the crisis.

The Ukrainian crisis and civil war are cornerstone issues in the European foreign policy agenda nowadays. After the denial of Yanukovitch government to sign the Association Treaty with the EU and subsequent Maidan protests in November 2013, which resulted in the change of government, the European Union has been highly involved into the conflict both as an actor with vested interest (in peaceful and democratic Ukraine) and mediator in Ukraine-Russia ties. After the Crimean separation by the Russian military, the relationships between Ukraine and EU with Russia got worsened. Internal societal crisis in Ukraine transformed into the civil war in the Eastern Ukraine between official government and separatists supported by Russia and led to a degree of security destabilization in the region that Europe has not seen since the end of the WWII. Diplomatic measures like the exclusion of Russia from G8 and creation of sanction lists of politicians and law enforcement agents stopped neither the ongoing hostilities nor Russian backing of separatists in Eastern Ukraine. Consequently, this situation required and still requires from the EU to provide certain response in order to de-escalate the conflict, and minimize its negative effect for the European nations. Thus, it resulted into a series of important decisions, when member states managed to agree over three rounds of sanctions against Russia.

The reality is that Member States are arguing about the need on further sanctions against Russia or the necessity to maintain them, but the unity, which the EU members shown in the first half of 2014, was not observable before the developments in Ukraine. Within a short period of time after the Crimea annexation, EU member states agreed to introduce two packages of sanctions against Russia, which included freezing negotiations over a visa-free regime and lists of persons, who were banned from access to the EU. Furthermore, a third stage of EU sanctions was introduced, which included economic sanctions on certain “sectorial cooperation and exchanges with Russia”.¹

Thus, the situation in Ukraine appears to have triggered a sense of European solidarity to the common ground, which assisted in forging a common EU policy represented by the unified voice of the EU. It is clear that some of the European Union members are suffering² economically from those sanctions³, but, in its turn, that means that sanctions decision or even sets of decisions were purely political. In the past, many of the researchers and experts tended to conclude from continuing weak common foreign policy that EU is not moving towards its *finalite politique* anymore, although the level of economic interdependence and co-operation effectively requires this⁴. What is puzzling here is that the decision [to sanction Russia] was made with shared understanding of negative economic implications for the member states economies, thus politics went before economics in this particular crisis situation, as Russia is in the top-3 of EU trading partners. By comparison, EU also introduced restrictive measures in trade against Iran in 2010⁵ due to its nuclear program, but the overall percentage of trade with Iran did not go beyond the level of one percent.⁶ Thus, if we regard EU as a rational foreign policy actor, the decision to impose sanctions against Russia goes beyond pure costs-benefits analysis. Essentially that means that European Union member states believe that situation in Ukraine bears more dangers than worsening of economic relationships with Russia and politically overweighs the dialogue between the two.

¹ EU newsroom website http://europa.eu/newsroom/highlights/special-coverage/eu_sanctions/index_en.htm#5

² Pressure at summit grows to ease EU sanctions against Russia <http://www.dw.de/pressure-at-summit-grows-to-ease-eu-sanctions-against-russia/a-18140352>

³ Bulgaria says it is suffering from EU sanctions on Russia <http://www.reuters.com/article/2014/12/04/ukraine-crisis-eu-bulgaria-idUSL6N0TO3N420141204>

⁴ The political implications of European economic integration – towards a political Union [Summary of the Conference, 2013] http://ec.europa.eu/education/events/2013/confjm13_en.htm

⁵ <http://ec.europa.eu/trade/policy/countries-and-regions/countries/iran/>

⁶ European Commission Directorate-General for Trade European Union, Trade in goods with Iran http://trade.ec.europa.eu/doclib/docs/2006/september/tradoc_113392.pdf

One of the key problems for the analysis of European Union common foreign policy is that we cannot really use theories derived from cases of state foreign policy to understand EU foreign policy. The EU is a *sui generis* foreign policy actor, and most definitely not a state. When it acts in the international arena, it is clear that it represents the interests of the Member States, but at the same time the EU tends to support the position that reflects common ground, on which member states could agree. The process of finding this balanced position may be affected by different factors like the relative power of the member states, institutional bodies of the EU or domestic factors, depending on theory. The most interesting about it is the varying degree of unity within community in the process of response formation to the different events or sets of the events. Member states' reactions on the Ukrainian events, their further decision to introduce and expand sanctions⁷ against Russia have demonstrated the degree of unity, which was hardly observable before. According to the data of European Foreign Policy Scorecard, composed by the European Council of Foreign Relations (ECFR), in 2014 sanction policy against Russia was considered by the think tank to be the most successful policy of the Union, with the indication of highest possible degree of unity⁸. However, even within single case we cannot say there is much coherence over the issue due to the existence of rumors that some countries demand to eliminate sanctions⁹ as well as individual statements of politicians¹⁰ within the same conflict in Ukraine. One can remember that during Georgian war of 2008 there were also negotiations inside the EU about imposing sanctions on Russia, but that only remained a threat.¹¹ Thus, the logical research question that emerges here is the following: why there is a difference in the degrees of cooperation between EU Member States in the foreign policy area, with varying degree of strength in responding to the emerging challenges? And if we take into account that this single foreign policy is a response to the exogenous externalities, were there any situations, when the EU common position was so solid and bringing result?

In order to answer these questions, we will have to review historical cases of EU foreign policy-making, which will be done in the next parts of the thesis and may be regarded as a research field for the discipline of foreign policy analysis. I will study European Union responses

⁷Europe, U.S. Significantly Expand Sanctions Against Russian Economy, published in July 2014

<http://www.wsj.com/articles/europe-u-s-significantly-expand-sanctions-against-russian-economy-1406666111>

⁸Top ten policies in 2014 <http://www.ecfr.eu/scorecard/2015/extras/bestworst>

⁹Seven EU countries support lifting sanctions on Russia, published in January 2015 <http://tass.ru/en/world/771324>

¹⁰Alexis Tsipras in Moscow asks Europe to end sanctions against Russia, published in April 2015 <http://www.theguardian.com/world/2015/apr/08/alexis-tsipras-in-moscow-asks-europe-to-end-sanctions-against-russia>

¹¹EU threatens sanctions against Russia, published in August 2008

<http://www.theguardian.com/world/2008/aug/28/eu.russia>

on the situation with Second Chechnya War, gas crises between in Russia-Ukraine relations and then compare with current Ukrainian conflict. The main focus of the study will be on the strength of the EU foreign policy. For the assessment of the different degrees of strength I will use the methodology of the ECFR European Foreign Policy Scorecard, explanation of which will be given in the next chapter.

In addressing the established questions I will refer to the main theoretical schools of European integration, as the European Union is a unique foreign policy actor and those theories take into account different aspects of the EU policy-making, and most important that its policies are a result of Member States interaction. There are three main sets of European integration theories, which are considered to be classic paradigms: federalism, (neo)functionalism and intergovernmentalism. However, as far as the central focus is on the foreign policy it seems right to include realist perspectives as well. Federalism as a theory is based on the initial visioning of the Founding Fathers (e.g., A.Spinelli) of the future European Union as a federation of European states. One of the basic ideas, which promote the federalists, is the concept of division of powers, both in horizontal and vertical perspectives. Ideally, federation, which consists of core and constituencies, should be a result of voluntarily transfer of powers from the latter to the core. Then, in practice that is bound by the formal law, which is usually a constitution. However, it may happen that some autonomous units will use power to merge with the other autonomous units, and the losing side will not always co-operate in all of the initiatives. But it should be noted that this theory lacks explanatory power about describing the motives of the states to co-operate voluntarily.¹² Thus, federalism would not explain, what the EU motives in the short-run to establish co-operation with Ukraine, if it can't bring use right now.

Neo-functionalism represents another set of theories, which focus is on the institutions and bodies of the EU. One of the key terms within their discourse, developed mostly by E.Haas and L.Lindberg is the notion of spillover, which implies that established co-operation within certain areas entails incorporation of other spheres of co-operation. It is clear that this works first and foremost for the areas of economic cooperation, as the notion was developed during the period of formation of a single market. Besides, the emphasis on the institutions reflects the assumption that they have more weight in the decision-making process than states. Within

¹² Theories of European Integration and their Contribution to the Study of European Foreign Policy, by J.Bergmann and A.Niemann, Paper for the 8th Pan-European Conference on International Relations, Warsaw 2013, p.1-22

the area of foreign policy the spillover effect was described by P.Schmitter¹³, who noted that member states can form their positions towards third-party actors as a community, thereby increasing their bargaining power. Nevertheless, intergovernmental bodies have more weight in the current state of affairs within the EU, that is why neo-functionalism cannot address the problem of foreign policy as the paradigm and does not consider interstate power relationships; and foreign policy is not viewed as an aim for achieving certain goals and resolving conflicts, but as another form of integration.

The majority of EU scholars put their attention mainly on the problems of intra-group negotiations, and they stress the important influence of national preferences on the EU position. Daniel Thomas in one of his articles focuses on the process and procedures, outlining the specifics of intra-EU negotiations on the foreign policy issues and decision-making aspects. Other authors like Michael Smith or Nicola Casarini tend to emphasize different roles of the EU institutions in the foreign policy-making. However, one of the assumptions I make for present research purposes is that nation states have more weight in the intra-group bargaining than EU bodies' representatives. Therefore, liberal intergovernmentalist approach, which focuses on the formation of states preferences, may be useful for the description of different camps within Member States with diverging positions on the situation in Ukraine. It will allow explaining, on the grounds of similar preferences, why certain countries pool their efforts and act as whole outside the Union. For example, Visegrad 4 countries have one of the priorities as the inclusion into the system of European security, as individually they do not have much military capabilities.

Liberal intergovernmentalism was developed by mainly two authors, S.Hoffmann and A.Moravcsik, as a critique of the neo-functionalist theories. The basic argument for the intergovernmentalists consists of the following idea: integration develops mainly in the economic area and only when the national interests of Member States are satisfied. Moravcsik in his research has modified it and concluded that state preferences or interests are being formulated as a result of a struggle between different interest groups interacting at the domestic level. Those finalized preferences are reflected in the process of interstate bargaining, which is done in the EU at the level of governments.¹⁴ The result of this bargaining process is a

¹³ Schmitter, P. C. (1969) 'Three neo-functional hypotheses about international integration', *International Organization*, 23(01): 161-166.

¹⁴ Moravcsik, A. (1993). *Preferences and Power in the European Community; A Liberal Intergovernmentalist Approach*. *Journal of Common Market Studies*, Vol 31 (4), pp. 473-424

policy outcome that reflects the preferences of states that possess more bargaining power at the EU level. This powerful state or a group of states may be willing to transmit the implementation of that policy outcome to the supranational level in order to make all other Member States to comply with it. The main point of critics of the liberal intergovernmentalism is a lack of attention to the supranational level and focus on the nation-states.¹⁵ As well critics of the intergovernmental approach may challenge the position of the rationality of the formation of preferences and strategies at the national level. The logic of intergovernmental approach, for instance, does not fit into the activities of the EU Court of Justice, which actually binds member.

The realist paradigm is a classic theory for the foreign policy analysis. From the very time of creation of the EU G.Morgenthau and his supporters were arguing that the European Communities were not viable, as none of the states would delegate their sovereignty to supranational body. European states would do this only in case of a threat to their existence as states, emanating, for example, from the threat of the Soviet Union, the threat of which led them to pool their sovereignty. However, after the dissolution of the USSR, EU not only survived, but even expanded its membership as well as areas of cooperation. It is notable for realists that the military cooperation is very limited within the EU, but still the coordination of foreign policies cannot be properly explained within the paradigm, as realist supporters do not admit possibility to transfer that much of sovereignty. In other words, it would consider the EU as an example of co-operation between allies, and if one of the members of such an ally is relatively stronger than others, then it would try to take up unilateral decisions. It is obvious that Germany is in overall indicators stronger than other members states, why then it is still aimed at the multilateral response to the civil war in Ukraine? Moreover, classic realism does not see meaningful negotiation and cooperation in general as common behavior on the international arena. The proponents of the neorealism, led by K.Waltz and J.Mearsheimer, would argue that there are certain systemic impulses, pushing the EU towards closer cooperation. But the reality is that EU is a communal actor, and 'domestic' issues (or foreign policies of member states) play crucial role in the formation of the common EU foreign policy.

¹⁵ Theories of European Integration and their Contribution to the Study of European Foreign Policy, by J.Bergmann and A.Niemann, Paper for the 8th Pan-European Conference on International Relations, Warsaw 2013, p.7
http://www.eisa-net.org/be-bruga/eisa/files/events/warsaw2013/BergmannNiemann_Theories%20of%20European%20Integration%20and%20their%20Contribution%20to%20the%20Study%20of%20EFP.pdf

As it was mentioned before, liberal intergovernmentalism (LI) focuses on the role of a state and regards relationships between Member States as a two-level game. At the second stage, when interstate bargaining begins, states are represented as unitary actors with particular national interests. One of the preconditions for reaching a common decision is the preference convergence. In other words, Member States should share the perspective that the involvement of the other members would bring more utility to them in terms of delivery of their interests, as “member governments tend to favour further integration when they do not have (credible) unilateral alternatives for action”¹⁶. It was also pointed out that the results of the bargaining are reflecting relative capabilities of the states. This is why, certain states have opt-outs and preferences in different policies, e.g. France is one of largest recipients of CAP budgets and the UK has four opt-outs, one of them is the Schengen Agreement for instance. In the light of the all above-mentioned, if we return to the problem of common foreign policy formation, there are two main conditions, outlining the success in reaching compromise or common ground: first is relatively low degree of divergence between common and national policies; second one is “the development of an important common interest to believe that a common policy is worth sacrificing national autonomy”.¹⁷ Thus, when the EU is developing its policy it at least finds a lowest common denominator, in order to exercise that policy. In relationship to Russia’s role in Ukraine conflict, there is a divergence of opinions, and we can see that EU Member States are not ready to take certain risk, that is why the sanctions policy is in action.

It is also visible that some of the EU members, despite understanding high political costs, are not ready to suffer economic losses for the maintenance of the common political will. In January 2015 seven of the EU member states expressed its will to lift sanctions on Russia¹⁸ due to the substantial economic losses. Still we can see individual level of relationships between Russia and Hungary, Russia and Greece, whose leaders met President Putin in 2015. Moravcsik’s LI would explain this in the terms of economic gains, which were always a communal priority and absence of decisiveness to suffer from losses not in equal ways as other member states.

¹⁶ Theories of European Integration and their Contribution to the Study of European Foreign Policy, by J.Bergmann and A.Niemann, Paper for the 8th Pan-European Conference on International Relations, Warsaw 2013, p.8

¹⁷ Ph.H.Gordon, Europe's Uncommon Foreign Policy, International Security, Winter 1997/98, Vol. 22, No. 3, p.81

¹⁸ <http://www.globalresearch.ca/seven-eu-countries-support-lifting-sanctions-on-russia/5425151>

Ukrainian events showed up that in the light of the [Russian] threat, which undermines the grounds of the EU such as democratic stability, integrity and rule of law, its members are ready to unite their efforts to counteract that threat. Ukraine traditionally was considered as a kind of neutral zone between Russia and the EU. The fear of falling into confrontation with Russia as well as of a new war in Europe made European politicians to unite their wills. This might be considered the case, when political preferences in terms physical security and preventing empowering of Russia has become those, mentioned by Moravcsik, shared preferences. At the same time, another closely related factor is Russian aggressive foreign policy. Russia was not acting in accordance with existing international norms and rule of law. Moreover, Russian involvement into the conflict in Ukraine by itself was considered as a hostile policy and influenced the perceptions of the elites of the MS of the EU. At the same time, Russia's policy was considered both by European politicians and mass media as a threat to the European values¹⁹, on which the EU was built. Finally, the EU-Russia relationship lost necessary transparency and predictability, which before allowed to compromise on minor issues of concern like gay rights or Russian trade barriers even as WTO member.

European Union had reached a sufficient progress in harmonizing Member States' approaches in the majority of economic areas, faces a lot of difficulties in compromising within political sphere. However, in order to understand, whether it will be possible to build up a certain form of political union within the EU, it is necessary to understand if Members States can present their position in a unified voice. The main aim of the research is to reveal the conditions, under which European Union is capable to form unified position towards crucial issues in the European foreign policy agenda. Supplementary focus will be given to the criteria, which serve as the ground for the EU crisis responses analysis. The general hypothesis for the research is that nation states have divergent interests, but under certain conditions, which are to be specified, they can formulate their common foreign policy agenda and find a common ground to create unified position and delegate it to the EU level to represent it externally.

¹⁹ Putin's imperial project threatens European values
<http://www.ft.com/cms/s/0/ae0b33ea-8761-11e3-9c5c-00144feab7de.html>

Chapter 1. Theoretical framework

Liberal intergovernmental approach emerged in the late 1980s - early 1990s as an attempt to explain the relationship between the European Union and the Western European Union. Thus, the focus of the theory was concentrated on the analysis of the political processes in those associations. Founder of the approach Andrew Moravcsik in one of his article defines the European Union as the most successful example of institutionalized international co-ordination of policies in the modern world.²⁰ From the perspective of the proponents of liberal intergovernmentalism, the evolution of the EU is a series of successful transactions between Member States. The main task of the theory is to explain the nature of these transactions and to reveal affecting factors. Moravcik compares European Union with the international regime, established under the conditions of economic interdependence in order to preserve state control over the economy by means of coordinating policies with other states. National governments tend to cooperate when this helps to solve their internal problems and neutralize negative externalities.

Liberal intergovernmentalism sees governments of member states as the main driving force behind European integration, which make the important decisions during intergovernmental conferences and negotiations. Each round of talks is divided into three stages: the formation of national preferences, interstate bargaining and institutional choices. Moravcsik presumes that actors need to be rational and risk-averse in promoting the interests under different circumstances. State, in his view, serves representational function, transforming the interests of domestic actors into governmental policy. At the same time, the state is used by domestic actors to influence intergovernmental negotiations to form and transmit national preferences on the international arena.

Moravcsik applies bargaining theory to explain, how to reach a particular result of any action. He identifies two criteria for the result description: effectiveness and distribution of gains. First of them is used to strike the balance, when all the benefits from co-operation are used; the other criterion explains, how acquired gains were distributed between member states. Since foreign policy decisions are being adopted after interstate negotiations by the European Council or ministerial negotiations by the Foreign Affairs Council, which are

²⁰ Moravcsik A. Preferences and power in the European Community: a liberal intergovernmentalist approach. *Journal of Common Market Studies*. Vol. 31. № 4. Dec. 1993.

intergovernmental bodies, and require unanimity, then each state can block a proposal that is regarded as a situation of loss, compared to available alternatives. Therefore, according to Moravcsik, negotiations results, if they are turned into communal policy, can be regarded as a win situation for every member state involved. However, it is also possible that member states can still implement certain policy in spite of the divergence in positions with some of the countries, if the pressure or side payments were used. The power of the state in the bargaining process is directly proportional to the rigidity of its position. In other words, in order to achieve something, member state must be ready to compromise and make concessions for the sake of the result. This is predetermined by another Moravcsik assumption that the need to cooperate is caused by economic interdependence of the states, and collaboration and alignment of positions is a rational response to the “negative international policy externalities”²¹.

Argument development

The importance of the economic interdependence is that it leads to the increased risks of negative consequences of the policies and actions of other actors, loss of control over the social and economic processes, which take place not only within the state. States weigh the potential benefits of co-operation and compare them with domestic political risks. The two-level game increases the legitimacy of governments and the ability to take initiatives at the national level. Thus, certain interest groups may use international co-operation in order to reinforce their position on the domestic level. It should be noted here that this effect may be indirect.

Liberal focus on domestic interests and state-society relationships involves a lot of motives for the states to cooperate at the EU level. Those motives can be divided into three groups: economic interests, security considerations and ideological orientation or values. At the same time, these groups of motives may be named as the determinants of the degree of foreign policy co-operation/cohesion between Member States. There is a number of reasons for that. The first reason for that is the changing political environment around the EU: it makes future less predictable and thereby affects the prioritization of those sets of motives. One of the crucial aspects here is the difference in power capabilities between leading states and others. Leading states can allow themselves not to return to their ‘basic’ interest, i.e. security, within a larger number of circumstances than other member states. Obviously, in peaceful

²¹ Moravcsik A., Preferences and Power in the European Community: A Liberal Intergovernmentalist Approach, *Journal of Common Market Studies*, Volume 3 1, No. 4, December 1993, p.485

times Germany concerns over their security do not stand on the first place, however due to the change of political circumstances and predictability of the future, this is exactly what happening in the Ukraine crisis, it may start giving higher priority to this issue at the communal level as this reduces potential risks²². At the same time, Baltic countries were always concerned about their security due to the historical experience, and the Ukrainian conflict strengthened the position of their national governments and allowed to more effectively express their concerns, which got more political weight. However, this can happen and the other way round and weaken EU foreign policy position as it happened with Iraq war and Syria conflict.

To add to this, Moravcsik highlights that member states' preferences within the EU are interdependent. This is obvious, as there are institutions that establish the rules of the game and facilitate co-operation. Besides, the majority of European countries are deeply intertwined culturally. This leads to certain kind of 'spillover' effect: the change of preferences of the relatively more powerful players or a large group of players will form or affect the whole communal policy. For instance, coincidence of preferences of the majority of Eurozone members affected Greek salvation from insolvency during the economic crisis of 2008-2009. Or the increased military co-operation between NATO and the EU is the result of Russian engagement into Ukraine, which first of all causes concerns in the countries, neighboring Russia²³, like Finland, Baltic countries, Poland.

Second explanation for the varying degree of strength of the EU foreign policy is that foreign policy, which is implemented at the Union level, in the majority of cases is the result of political will of the 'coalition of the strongest'. In other words, Germany and France acting together will have more influence on the finalized foreign policy position than other states. An example that may be given here is the situation around gas supplies. CEE countries, who do not border Russia, like Austria, Slovakia, Czech Republic and Hungary are more concerned about their energy security, as civil war in Ukraine and worsening Ukrainian-Russian relationships resulted in the EU decision to eliminate South Stream project. They do not possess enough capabilities to overturn this decision, thus they started searching for the non-communal alternatives to get Russian gas. Thus, Hungary expressed the will to join the new project –

²² Speech by Federal Chancellor Dr Angela Merkel at the University of Helsinki on "European Security and the Conflict in Ukraine", published on March 30 http://www.bundesregierung.de/Content/EN/Reden/2015/2015-03-30-merkel-helsinki_en.html

²³ Scared By Russia, Sweden And Finland Make War Pact, Published in February 2015
<http://www.ibtimes.com/scared-russia-sweden-finland-make-war-pact-1821906>

Turkish Stream – which might be considered as an individual alternative to meet the needs of the country.

At the same time there is also an option that Member States' coalitions with competing interests will have more or less equal overall capabilities, and thus their influence on the final policy is dispersed. The relationships with the United States is a good example here, as their European allies like UK and Poland support closer co-operation with the States, including Transatlantic Trade and Investment Partnership (TTIP) and security dialogue. Moravcsik in addressing the role of coalitions and foreign policy success identifies three types of factors influencing the positions of Member States: unilateral alternative and probability not to end up with agreement; alternative coalition and the threat of exclusion; the possibility of reaching a compromise²⁴. The first case envisages that non-participation of the member state will bring great benefits rather than reaching agreement with other parties. This situation significantly strengthens the position of the least interested party. Another option is to create alternative coalitions, when some of the Member States are involved in a specific project within the Union, and others remain outside the project. Often the threat of non-participation becomes a potential incentive for the outsiders to cooperate. When the parties have asymmetric interests in different areas, there is an opportunity for the exchange of interest, and this makes a compromise possible. The difficulty for the states in this situation is to overcome possible domestic pressure as winners and losers will be in all Member States. As an example of such a bargain, Moravcsik refers to the admission of German industrial products to the French market and introduction of the French agricultural goods to the German market.

One of the most important principles in negotiations within the EU is often a lowest common denominator principle, which allows to maximize the number of interests of Member States, which were taken into account. However, this principle reduces the probability of making maximalist transformation projects. The most important instrument of pressure on the supporters of a minimalist approach is the threat of 'exclusion from the decision-making process. If a Member State is interested in participating in an area where the transformation occurs which it seeks to avoid, the threat of non-participation may force it to make concessions. Nevertheless, the 'exemption' from this does not always work, and it is necessary to apply the

²⁴ Moravcsik A. Preferences and power in the European Community: a liberal intergovernmentalist approach. *Journal of Common Market Studies*. Vol. 31. № 4. Dec. 1993, p. 499.

mechanisms of 'flexible integration'. And in the process of negotiations small countries have to follow the policy of the leaders to while receiving certain benefits.

Some scholars also criticize the theory of liberal intergovernmentalism as neorealist one. However, it includes two significant differences from neorealism. First is that national preferences, revealed at the domestic level are not caused by the desire to ensure the security of the state; secondly, the result of intergovernmental negotiations is determined by the power of persuasion and presence/absence of leverage aimed at individual states, not the military force of any of the participants in the negotiations. According to Moravcsik, such cornerstone issues as the adoption of the Maastricht Treaty, which is a typical example of intergovernmental negotiations, was not a reflection of supranational institutions, business groups or effect, resulting from the previous integration, but rather a gradual process of convergence of national interests of the largest Member States. Supranational institutions serve to the Member States in the negotiations by providing information about the interests of each other and how to achieve a consensus, but in any case there is no transfer of powers or loyalty to the new center of power as neofunctionalists assumed.

Alternative explanation can be provided within the theory of neoclassical realism. Neoclassical realism distinguishes three main components of the paradigm: the independent variable (which is represented by the international system and its structure), intervening variables (internal factors) and the dependent variable (foreign policy). The research area of the majority neoclassical realists is the study of the influence of determining variable on the independent and the process of definition of the dependent one. However, in extrapolating this theoretical paradigm to the realms of the EU foreign policy, the dependent variable would be EU common foreign policy, the independent variable - systemic forces, and for the intervening variable it is possible to take into account such factors as states' preferences, identity issues, leadership's perceptions, or taking the context of the article Ukrainian crisis and Russian foreign policy behavior.²⁵

One of the key issues here is the European Union, which by its nature is a collective actor, embodying by now 28 states. Neoclassical realism gives its highest priority to the systemic factors influence, as a follower of the structural(neo) realism. Though, it also takes

²⁵ Rebecca Pedi, *Neoclassical Realism in European Politics: Bringing Power Back in* by Asle Toje and Barbara Kunz (eds). Manchester: Manchester University Press, 2012. 272pp., £65.00, ISBN 9780719083525
http://onlinelibrary.wiley.com/doi/10.1111/1478-9302.12053_30/full

into account the factor of perceptions (by state leaders and elites), what makes the situation with the EU much more complex, as there are 28 possible interpretations of the impulses of international system, which can result in different policies. However, the NCR allows overcoming this limitation, if we consider Member States' priorities and interests in foreign policy as intervening variables at the 'domestic level'. Having a look from this perspective and taking as a dependent variable EU common foreign policy, may allow to assess general degree of convergence/divergence between the members. The problem in here is that there are other intervening variables, which might have stronger or weaker influence of the EU foreign policy implementation. Amongst such factors one can distinguish elites influence, historical legacy and path dependence, ideological constructions and values, identity issues, supranational bodies in case of the EU. In order to simplify the model and to make it more relevant to the context, I would consider varying perceptions, Russian foreign policy and tensions in the energy area as intervening factors for the analysis of EU common foreign policy.

Research design and case selection justification

In order to assess the EU foreign policy I would like to establish the criteria for the analysis of the co-operation between Member States. For this I am referring to the methodology of the European Foreign Policy Scorecard²⁶. ECFR experts in their study assess the success/failure of the European foreign policy in relationships toward six key issue areas, which are Russia, the USA, Wider Europe, Middle East and Northern Africa, Asia and China, Multilateral issues. They use three criteria to for the assessment of EU foreign policy activities: "unity" ("Were Europeans united?"), "resources" ("Did they try hard?"), and "outcome" ("Did they get what they wanted?").²⁷ They use five-level scale for the first two criteria and ten-scale for the assessment of the success or failure as an outcome. Then they convert points out of 20 into the alphabetic grade and describe the result.

For my research I will borrow the criteria of unity and resources and modify the last one: instead of result to objectives assessment I will take the intensity of action. Under 'unity' I will understand exactly the same as in the ECFR research, namely the degree of unity between European Member States. Under the 'resources' I will understand, whether they have used substantial amount of their capabilities for certain foreign policy issue. Finally, under the 'intensity of action' I will understand the way, how often EU MS addressed the problem in

²⁶ECFR Methodology on the EU FP Scorecard http://www.ecfr.eu/page/-/ECFR29_2010_SCORECARD_METHODOLOGY.pdf

²⁷ Ibid, p.136

question by undertaking a specific action. The scales for the criteria will be the following: unity (strong, partial, lack); resources (substantial/some/small); intensity of actions (high, normal, low).

EU Foreign Policy/Criterion	Lack of policy	Weak policy	Strong-ish/cohesive policy
Unity	lack/partial	lack/partial/strong	partial/strong
Resources	small/some/substantial	small/some/substantial	some/substantial
Intensity of actions	low/normal	normal/high	normal/high

To complete this task will use process-tracing, comparative, historical and scenario-building methods.

In order to address mentioned in the introduction questions I would study three cases, within three different policy areas, comparing the EU responses on the grounds of established scales. These cases are the EU reactions on the Second Chechen War (1999-2000), 'gas wars' between Russia and Ukraine in 2005-2006/2008-2009 and current Ukrainian conflict. All of them are connected to Russia, as one of the main EU partners. At the same time, they represent different time periods, meaning different level of EU development: post-Maastricht, before the Lisbon with one of the largest expansions and after Lisbon Treaty. What is also important here, all the three cases represent different policy areas: Chechnya should be referred to the human rights area, gas conflicts to the energy security and economic development and Ukrainian events to the area of security, neighborhood and political co-operation. In EU-Russia dialogue all the three areas play an important role today as well. First of all, Russia is the main gas supplier for Europe, but the EU wants to make it dependence on the Russian gas less strong. Second, CIS region have always been a priority region for Russia, but the EU wants to have equal states of relationships with the other countries on post-soviet space, thus programs like Eastern Partnership and Eurasian Union make the clashes of interests possible. Finally, human rights issues are always a point of the concern for the EU, as it considers Russia to be not fully democratic, especially in the areas like minority rights, gay rights, political freedom (and recent Russian laws like 'Foreign agents' law proves it).

One more important feature that makes these cases not only comparable between themselves, but also different from others, is that the EU was facing each of the situations for the first time. Gas conflicts of 2005-2006 for the first time demonstrated that Russia may be not a reliable supplier of the resources. Ukrainian conflict has demonstrated that Russia may be aggressive and threaten the European security. With the Chechnya it is not so evident, as there already was first Chechen war. However, it might be that EU was first really thinking about sanctioning Russia via blocking the IMF credit line, as well as stoppage of humanitarian aid.

Chapter 2. The case of Second Chechen war (1999-2000)

First of all, there is a need to point out that Second Chechen war is considered to last until 2007 or 2009 according to different sources. In fact that was a counter-terrorist campaign, held by Russian army in one of its regions with armed separatists. It started in September 1999 after the invasion of armed Islamists in Chechnya. In the same month Russian regular army was introduced into the region. The active phase of the operation was held in 1999-2000.

After that, in September 1999, European Parliament In September, took a rather balanced resolution condemning the military action in Chechnya, as well as all acts of terrorism and violence against persons of any nationality, and called for the Russian government to begin political negotiations. However, in October-November, the European Parliament's position became more rigid: it has postponed consideration of an agreement on scientific and technological cooperation with Russia, and urged to freeze TACIS program. For example in the Resolution, adopted by the European Parliament on the 8 October 1999, was a sharp condemnation of primarily Russian military intervention in Chechnya. It should be noted that the Commission and the Council took in this period more flexible position. The situation in Chechnya was the main topic of the meeting of the EU Troika (Foreign Ministers of Finland and Portugal and a member of the Commission K.Petten) with Russian Foreign Minister Igor Ivanov.

The position formulated by the European Union included several provisions²⁸:

- It was unconditionally recognized Russia's right to protect its territorial integrity and the fight against all forms of terrorism
- Russian authorities were condemned for the elected method of solving the Chechen problem – excessive, disproportionate and indiscriminate use of military force and bombings, which led to heavy casualties among the civilian population and the mass exodus (more than 200 thousand people) from the area of hostilities. Russia was condemned as a violator of international humanitarian law
- The Russian government was called for the immediate cessation of hostilities, and start of negotiations with elected Chechen leaders to find a political solution,

²⁸ Resolution on the situation in Chechnya, 15th November 1999
<http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+MOTION+B5-1999-0260+0+DOC+XML+V0//EN>

which would stabilize the situation in Chechnya and the North Caucasus as a whole, while maintaining the territorial integrity of the Russian Federation

- The most important task of the Russian government should be to develop and implement a program of economic recovery and governance, provision of solutions to social problems and the normalization of life in Chechnya
- It is necessary to organize emergency humanitarian aid, which should be comparable to the number of refugees. At the same time, Russian authorities must ensure the unhindered delivery of international humanitarian aid to the suffered people under the supervision of representatives of the OSCE. From its part, the EU is ready to participate in such assistance
- The Russian government must demonstrate to the international community maximum transparency in determining its objectives in Chechnya and in coverage of the situation in the region.

After that, in December 1999, European Council prepared the so-called Helsinki Declaration on Chechnya, and threatened Russia to stop IMF credit line and to introduce economic sanctions against Russia. However, this scenario was not turned into the reality, European Commission refused to do it despite the European Parliament appeals. It would be wrong to assume that EU was only doing statements. The EU provided sufficient humanitarian aid, which counted more 239 million euros for the period of 1999 and 2007.²⁹ Nevertheless, it is a fact that EU was not undertaking decisive steps in connection to the situation in Chechnya. One of the most solid reasons for that was the integration level of the Union. In those times, EU did not feel strong enough in political sense, and this explains the conclusion of the Amsterdam Treaty in 1997, which modified Common Foreign and Security Policy Pillar and introduced particular steps to realize the idea of military co-operation between Member States. Although, a few other innovations were made in the area of political co-operation, there were not still enough tools at the level of the European Union.

Alongside with this, there was another important reason, which prevented the EU from taking actions: the focus of the Union was on the secession of Yugoslavia, as the majority of EU-15 was a part of NATO as well. Moreover, situation in Yugoslavia also demonstrated that Russia is ready to react on the possible military activities, related to it. Thus, political environment did

²⁹ Humanitarian Aid for the Victims of the Chechen war
http://ec.europa.eu/echo/files/aid/countries/factsheets/chechnya_en.pdf

not create for EU the possibilities for intensive actions in regards to the situation in Chechnya. That is why the only strategy, which the EU was able to pursue, was to intensify the pressure on Russia, in parallel trying to engage international community (like the UN).

In the first half of the 2000 there were two main sets of meetings: The EU Council on General Affairs, which took place in January and February, and the Member States' Summit in March. In all of the above-mentioned meetings Chechnya was one of the most crucial points of the agenda. Moreover, due to the absence of progress in dialogue on the Chechnya, as well as absence of improvements with the humanitarian affairs, the EU Council on General Affairs produced a number of recommendations to limit co-operation of Russia like freezing of already prepared for the signing Agreement on scientific and technical cooperation and reorientation of the TACIS program for Russia for 2000 exclusively for projects directly contributing to the strengthening of democratic values. However, after the ministerial meeting between French Foreign Minister, European Commissioner Petten and Russian Foreign Minister Igor Ivanov in March 2000, prior to the Summit, Russia accepted to allow the presence of international organizations and establishment of monitoring in Chechnya (primarily for the purpose of an objective investigation of human rights violations). Besides, there was established the post of special representative of Russian President for Human Rights in Chechnya, which also received a position reaction in European Parliament.

However, after these actions, starting from the June 2000, Chechnya's role in EU foreign policy agenda had little place in the discussions during both internal EU meetings and summits with Russia. Member States called for the political dialogue and end of hostilities, but even ongoing military operation did not prevent the EU to sign with Russia the Agreement on co-operation in the areas of science and technologies, which was postponed before. Despite the fact that Member States expressed their will and concerns through the European Union institution, it is quite clear that there was no real unity over the issue. Almost all of the initiatives were expressed in the forms of declarations and involved other international players, though as it was mentioned before the EU was still providing humanitarian assistance. The only real restrictive measure, which gave some leverage in the relationships with Russia, was then abolished. Thus, Chechnya had only symbolic meaning for the EU, as it aimed mainly at the engagement of Russia into regional 'rules of the game', and even cursory comparison with the EU engagement into the situation in the Balkans proves that.

Summing up, the unity of the European Member States in this policy area was only formal or partial, because of the underlying symbolic importance of Chechnya. At the same time, when Russia demonstrated its kind of willingness to accept some of the EU claims in the area of human rights, the rhetoric around Chechnya calmed down. The resources, which were spent, were not substantial. The resources should have included not only financial aid, but also manpower for example, but the European Union tried to engage UN and OSCE for the observation missions in Chechnya. Finally, the majority of actions undertaken had no real impact on the situation in the region, as the EU was not active enough to make Russia stop military operation. Russian government undertook some minor actions, but continued to implement the strategy of terrorist elimination. On the grounds of aforementioned we can conclude that there was no cohesion (lack of policy) in the EU policy towards Chechnya. There are two sets of reasons for this: the first of them was already mentioned and refers to the lack of foreign policy tools that allowed transmitting Member States' preferences on the communal level. Besides, its political weight was smaller, as there were fewer members. The other set of reasons is the consequence of the first one and refers to the political environment in the EU in the sense that it was regarded by Member States as an economic bloc, not yet a ground for the strengthening of international position, as the tools for that were underdeveloped.

Chapter 3. The case of Ukraine-Russia gas conflicts (2005-2006, 2008-2009)

In December 2005 Ukraine and Russia were to agree on new conditions of the transit of the Russian gas through the territory Ukraine to the European countries. Ukraine wanted to increase transit price, but Russian state-owned company Gazprom made an offer taking into account this increase as a higher price for the Ukrainian consumers. That resulted in a three-day crisis in January 2006, when the gas supplies were to transport to Europe, as Gazprom observed leaks in the transit pipelines made by Ukraine. This fact by itself undermined reliability of Russia as a supplier. Moreover, it led to the publication of Green Paper on Energy in March 2006, compiled by the European Commission, and at the same launched a discussion on the development of common EU energy policy. In March 2007, the European Council approved the program of the EU actions in the field of energy, including the following major steps:

- To increase the share of inexhaustible energy sources at EU level to 20% by 2020 (mandatory goal)
- To increase the proportion of usage of biofuels at EU level to 10% by 2020 (mandatory goal)
- To achieve by 2020 20% energy savings compared with current estimates
- To reduce emissions of gases that cause the greenhouse effect in the EU by 30% by 2020 provided that other developed countries will try to do the same
- Unilateral commitments to reduce emissions of gases that cause the greenhouse effect in the EU by 20% by 2020, regardless of the activities of other countries.

It should be noted here that all these initiatives were announced by the EU institutions and there was no much response at the Member States' level. Possible reasons for that may include the existing interdependence in gas transmission networks, willingness of the Commission to get more weight and solidarity between member states over the necessity to improve EU energy security.

Second gas crisis occurred in the January 2009 as a consequence of new price offers, made by Gazprom, on gas supplies in 2009. Russian gas supplies to Europe were halted on 7 January 2009, when Gazprom has suspended fuel supplies to the export pipeline system. On the 13 of January gas supplies were resumed, but Ukraine refused to provide its transportation,

referring to technical difficulties. Gas transit was restored on 20 January 2009 after Naftogaz and Gazprom signed a new contract. This conflict ended up with a sharp rise in the gas prices for Ukraine, complete elimination of Turkmen gas supplies to Ukraine and the monopolization by Gazprom of natural gas supplies to the country.

The political implications of the crisis demonstrated diverging reaction of EU Member States on the energy security issues. As a result of the break in supplies many countries in Eastern Europe found themselves on the verge of the energy crisis, in particular, Slovakia and Bulgaria. Some politicians from EU countries more or less explicitly blamed Ukraine for the failure of supplies, including the leaders of Italy, Romania and Czech Republic. This point of view was shared by most representatives of the gas companies, and the Hungarian Emfesz even filed a lawsuit against the Ukrainian Naftogaz. Presidents of Lithuania and Poland accused Russia in an intention to impose political pressure on Ukraine. Traditional Russian partners also stuck to the position of the majority of EU countries: both Russia and Ukraine should be blamed for the breakage in the supplies.

As for the possible solutions to prevent such situations in the future different Member States have chosen different strategies. Poland planned to build one or two nuclear power stations by 2020. Now Poland does not have its nuclear power plants and this makes the country even more dependent on gas supplies. In addition to that, Poland wanted to build up in the near future a new port for receiving liquefied gas tankers. Similar measures would be implemented by Croatia, which planned to build two gas storages in addition to the already existing. In its turn, Romanian government expressed its belief that the EU should develop a common position on energy security. In particular, the country drew its attention to the Nabucco project, a gas pipeline that will run from the Caspian countries to Europe, bypassing Russia. In Slovakia calculated that local industry lost during the each day gas crisis a hundred million euros. In this regard, Slovakia was considering an opportunity to sue Ukraine and Russia on behalf of the European Union.

This variety in the positions and approaches can be explained by existing economic and energetic interdependence (gas pipelines system) between the Member States. First of all, they want to secure at the national level energy supplies, while understanding that gas supplies from Russia makes them bound even more. At the same time, there is a shared understanding that the demand for the energy within the Union will grow due to the largest EU expansion of 2004-

2007. As a consequence, in accordance with Moravcsik, to satisfy their needs they would have to either undertake unilateral actions (and there were not so much options for that) or try to find acceptable for every member solution. It is also important to note here that during the period of the conflict the Lisbon Treaty was not still in action, thus the coordination at the energy area was more limited. This also accounts for the acceptance by some of the Member States to eliminate the mediator, Ukraine, in the energy supplies through the creation of North and South Streams. However, all EU members understood that the creation of these pipelines would not exempt themselves from the dependence on Gazprom, who already used the gas supplies as a foreign policy tool in situation with Ukraine. That is why, in August 2009 was published so-called Third Energy Internal Market Package.

Third Energy Package consists of three Regulations (over gas transmission networks, network for cross-border exchange of electricity and establishment of Agency for the Cooperation of Energy Regulators) and two Directives (on internal market in electricity and gas)³⁰. The summary of their main provisions include³¹:

- strengthening the independent status of national regulators;
- significant enhancement of the role of national energy regulators, expanding the range of their responsibilities, tasks and powers;
- the obligation of operators the national transportation system to provide a ten-year network development plan to regulatory authorities every two years;
- increased cooperation, including across regions, of national energy regulators and harmonization of their powers;
- the establishment of a supranational regulatory body, Agency for the Cooperation of Energy Regulators, with powers to take binding decisions and impose sanctions in certain cases;
- setting the task for the European Commission to adopt legally binding network codes (e.g. procedures in emergency situations), based on the Agency's non-legally binding guidelines;
- establishment of European network of system operators transporting electricity and gas that should comply with the network codes.

³⁰ Questions and Answers on the third legislative package for an internal EU gas and electricity market http://europa.eu/rapid/press-release_MEMO-11-125_en.htm?locale=en

³¹ Official Journal of the European Union, L 211, 14 August 2009 <http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=OJ:L:2009:211:TOC>

The most interesting thing in this sets of decisions is that it can serve as an example of compromise between Member States, who still have a sufficient amount of powers at the national level, but the co-ordination is done at the supranational by established for this purpose institution. This compromise is the result of the assessment of the economic gains, which they would receive in future by establishing close cooperation with each other. Thus, Third Energy Package accounted for the existence of certain degree of unity, partial unity, in the response to the gas crises. The allocation of the resources was very significant and substantial for the future purposes. This included not only expenditure on energy efficiency, but also investment projects like help for the SMEs and development Trans-European networks' programme with the budget up to EUR 2.365 million.³²

The intensity of actions was not very high due to obvious reasons: the EU could not change the character of relationships with Gazprom on the spot due to contractual obligations and absence of instant alternative. However, it should be noted that since first gas crisis the problem of the diversification of supplies, or even more general energy security, was always discussed in practical terms during summits and etc. Thus, this case is an example of weak EU foreign policy, because it initially was designed as a compromised response. The result of this compromise is partial delegation of competencies in the area of energy security to the supranational level.

³² EU Budget 2009 Financial Report, p.19

http://ec.europa.eu/budget/library/biblio/publications/2009/fin_report/fin_report_09_en.pdf

Chapter 4. The comparison of Georgian (2008) and Ukrainian conflicts (2014-ongoing)

Ukrainian conflict in a number of features is very similar to what was going in Georgia in 2008. First of all this is reflected in Russia involvement into the conflict on the post-Soviet space. Both of the conflicts started from then domestic policies of Georgia and Ukraine, which Russia found to be hostile to the local population, especially Russian-speaking population. At the same time, both conflicts are related to the territorial issues (former autonomous regions of Georgia and so-called 'DNR' & 'LNR'). The principal difference is that the EU representative, Heidi Tagliavini, prepared the report, where Georgia is admitted to be the aggressor in the 2008 conflict³³.

In August of 2008 as a result of five days of intensive hostilities, Russian troops ousted Georgian troops completely from the territory of South Ossetia and Abkhazia, and then Moscow has recognized the independence of these two entities. End of the conflict was made possible due to the mediation mission in France, which was presiding over the European Council. France, represented by Nicolas Sarkozy, has proposed a plan to get out of the crisis that was based on three elements: immediate cessation of hostilities, full respect for the sovereignty and territorial integrity of Georgia and restoring the status quo before the hostilities. This initiative resulted in the Agreement, signed both by Russia and Georgia, including following aspects³⁴:

- the non-use of force
- the definitive cessation of hostilities
- free access for humanitarian aid
- the withdrawal of the Georgian military forces to their usual bases
- the withdrawal of Russian military forces to the lines they held before hostilities broke out. While waiting for an international body, the Russian peacekeeping forces will implement additional security measures
- the opening of international discussions on the modalities of security and stability in Abkhazia and South Ossetia.

The EU Member States declared its readiness to fully contribute to the resolution of the conflict, i.e. to send additional observers to the region and humanitarian aid.

³³ Independent International Fact-Finding Mission on the Conflict in Georgia
http://news.bbc.co.uk/2/shared/bsp/hi/pdfs/30_09_09_iiffmgc_report.pdf

³⁴ French Embassy in the United States web-site <http://www.ambafrance-us.org/spip.php?article1101>

However, at the individual level the spread of opinion in European Union was substantial. On the one side of the pole are the Baltic countries and the UK, who were not checking the facts, but supported Georgia and declared that Russia's actions would affect its relations with the European Union, meaning the negotiations over new Partnership Agreement. Complex situation was in Poland, where took place a conflict between Head of Government D.Tusk and President L.Kaczynski. The position of the former was more or less balanced, however President unconditionally supported Saakashvili. Czech Republic was under the impression that Russia is restoring its influence over the country from post-Soviet space.³⁵ Relatively critical against Georgia were France, Italy, Slovakia, the Republic of Crete, Greece, and to a smaller extent Germany, who were trying to get into the conflict details. Finnish Foreign Minister Stubb was trying to convince conflicting parties to stop hostilities and sent his Special Envoy to Georgia.³⁶

This variation in the positions of Member States toward Georgian conflict cannot be fully explained in the terms of liberal intergovernmentalism. The EU had not any special or vested interest in Georgia, despite the fact it was a member of the European Neighborhood Policy. In theory EU members might have plans for the South Caucasus Pipeline (SCP), but the Nabucco project started much earlier than the SCP was officially launched in 2002. Thus, Georgia was an outlier for the absolute majority of the states' preferences. The reason for such diversity in the countries' responses may be provided by alternative theory: the perception of Russia as a strong power played its role. In other words, the majority of international community thought that Russia is defending its national interests in its 'zone of influence' by punishing Georgia for its rapprochement with the West. However, in a number of countries with traditionally strong anti-Russian rhetoric, like Baltic States or Poland, the expression of support to Georgia might have served as a tool to fight with inner opposition in the country and gain electorate approval.

In the light of lack of unity, some of the EU Member states were quite active in making a response to the Georgian conflict: France acted as mediator, Poland and Baltic countries visited Saakashvili in Georgia, the UK prevented the UN Security Council from the resolution,

³⁵ Tomas Valasek, WHAT DOES THE WAR IN GEORGIA MEAN FOR EU FOREIGN POLICY?, Centre for European Reform
http://www.cer.org.uk/sites/default/files/publications/attachments/pdf/2011/briefing_georgia_15aug08_tv-1136.pdf

³⁶ Foreign Minister Stubb continues diplomatic efforts warranted by the situation in Georgia
<http://www.formin.fi/Public/default.aspx?contentid=134713&nodeid=15145&culture=en-US>

condemning Georgia's policy, and some countries were active in termination of the Russia-NATO Summit. Moreover, all of these activist member states spent some reasonable amount of resources, taking into account their bargaining power, establishment of observers' mission and humanitarian aid provision. Thus, we can conclude that EU response to Georgian crisis of 2008 was a kind of weak foreign policy.

The Ukrainian crisis began in February 2014, when civilians were killed during the demonstration in support of the Association Agreement with the EU. In November 2013, when former President Yanukovitch denied to sign up the Agreement, first rally took place on the Maidan Square in Kiev. In March EU alongside with the U.S. establishes a ban-list of people, engaged into Crimean breakaway, and freezes assets of certain entities. Then Russia joins Crimea after allegedly fair referendum, and the EU condemns this action and extends list of individual sanctions. In April hostilities in Eastern Ukraine begin, and EU Members States tend to think that Russian military presents there. After that the EU expanded the lists for several times for the period of April, and right now they enumerate 151 persons and 37 entities.³⁷ The EU shows its consistency in the further steps as well, which allows us to divide EU sanction into three times periods.

EU responds to every spiral of tension in the Ukrainian conflict with a new list of restrictive measures. Thus, sanctions before the MH17 Boeing catastrophe may be regarded as an initial period of sanction policy. The next period, which I will name 'sanctions deployment', embodies the timeframe between end of July 2014, when the EU has imposed economic restrictions on the dual-use products, a number of state-owned companies in Russia like oil exporter "Rosneft", military producers ("Almaz-Antei" and others) and a number of large banks, including "Vnesheconombank" and "Gazprombank", and ends up on the 19th of January 2015, because the EU Member States left sanctions unchanged. One important thing to mention here is that EU amended its sanction policy several times within this time period. It should be noted that it expanded sanctions in September, when it turned out that signed Minsk protocol, which should have brought cessation of hostilities, has not contributed to the improvement of situation in the Eastern Ukraine. It is also indicative that in November, EU Member States were reviewing their sanction policy toward Russia, and as a result decided to expand restraints, as Russia recognized elections in Donetsk and Lugansk.

³⁷EU sanctions against Russia over Ukraine crisis http://europa.eu/newsroom/highlights/special-coverage/eu_sanctions/index_en.htm

In January 2015 was published an article by the researcher at Center for European Policy Studies (CEPS), Tatia Dolidze, who in her paper addresses the EU-Russia relationships from the perspective of sanctions policy.³⁸ Dolidze uses SWOT analysis in order to assess EU performance within sanction policy area in relation to Russia. In the article she affirms that the main strength of the present set of sanctions consists in their multi-dimensional character, which results into stronger positioning of the EU as sheriff, protecting pedestrians (countries who signed DCFTA agreements).

Also the author discusses economic prospects of Russia, touching upon the issues of EU-Russia relationship in WTO and a prospect to cut of Russia from SWIFT. Although Dolidze admits that sanctions are not just “the economic might to exert political pressure”, her economy-based explanation does not fully account for Russian persistence and gradual character of the European Union sanctions. Her reasoning for that appears to be the purpose of the sanctions, namely the change of the Russian foreign policy behavior (and not a punishment). I cannot fully disagree with the author here, however, how she would explain the fact that major decisions in EU sanctions policy were a response to certain Russian directly or indirectly aggressive foreign policy action? This was both in the situation with Crimea breakaway and Boeing crash, for example. Theory would supply us with an answer for both of the challenges: Liberal intergovernmentalism is based on the idea of economic interdependence at the regional level, thus it is not feasible for the EU to ruin Russian economy. The explanation for the other question is derived from the alternative theory (neoclassic realism): Russia might be considered by the EU as intervening variable into the EU-Ukraine relationships, and thus it does not provoke Russia for action, but has to react in order to compensate certain policy outcomes.

As for the weaknesses of sanctions policy Dolidze mentions “lack of unity within the EU over their usefulness”³⁹ and as a result of this is the half-way of the Candidate Members, balancing between Russia and the Union. She analyzes statements by different EU Member States high-level politicians and concludes that different vulnerability levels hinder coordination at the community level. I might have expressed my consent with this argument, if the author did not refer to the utility concept. It is evident here that in order to disprove the argument one just needs to look on the current situation with EU sanctions: they are still in action, thus they

³⁸ Dolidze T., EU Sanctions Policy towards Russia: The Sanctioner-Sanctionee’s Game of Thrones No. 402/ January 2015, ISBN 978-94-6138-442-3, CEPS 2015, p. 5

³⁹ Ibid, p.7

bring certain use and there is a solid degree of unity (not absolute, but substantial). As for the situation with Candidate countries and other indirectly involved players, I agree that tension in the relationship with one of major partners in the region can create problems and make them choose, whom to support, as the situation in Ukraine proved that it is impossible to be select a middle-way forever. One more point of weakness, which is totally right, is that non-EU members can occupy niches on the Russian market, meanwhile the EU experience difficulties.

In the opportunities section, the researcher notes that existing co-operation between the U.S. and the EU (on the grounds of sanctions policy) may result in the enhanced co-operation on EU Common Defense and Security Policy. At the same time, European Union and NATO may establish closer relationships in the Euro-Atlantic security co-operation. She also notes that freezing in economic ties with Russia may provide more opportunities on other markets, especially Asian one. The same, according to her applies to the situation in the energy security area. I think that the last point was not properly studied, as EU is still profoundly dependent on the Russian commodities and the process of overcoming this dependence is not fast.

Among possible threats, the author lists the situation in energy security, which is really not good news for the Member States. But at the same time, Russia also needs the EU to recover from the sanctions, to modify its economy and etc. Another possible threat is the imperial ambitions of Russia in the region: then, it may occur that sanctions will be not enough to stop Russia. Such scenario exists, because with the Ukrainian conflict the predictability of the outcomes obviously decreased. In my view, though, more 'nasty' threat is the possibility of one more protracted conflict nearby the EU borders. From the one point of view, that menaces any security architecture, which will be developed by the EU. On the other hand, it may create negative externalities, which would threaten to ruin EU advantages like free movement of people and others.

The intensification of hostilities in the beginning of 2015 made EU leaders Angela Merkel and François Hollande to visit both Kiev and Moscow to undertake another attempt for the de-escalation of the conflict. The Normandy format meeting, which aside from Holland and Merkel includes Presidents of Ukraine and Russia, Petro Poroshenko and Vladimir Putin respectively, was held in Minsk again in February. The outcome of the meeting was so-called "Minsk-2" Declaration, signed by self-proclaimed Donetsk People Republic (DNR), Luhansk People

Republic (LNR), and the Ukrainian Government representative, on the establishment of ceasefire. The main aim of this meeting to revitalize Minsk Protocol of 5th September 2014, however, was not achieved in practice, as hostilities were not terminated, despite the fact that a number of days has passed since the official entry into force of the above-mentioned arrangement. The following EU sanction policy, starting from March 2015, was linked to the success of fulfillment of Minsk Protocol provisions and embraces post-Minsk period from the middle of February till the present days.

This brief overview of the EU sanctions policy and SWOT analysis arguments were intended to highlight a number of aspects. First of all, each crucial stage in the introduction of new sanctions is grounded as a response to certain foreign policy behavior of the Russian state. Second important moment is that the seriousness of restrictive measures is increasing gradually, which means those are well-balanced decisions. Moreover, almost every statement or press release calls for the admission of territorial integrity of Ukraine and its sovereignty over this territory, recent G7 Summit serves as one of possible examples for that.⁴⁰ At the same time, EU managed to obtain solidarity over its position all across the world and that seems to reinforce the unity of the Member States. However, the main reason for this unity is the ultimate role of the shared respect to the security and sovereignty of other states. The existence of different types of policies at the communal level, including those which are exclusively regulated by supranational bodies, makes EU Member States respect the sovereignty of other states, because otherwise any state in the Union will feel vulnerable. This reasoning also proves that European Union has intergovernmental nature, and sharing such kind of attitude to the sovereignty makes every MS to feel secure in the organization. Simultaneously, absence of priority changes in spite of any development in Ukraine allows to undertake regular actions and react properly to the changing political environment. What is also important that the EU reactions are timely and in critical situation are spoken in the unified voice.

European Union response to the Ukrainian crisis is the demonstration of coherent foreign policy: high degree of unity between Member States is determined by the protection of the sovereign rights and territorial integrity of the Member States themselves, as they can really appreciate sovereignty. Russia cannot appreciate it because it has no relative constraints,

⁴⁰ G7 STATEMENT ON RUSSIA SANCTIONS <http://europeansanctions.com/2015/06/09/g7-statement-on-russia-sanctions/>

which are part of the EU institutional structure. Gradual and regularly renewed sanction policy allowed to create the vision of the constant presence of the European Union within the Ukrainian reality. The resources, which are mainly political bargaining and support that are being more efficient than enormous numbers. Although, we need to admit that the EU also provides necessary liquidity support to the Ukrainian government. Comparing the two cases, I should note that difference is only in the degree of unity criterion. However, as all other case studies show, it is the most important one. The weakness of EU crisis response in 2008 can be explained by different for the EU political environment (not on its borders), which also pre-determined varying perceptions of Russia, and that in its turn led to mostly individual or unilateral reactions of Member States.

Conclusion

Theoretical tools allow to the researcher to reflect on different paradoxes in the area of international affairs. I have picked up Liberal intergovernmentalism that focuses on the nation-states, in order to analyze, why the degree of cooperation between EU members was different, and sometimes they manage to compromise in order to speak in a unified voice and sometimes not. Liberal intergovernmentalism helped to reveal that there are competing sets of preferences within the EU, however in Ukrainian case there is one motive, which dominates all the others. And this motive or preference is shared or impartial sovereignty; however its vulnerability makes Member States united in order to protect and enjoy it further.

If we take into account not only unwillingness of the states to share their sovereignty, but also different sets of interests within the EU itself, reflecting groupings of countries, it becomes clear that one of the key problems is to decide, which sets of interests are more important. If we have a look on the implications of Ukrainian crisis, it is easy to note that Baltic countries are much more worried for their 'physical' security, however larger and more influential countries like France, Germany and UK are focused on neutralization of Russian pursue for the 'superpowerness', and little bit more outward from the conflict states, who are suffering from lack of energy sources, mainly Balkan countries and countries of the CEE, are more worried with the stability of the gas supplies. All those issues are intertwined and the EU, as a collectivity of states, cannot discuss its position efficiently towards all of the problems at the same time. First of all, as showed Chechnya case, there should be relevant foreign policy tools to establish close cooperation. Second, sometimes uniting into coalitions may be beneficial for all, at least to some extent, which is the idea of lowest common denominator. Nonetheless, sometimes one can see that the EU as Member States representative, implements foreign policy which is reflecting the converged interests of the most powerful countries, which is the elimination of the South Stream project.

In both Georgian and Ukrainian cases Russia is not acting in accordance with existing international norms and rule of law. Moreover, Russian involvement into the conflict in Ukraine by itself was considered as a hostile policy and influenced the perceptions of the elites of the MS of the EU. At the same time Russia's policy was considered both by European politicians and mass media as a threat to the European values, on which the EU was built. Finally, the EU-Russia relationship lost necessary transparency and predictability, which before allowed to compromise on minor issues of concern like gay rights or Russian trade barriers even as WTO

member. The commonality of the institutions, both formal and informal, historical legacy and economic prosperity created certain level of solidarity, which is expressed in shared understanding of political life. This in its turn, allowed the EU to unify its efforts despite diverging motives and points of view among MS on Ukraine and Russia, EU sanctions have been implemented and are still in force, which means that any rumored disagreement among the countries may be just a well-designed EU strategy to contain Russia's aggression and interests, meaning that there might be more influential factors that align those positions.

One more pressing issue for the EU agenda, somehow also connected to the situation in Ukraine, is energy security problem. Energy security is one of the crucial priorities for the EU as well as one of the top-points in EU-Russia dialogue. After the gas crisis of 2008-2009 and adoption of Third Energy Package, which implied such aspects as diversification of suppliers, unbinding of energy production and supply networks, higher competition on retail markets, the relationship between two actors were tensed in this area. The Ukrainian crisis sharpened this problem: EU still has not found an alternative to the Russian gas, and its substantial part is going through the Ukrainian pipelines. The case study demonstrated that in the situation with least common denominator, actors or Member States should be more active to have better policy.

European Union response to the Ukrainian crisis is obviously an example of more coherent and better foreign policy. This response is two-folded: it embodies restrictive measures, aimed to neutralize the influence of Russia on the conflict, and supporting measures for Ukraine, which play also an important role. The situation in Ukraine mobilized European countries in giving higher priority to the shared interests/preferences in the external relations. The development of integration processes as well as facing different challenges today result in more or less united front of EU Member States. On the one hand, this is an impact of globalization, which modified substantially political co-operation, and this is probably the reason, why there were no proper tools to react on the Chechnya crisis. On the other hand, scarcity of resources is becoming more and more important issue and it may become a barrier for the implementation of certain decisions. Simultaneously, historical memory and stereotypes prevent from moving forward and recognition of the evident facts, what affected among others EU Member States during the conflict in Georgia. Summing up, in order to provide effective crisis response EU Member States need to have a preference, which is not vulnerable to the changing political environment, and timely actions in order not to lose unity.

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