Russia: Instigator or Opportunist

By Jordan P. Weinberg

I. Russian foreign policy in Europe and Ukraine in the context of energy

In the eyes of the West, any thawing of relations with Russia in the wake of the global financial crisis is a distant memory. The last few years has proven Russian foreign policy aggressively anti-Western as Russia seeks to re-establish bipolarity through expansionism in both territorial gains and alliance formations. If recent events in Ukraine are cause for concern in the West, little has been done in way of halting Russia's advances. The EU has been successful in levying sanctions against Russia, yet Russia's high level of trade on the continent has made unanimity in the EU's decision-making processes an unattainable goal.

Still, economic sanctions have, "hurt the Russian economy, but they have had no discernible effect on Mr. Putin's military strategy". The success of economic sanctions aside, a noticeable thorn protrudes from the side of Europe- dependence on Russian energy. The EU imports over half of its energy supply (53%), and remains the greatest energy importer in the world. In turn, "six member states, including Bulgaria and Slovakia, are wholly dependent on Russia's Gazprom as its only supplier."

The West may stand diametrically opposed to Russia's recent foreign policy endeavors but energy dependence remains a trump card that Russia intends to pull- at least while it still can. The EU's quest to consolidate its energy consumption into a continent-wide single-market significantly hurts Russia's ability to use energy supply as leverage. If one nation can distribute its imported gas to other nations across the continent then Russia's economic benefits as a supplier are undermined. For example, Russia's decision to raise gas prices for Ukraine has resulted in Ukraine purchasing gas from reverse flows in Germany and France.⁵

¹ Weir, Fred. "Clinton Looks to 'reset' US-Russia Relations." The Christian Science Monitor. March 6, 2009.

² Grätz, Jonas. "Russia as a Challenger of the West." International Relations And Security Network. April 1, 2014.

³ "Too Smart by Half?" The Economist. September 6, 2014

⁴ Crisp, James. "EU Dependent on Russian Gas for 'foreseeable Future', Warns IEA." EurActiv. December 1, 2014.

⁵ "Business Daily - Ukraine PM Calls Russian Hike in Gas Prices 'absolutely Unacceptable'" France 24. April 11, 2014.

In weeks prior, Russia warned of cutting off gas to Kiev, with President Putin threatening to "stop [the] supply to Ukraine unless [Russia] receives advance payment." A thinly veiled threat to the fate of Europe's energy security underlined Putin's statements. Ukraine serves as an important thoroughfare for the EU's gas imports- some 50-60% of, "Russian natural gas exports to Europe transited Ukraine." But can Russia's intent to undermine European energy security by halting the flow of gas through Ukraine as a means to: 1) cripple the Ukrainian economy and 2) secure unmolested policymaking, really be achieved?

Energy security is a salient issue in Europe but since Russian Gazprom's last significant gas cut-off in 2009⁸, the energy landscape has changed. The Nord pipeline between Russia and Germany has relieved some of the burden from the Bratstvo and Soyuz pipelines in Ukraine- rendering Ukraine's position as a point of transit a small measure of magnitude less important. Still, in limiting Ukraine's role as a point of transit, Russia has the ability to control geopolitics in the country for the foreseeable future. However, doing so would require alternative means of supplying gas to Europe- at the same time as Europe seeks to diversify its suppliers.

Enter the Turkish Stream project which, "is aimed at delivering Russian gas to Central Europe" and, "threat[ens]... the Southern Gas Corridor, a key European diversification initiative." Name changes aside, a revival of the South Stream project is perhaps underway as Russia intends to retrace the route of its allies in Europe. In doing so, the Balkan Peninsula takes center stage.

The eastern Balkan nations maintain an importance to Russia as a valuable piece in its energy security chess match with the EU. Access to gas in the Black Sea is integral to the transit of gas to Central and Eastern Europe. In addition, Greece, Macedonia, and Serbia's existing pipeline as part of the South Stream's construction makes each nation vital to the Turkish Stream project in theory. Even if it does not come to fruition, "as long

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⁶ Davies Boren, Zachary. "Ukraine Crisis: Putin Will Cut Gas to Europe Unless Russia Is Paid by the End of the Week." The Independent. February 26, 2015.

⁷ "16% of Natural Gas Consumed in Europe Flows through Ukraine." U.S. Energy Information Administration - EIA - Independent Statistics and Analysis. March 14, 2014.

⁸ Kramer, Andrew. "Russia Cuts Off Gas Deliveries to Ukraine." The New York Times. January 1, 2009.

⁹ Jakóbik, Wojciech. "ThenRevival of South Stream on the Horizon." New Eastern Europe. February 27, 2015.

as there is a prospect the route will be built, it will hamper rival projects by creating uncertainty that will make it harder to attract investors to fund them." ¹⁰

The groundwork for Russia's interests in the Balkans as a site for future development of strategic allies in its wedge against Europe's expanding influence has been laid, but its' motives have not yet fully appeared. As explained in the bulk of this paper thus far, surface level intentions are clear; tangible economic benefits in the Balkans are potentially plentiful for Russia if proposed energy plans become fully realized-Russia stands a lot to gain.

I will further explore Russia's interests in the Balkans as a way of advancing its own foreign policy through its': 1) consolidating allegiances in energy security in both Hungary and Serbia, 2) establishing of closer relations with Syriza, 3) intended goals in pandering to shared Orthodox faith in Serbia, 4) support of right-wing politics in Serbia, and 5) its potential use of "regional hotspots" in Bosnia and Herzegovina (BiH) to shy EU attention away from Russia's policy toward Ukraine.

II. Russian energy alliances in Central and Southern Europe

A pro-Russian regional bloc in Central and Southern Europe serves greatly toward establishing Russia's counterhegemonic foreign policy. Russia has expanded friendly relations beyond the Balkan countries and has set its sights on deepening ties within Central Europe. Prime Minister of Hungary Viktor Orban's recent reception of President Putin was nothing short of admiration for the, "generous benefactor of the Hungarian state." ¹¹ Hungary, which already relies on Russia for approximately 80 percent of its natural gas, last year called upon Russia for assistance in upgrading its only nuclear power plant. In an agreed upon deal last January, Hungary stands to receive a, "EUR 10bln Russian state loan to finance 80 [percent] of [the] cost" of upgrades and will also receive the oversight of Russian nuclear power company Rosatom. ¹²

Hungary is not only a party to a deal that, "indebts [it] to Russia for the next 30 years," but it now stands as a major player in Russia's game of sowing divisiveness in Europe. Hungary is an influential member of the EU and a strategically important ally for

¹⁰ Than, Krisztina, and Khan, Michael. "New South Stream Will Be Russia's 'route of Friendship'" EurActiv. February 25, 2015

¹¹ Faiola, Anthony. "From Russia with Love: An Energy Deal for Hungary." Washington Post. February 16, 2015.

¹² Dunai, Marton, and Grove, Thomas. "UPDATE 2-Russia to Increase Hungary's Nuclear Power." Reuters. January 14, 2014.

¹³ Brouillette, Amy. "The Autocrat Inside the EU." Foreign Policy. August 21, 2014.

Russia. Not only has Hungary moved away from liberal democratic values 14 and expressed strong, congenial relations toward Russia but it has assisted in Russia's economic and energy strangulation of Ukraine- electing to halt gas deliveries to Ukraine, "further isolating Kiev just ahead of... talks between Russia, the European Union, and Ukraine on gas supplies..."¹⁵

A pro-Russian regional bloc is beginning to take form, unsurprisingly along the route of the old South Stream project. Hungary's discursive promises to Russia complicate the EU's predicament even further. Prime Minister Orban went on record advocating his support of the Turkish Stream pipeline and promoting his ability to help achieve the EU's consent. Hungary has played an important role in consolidating the Balkans inclusion to the Russian project, noting that, "Russia will support the pipeline's route option through Greece, Macedonia, Serbia and Hungary."16

Serbia is integral to the completion of the construction of the Turkish Stream; Prime Minister Orban has pushed for stronger efforts to be made to include Serbia's role as a point of transit between Turkey and Central Europe. ¹⁷ Equally important, a scientific conference titled, "Russian energy projects in the Balkans after South Stream" was held at the Belgrade Business School. This choice of location may indicate Russia's interests in securing Serbia's involvement in the Turkish Stream project. Indeed, Vice-President of the Democratic Party of Serbia, Milan Lapcevic, reiterated Serbia's support of the Turkish Stream and championed Serbia's cooperation in the project. 18

Sensing another possible battleground in the Russia-US energy policy standoff, the United States has already begun ramping up its energy profile in Bulgaria by, "sending an energy envoy to Sofia" and, "promoting an American company to build a nuclear power plant [in Bulgaria]."19 President Putin has expressed interest in including a Bulgarian offshoot to the Turkish Stream, but any credence to these claims remains pure speculation. Bulgaria relies heavily on Russia for its gas supply but has expressed interest in lessening its dependency, evident in its' (along with Romania's) support of Eastring- a

Simon, Zoltan. "Orban Says He Seeks to End Liberal Democracy in Hungary." Bloomberg.com. July 28, 2014.
Carney, Sean, and Feher, Margit. "Hungary Stops Delivering Gas to Ukraine." Wall Street Journal. September 26, 2014.

¹⁶ "Hungary to Help Russia Obtain EU Consent to Turkish Stream Gas Pipeline." Oil & Gas Eurasia, February 20, 2015.

¹⁷ "Hungarian PM: Gas Supplies Must Go via Serbia." B92. February 25, 2015.

¹⁸ "Milan Lapčević: "Turkish Stream Is Profitable for Serbia"" Vestnik Kavkaza. February 28, 2015. http://vestnikkavkaza.net/video/67092.html.

¹⁹ Snowiss, Mark. "Bulgaria Key Battleground in US-Russia Energy War." Voice of America. February 23, 2015.

project pushed forward by Slovakia's Eustream aimed at shipping gas from Slovakia to Bulgaria via Romania.

Building compliance is integral to Russia's goal of establishing an alternative energy transit route to Europe while at the same time cutting off transportation of gas through Ukraine. In addition, the construction of the Turkish Stream helps Russia to undermine gas alternatives from the Caspian Sea- for example, the US/EC-favored TANAP project from Azerbaijan. The discursive cooperation of Hungary and Serbia has been secured, and as Greece and newly elected Syriza warm up to Moscow, alliances amongst Russia and the Central/Southern European nations begin to strengthen.

III. Russian support in Greece

Euroskepticism in Greece- Russia smells the blood in the water. As mentioned previously Greece's involvement in transporting Russian gas to Central Europe via the Turkish Stream is vital- but it is not Europe's only cause for concern. The recent victory of radical left-wing party Syriza has left the EU with a bitter taste in its mouth. New Finance Minister, Yanis Varoufakis, has said that Greece's negotiating would not, "continue with the hated troika of officials representing foreign lenders," and Defense Minister, Panos Kammenos, added that, "Europe is governed by 'neo-Nazi Germans'".

Russia has courted Greece's alliance both militarily and economically. Prime Minister Tsipras and members of Syriza have gone on record voicing their opposition to both NATO and the EU, wanting to rid Greece of what they perceive to be antiquated Cold-War alliances. In addition, Greece has flirted with the potential of carrying out a, "'plan B' if a new bailout deal can't be negotiated with the rest of the eurozone." "Plan B", according to Defense Minister Kammenos, would result in securing funding from an additional number of sources- Russia being one.

Russia has also sought to increase diplomatic ties between the two countries. Defense Minister Kammenos left a meeting with the Russian ambassador to Greece, Andrey Maslov, reporting encouraging headway in the Greek-Russian military relationship. Kammenos made note on Greece's Ministry of Defense National Website

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Wearden, Graeme. "Greek PM Alexis Tsipras Unveils Cabinet of Mavericks and Visionaries." The Guardian. January 27, 2015.

²¹ Petrakis, Maria, and Courcoulas, Constantine. "Greece's Odd-Couple Only Agrees About Ending Austerity." Bloomberg.com. January 26, 2015.

²² Hurst, Luke. "'Grave' Repercussions If Greece Turns to Russia." Newsweek. February 10, 2015.

that, "an invitation by Russia's Minister of Defence to visit Moscow within the next period of time," had been extended his way. 23 Similarly, President Putin invited Prime Minister Tsipras to visit Moscow with talks centered partially around, "possible routes to send Russian natural gas through Greece into the rest of the European Union." 24

In Greece, Russia sees an opportunity to expand its influence within Europe- only in part due to Greece's ability to champion Russia's interests. For Russia, the victory of Syriza and the political posturing of Prime Minister Tsipras and Defense Minister Kammenos reflect a, "crumbling of the EU's united stance against Russia." On the backs of Euroskepticism and a shared Orthodox faith, Russia sows another seed in its quest to undermine anti-Russian solidarity within Europe.

IV. Orthodox faith: A Russian-Serbian connection

Patriarch of Moscow and All Russia Kirill's visit to Belgrade in November marked a public intensifying of the religious connection between Russia and Serbia. Patriarch Kirill's mission sought to reiterate the "brotherly" linkage between the Orthodox churches in Russia and in Serbia, but brought with it strong political overtones. He was outspoken in his support of Serbia's position vis a vis Kosovo, stating, "we support the people of Serbia in their understanding of the problem of Kosovo and its historical significance and the way such issues should be resolved politically."²⁶

Russia need not coerce Serbia when it can appeal to its spiritual and cultural bond- a significant step in drumming up public support. Patriarch Kirill and the Russian Orthodox Church (ROC) have been instrumental in assisting the Serbian Orthodox Church (SPC) and the Serbian populations in Kosovo and Metohija over the last few years. In 2012, Patriarch Kirill gave his blessing to help raise funds for monasteries in Kosovo and Metohija.²⁷ The following year, Patriarch Kirill again gave his blessing to raise funds for the Raska-Prizren diocese of the SPC. In addition, "[t]wo hundred thousand Euros were collected for the restoration of the Prizren Theological Seminary."²⁸

²³ Holodny, Elena. "Russia Is Looking to Make an Ally within Its Biggest Enemy." Business Insider Australia. February 4, 2015.

²⁴ Lynch, Dennis. "Putin Invites Greece's Tsipras To Russia Amid Ukraine, Economic Talks." International Business Times. February 5, 2015.

²⁵ Marson, James. "Deepening Ties Between Greece and Russia Sow Concerns in West." Wall Street Journal. February 13, 2015.

²⁶ "Patriarch Kirill Calls to Stop Violations of Rights, Liberties of Serbian Population of Kosovo." Interfax-Religion. November 17, 2014

²⁷ ""Ethnic Albanians Want to Expel Serbs from Kosovo"." B92. December 9, 2012.

²⁸ "Primate of Russian Church Meets with Patriarch Irinej of Serbia." The Russian Orthodox Church. July 17, 2013.

Last year, in the aftermath of the floods throughout Serbia, Patriarch Kirill and the ROC helped to raise 27 million rubles in aid for the SPC and victims of the floods. Patriarch Irenaeus of the SPC specifically sought out Patriarch Kirill to express his gratitude.²⁹

Russia is making an impassioned appeal to one of Serbia's most important civil institutions- the Church. Russia seeks to increase its profile in Serbia (and in Greece) through the promotion of religious unity as a natural connection between Serbia and Russia- in contrast to Serbia and the rest of Europe, which has, "actually abandoned their Christian identity." ³⁰

V. Russian political backing in Serbia

In a clear departure from the previous political backings of the former Soviet Union, which often supported secular, left-leaning political parties and social movements, Russia has thrown its weight behind right-wing organizations and political parties throughout Europe- whose political platforms often center around religious, nationalist, anti-EU, anti-Western, and jingoist rhetoric. Russia's political support within Serbia is no exception. A meeting last year between the opposition Democratic Party of Serbia (DSS) and Russia's ruling party, United Russia, echo these sentiments. Upon the conclusion of the meeting, Nenad Popovic, Vice President of the DSS, opined that, "Serbia should give up on the EU pathway and declare political neutrality," in order to keep intact the already strong political and economic relationship between Serbia and Russia.

The DSS, demonstrated in its drafting of the "Program for Serbia's Development from 2014 to 2019 – Economy of Political Neutrality"³², has been strongly critical of Serbia's adherence to Brussels' whims. Its' former leader (who left the party due to the party's abandonment of political neutrality), former Prime Minister of Serbia and Yugoslav President Vojislav Kostunica, has sought to label European integration as a counterintuitive measure to Serbian economic progress. Kostunica has cited Serbia's Stabilization and Association Agreement (SAA) as the main culprit in Serbia's economic

²⁹ "Patriarch Irenaeus of Serbia Thanks Patriarch Kirill for Aid to Victims of Flood in Balkans." The Russian Orthodox Church. July 29, 2014.

³⁰ "Patriarch Kirill Urges Europe to Return to Christian Values, Warns against 'rewriting History'" Russia Today. November 14, 2014.

³¹ "DSS, United Russia Officials Confer in Belgrade." B92. January 28, 2014.

^{32 &}quot;Choice between Euro-fanaticism and Serbia's Freedom - Kostunica." InSerbia News. February 10, 2014.

woes and has signaled that deeper ties with Europe will mark the loss of preservation of the vital free trade agreement with Russia.

Russia's support of the DSS makes diplomatic sense- the DSS has significant political clout in Serbia. Though not publically displayed, by transitive properties Russia's support of the DSS extends to Dveri through the DSS' and Dveri's political cooperation. The DSS and Dveri have recently formed a political bloc that, "advocates economic patriotism, intensified cooperation with Russia and defense of the Serbian Constitution." 33

Russia has played its hand expertly in supporting any whiff of EU dissent among the Serbian political ranks. Though not present in the Parliament or government since last year's election, the DSS garnered a noteworthy amount of public support and has extended itself toward similarly ideologically leaning parties like Dveri and the Serbian Radical Party (SRS). While the SRS has seen a decline of support in recent years, the schism in its' ranks that produced the Serbian Progressive Party (SNS) underscores the SRS' influence beyond merely its presence (rather, absence) in the government.

Despite the SNS' beginnings being predicated on founder Tomislav Nikolic's pro-Brussels and pro-SAA stance (the basis for his resignation from the SRS- which in turn ignited an exodus of MP's to SNS)³⁴ the SNS has fostered close relations with United Russia and participated in the signing of an official agreement of party cooperation in 2010.³⁵ Indeed, current Prime Minister Vucic, the leader and president of the SNS, has stressed the importance of balancing ties with both the EU and Russia.³⁶ Nevertheless, the existence (although subsequent failure) of organizations like the 1389 Movement, the once influential SRS, the DSS, and a plethora of other far-right groups³⁷ in last year's parliamentary elections signify that a growing opposition towards European integration and an intensifying of political and economic relations with Russia has a firm place among the different platforms in Serbian political discourse.

^{33 &}quot;"Patriotic Bloc" Set Up, Cooperation with SRS Not Ruled out." B92. November 18, 2014.

³⁴ "Serb Opposition Leader Quits Party Posts over SAA." SETimes.com. September 8, 2008.

³⁵ "United Russia, SNS Parties to Cooperate." B92. October 27, 2010.

³⁶ "PM: Good Relations with Russia, EU Remains Goal." B92. October 28, 2014.

³⁷ "Right-wing Movement to Run in Serbian Polls." Balkan Insight. February 26, 2014.

VI. Drawing attention from Ukraine

Russia abstained from a vote in the UN Security Council to extend the EU peacekeeping mission in BiH- the first such abstention in 14 years. It cited Brussels' increasingly authoritative influence as an imposition on BiH's decision making. ³⁸ EUFOR Althea, the above-mentioned peacekeeping mission that helps to oversee the implementation of the Dayton Agreement, has been tied to BiH's future prospects of Euro-Atlantic integration. In this logic, the proposal to extend the peacekeeping mission was rejected by Russia, which remains wary of the potential for BiH to move toward integration with the EU and NATO. Still, the deputy chairman of the Joint Commission for Defence and Security of the Parliamentary Assembly of Bosnia and Herzegovina, Sefik Dzaferovic, claims that, "EUFOR is still needed to maintain stability". ³⁹

The international community reiterated Dzaferovic's claims and the decision to extend the peacekeeping mission unanimously passed despite Russia's objections. The High Representative for Bosnia and Herzegovina, Valentin Inzko, made a point to call to the attention of the Council, BiH's rise in secessionist rhetoric. Representative Inzko noted that anti-state and secessionist rhetoric, "emanating from the current leadership of Republika Srpska... has intensified and worsened considerably during the past six months."

Russia's withdrawal of support for EUFOR is a calculated move in attempting to test (and in the future potentially weaken) BiH's political stability. Secessionist sentiments in Republika Srpska open the door for fragmentation of BiH, and, "if Russia openly backed the... aspirations of the Republika Srpska, it could be the point of no return." A divided BiH would be a catastrophe for Europe's proposed integration of the Western Balkans. However, turmoil in the region would allow for a shift of attention and resources away from Russia's annexation of Ukraine and towards the prevention of another war in the Balkans.

It would behoove Russia to support aggravation of relations between nations in the Balkans and furthermore between the Balkan nations and the EU. If Russia can create

^{38 &}quot;Russia Snubs UN Support for EU Troops in Bosnia amid Ukraine Crisis," Deutsche Welle. November 11, 2014.

³⁹ Lovakovic, Ana. "EUFOR Key to BiH's Euro-Atlantic Membership." SETimes.com. October 12, 2014.

⁴⁰ "Secessionist Rhetoric on the Rise in Bosnia and Herzegovina, UN Security Council Told." The Sofia Globe RSS. November 14, 2012

⁴¹ Krastev, Ivan. "The Balkans Are the Soft Underbelly of Europe." Financial Times. January 14, 2015.

areas of potential volatility in the Western Balkans, it allows Russia the ability to divert the EU's focus away from Ukraine while at the same time giving Russia a bargaining chip in both its negotiations with the EU and its forming of alliances with the Balkan nations. If a crisis becomes apparent and the EU's mediation is to be proven unsuccessful, then European integration becomes a less enticing offer and Russia becomes a more valuable candidate to align oneself with.

VII. Conclusion

In a remarkably short time, the West's entire perception of Russia has transformed-Russia, "has gone from being a difficult partner to being an adversary within just one year." Chancellor Merkel has been vocal in warning the EU of Russia's encroachment on the Western Balkans, Serbia in particular. In engaging the Western Balkans in its foreign policy- an area of serious neglect in the last decade, the EU hopes to first achieve stability and then integration- but is it too little too late?

Russia's interests in the Balkans are not benevolent attempts at strengthening bilateral relations. Rather, Russia senses that closer political and economic ties in the region will help to further achieve its most pressing foreign policy goals- an unmolested policy toward Ukraine and a means of energy transportation to Europe that bypasses Ukraine. In doing so, Russia has set up a regional bloc of allies (aimed at sowing dissent and undermining European solidarity against Russian foreign and energy policy) and may very well utilize its ability to invoke instability in flash points like Republika Srpska. If bipolarity is Russia's endgame, regional destabilization seems to be the means with which to achieve it, and in the Western Balkans, Russia has found itself an invaluable player.

March 2015

 ⁴² Spiegel Staff. "Putin's Reach: Merkel Concerned about Russian Influence in the Balkans." Der Spiegel. November 17, 2014.
⁴³ Dempsey, Judy. "The Western Balkans Are Becoming Russia's New Playground." EurActiv. November 25, 2014.