

*Sabine Fischer and Margarete Klein (eds.)*

# Conceivable Surprises

Eleven Possible Turns in Russia's Foreign Policy

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Sabine Fischer and Margarete Klein

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# Russia Gives Serbia the Choice: Satellite or Bargaining Chip

*Dušan Reljić*

Russia's President Vladimir Putin did not mince his words when he received Serbian Prime Minister Aleksandar Vučić in the Kremlin on 26 May 2016. After congratulating Vučić on his latest election victory, Putin expressed his hopes that there will be "a worthy place" in the new government in Belgrade for those who "give serious attention to developing" Russian-Serbian relations.<sup>1</sup> The Russian president is well aware that Vučić has long been seeking EU membership for Serbia and closer relations with NATO.<sup>2</sup> Putin's expression of "hope" was thus in fact an unmistakable demand for Belgrade to change course and heed the Kremlin's wishes. Moscow is warning that when its patience with Belgrade's equivocation between east and west runs out, Serbia will have to choose whether it wants to be Russia's satellite – or its bargaining chip.

## Serbia – an Unreliable Ally in Moscow's Eyes

In autumn 2016 Russian Prime Minister Dmitri Medvedev is expected in Belgrade for a long-planned visit. But the trip may be postponed indefinitely, as Vučić has offended Russia. In February 2016 the Serbian prime minister signed an agreement with NATO regulating the diplomatic status of NATO personnel in Serbia and bringing the country financial benefits.<sup>3</sup> Moscow would like a similar agreement with Belgrade, but Vučić shows no signs of complying. On the contrary, Serbian government circles suggest that such an agreement would not be productive for "Serbia's European future" and the prime minister will not give in to "three years of persistent Russian pressure".<sup>4</sup> Almost at the same time in Moscow Russian Deputy Prime Minister Dmitri Rogozin bluntly told Serbian Foreign Minister Ivica Dačić that signing an agreement with Russia would be in the interests of Serbia's valued military and political neutrality.

<sup>1</sup> Website of the Russian President, "Vladimir Putin vstretilsya s Predsedatelem Pravitelstva Respubliki Serbii Aleksandrom Vuchichem" [Vladimir Putin meets prime minister of Republic of Serbia], 26 May 2016, <http://kremlin.ru/events/president/news/52010> (accessed 27 May 2016).

<sup>2</sup> Sergey Belous, "How Long Will Belgrade Seesaw between NATO and Russia?", *Voltaire Network* (Moscow), 23 April 2016, <http://www.voltairenet.org/article191425.html> (accessed 1 May 2016).

<sup>3</sup> "Vučić – treba da se dičimo zbog sporazuma sa NATO-om" [Vučić: We should be proud of agreement with NATO], *Sputnik*, 19 February 2016, <http://sptnkne.ws/aFbs> (accessed 1 April 2016).

<sup>4</sup> "Vučić neće potpisati sporazum sa Rusijom" [Vučić will not sign agreement with Russia], *Danas* (Belgrade), 1 April 2016.

The military agreement Moscow wants would currently be largely symbolic, because Russian forces participate far more rarely in joint exercises in Serbia than NATO troops.<sup>5</sup> The purpose of the request is to force Serbia to openly declare its preferences in the field of security and military policy. An agreement would also create a legal basis for a much larger Russian military presence if the Serbian government did make the change of course demanded by the Kremlin.

If Belgrade continues to resist Russia's demands the following development is conceivable: Russia announces that its Security Council veto against UN membership for Kosovo is no longer absolute, but a matter of negotiation. Large parts of the Serbian population regard this as a disaster and the mood turns against the government. Many Serbs believe that the prime minister alone is to blame for the deterioration in relations with Russia. The public mood starts to turn against the government. Alongside fears that important exports will be lost, the main source of anger is that the prime minister's duplicitous stance has made an enemy of the Kremlin and risks Serbia's vital interest in Russian support over Kosovo. The roughly forty pro-Russian deputies in the (250-member) Serbian parliament threaten to take demands for a change in foreign policy onto the streets. In order to preserve his power, Vučić attempts to put himself at the head of the movement but is instead toppled as prime minister and party leader. Fresh elections strengthen the pro-Russian group to a point where no new government can be formed without them. This is the development the West always feared, and the reason why it supported an increasingly authoritarian Vučić as a supposed guarantor of stability. Once again unrest grips Serbia and the Western Balkans. Russia is now politically more important in South-Eastern Europe than at any time since the end of the Cold War.

### Kosovo for Crimea

Even if Russia fails to turn Serbia into a satellite, it still has the option of using the country as a bargaining chip. Russia might "relinquish" Serbia to the West by withdrawing its veto against Kosovo joining the United Nations, if the West in return accepted the annexation of Crimea. While explicitly rejecting Kosovan secession, Russian officials have cited it as justification for similar moves in the post-Soviet space, especially in relation to Crimea.<sup>6</sup> They accuse the West of double standards, of judging what is essentially the same issue – the unilateral separation of a piece of territory from a sovereign state – as appears opportune. In the same manner as later Crimea from Ukraine, Kosovo separated unilaterally from Serbia. This did not prevent the West from welcoming the separation and immediately recognising Kosovo as an independent state. This interpretation implies an

<sup>5</sup> According to Russian figures there were twenty-two Serbian military exercises with NATO in 2015, and two with Russia. Ibid.

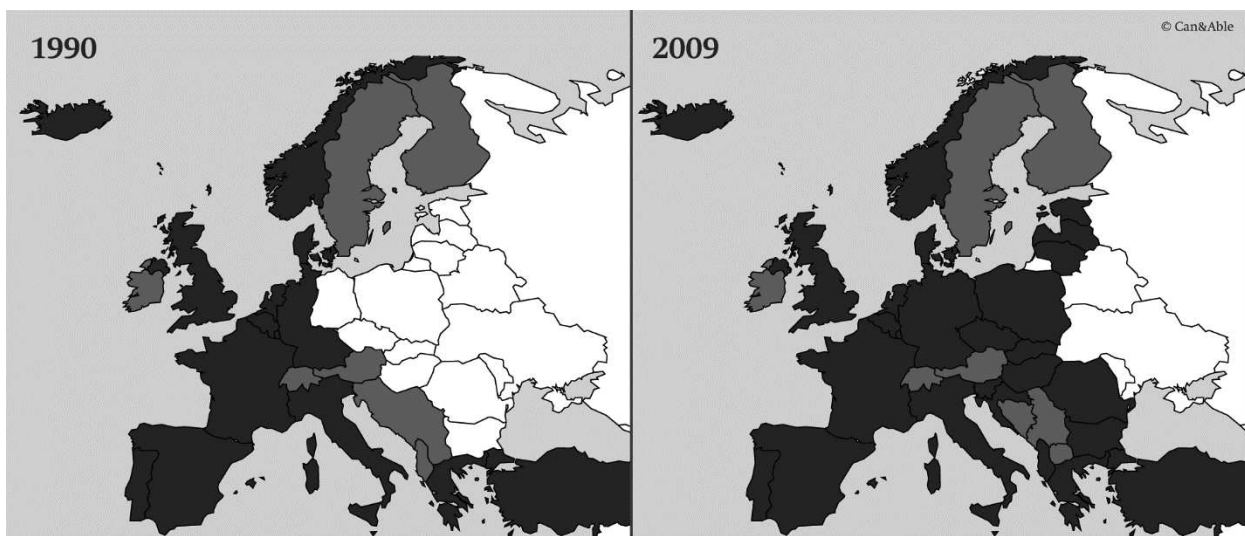
<sup>6</sup> Igor Novaković, *Crimea and Russia's "New" Attitude towards Kosovo*, ISAC Policy Perspective (Belgrade: International and Security Affairs Centre [ISAC], April 2014), <http://www.isac-fund.org/download/ISAC-POLICY-PERSPECTIVE-7e.pdf> (accessed 1 May 2016).

unspoken offer of a swap, the suggestion that an arrangement could be found for Kosovo and Crimea (and Abkhazia and South Ossetia). Such ideas have been encouraged by a declining determination in Western capitals to pursue the dispute over Russia's 2014 annexation of Crimea. A number of EU and NATO members leave no doubt that they would prefer to return to business as usual, rather than pursue the confrontation.

A Russian break with the Serbian prime minister could also be interpreted as taking the bull by the horns. The Kremlin is clear that Vučić likes to use Russia's Security Council veto for his own ends, but has no intention of making Serbia into Moscow's "bridgehead" in South-Eastern Europe.<sup>7</sup> Russia lost its ability to project military power to the Danube and Adria soon after the end of the Cold War, when NATO completed its chain of members from the Baltic to the Black Sea in 2004. Its efforts to prevent further NATO enlargement in South-Eastern Europe and at least draw Serbia into its sphere of influence turned out to be increasingly futile. The decisive point is that alongside its finished strategic displacement from South-Eastern Europe, the three central instruments of Russian influence in the region show ever less effectiveness, especially in Serbia.<sup>8</sup>

#### Map 1

NATO member states 1990 and 2009



#### Russia's Three Instruments of Influence in South-Eastern Europe

"Soft power", the oldest and most constant instrument of influence, was never actually sufficient to secure unrestricted loyalty. Although shared Slavic roots, the Orthodox Church and memories of historic alliances with

<sup>7</sup> Georg Mirsain, "Tsena serbskogo platsdarma" [The price of the Serbian bridgehead], *Expert* (Moscow), 14 March 2016.

<sup>8</sup> Dušan Reljić, *Russlands Rückkehr auf den Westbalkan*, SWP-Studie 17/2009 (Berlin: Stiftung Wissenschaft und Politik, July 2009), [http://www.swp-berlin.org/fileadmin/contents/products/studien/2009\\_S17\\_rlc\\_ks.pdf](http://www.swp-berlin.org/fileadmin/contents/products/studien/2009_S17_rlc_ks.pdf).

Russia continue to play an important role in the construction of Serbian identity, the numerous ethnic minorities (Hungarians and Albanians for example) are unmoved by historic and religious ties between Serbs and Russians. On the contrary, exaggerated closeness to Russia generates ethnic tensions that Serbia can ill afford in light of its efforts to join the EU. Many Serbs also eye Russia sceptically as a major power whose actions – as demonstrated by several episodes in the nineteenth and twentieth centuries – have not always been compatible with Serbian desires.

Moscow's second instrument of influence – South-Eastern Europe's dependency on Russian energy supplies and especially natural gas – has waned. In 2015 Russia abandoned the construction of the South Stream gas pipeline partly on account of the EU's strict conditions, alongside high construction costs and uncertain price trends for fossil fuels. Like all the other states in the region, Serbia is a member of the EU's Energy Community and has agreed to adopt its acquis. This prevents Russia's Gazprom from using South Stream to expand its predominance in South-Eastern Europe, which in some places amounts to a monopoly.

Moscow's third instrument of influence is the threat to use its Security Council veto if the West attempts to make Kosovo a member of the United Nations. This forms the only firm tie between Serbia and Russia – but only as long as Belgrade insists that Kosovo remains legally part of Serbia. Putin has always told the Serbian government that the Russians cannot be “more Serbian than the Serbs themselves”. The Kremlin fears that Belgrade will sooner or later agree to recognise Kosovo as a condition of joining the EU. Then this instrument of influence would become worthless. This is why Moscow feels compelled to clarify Serbia's “geopolitical belonging”.

### **“Shadow Membership” in the EU**

In order to create stability in the Western Balkans, the Western allies have invested considerable political and financial capital and committed military resources since the early 1990s. One of the West's central security objectives should therefore be to preserve the region's stability and achievements. To that end, it would be crucial for all countries of the Western Balkans to join the EU. As long as political, legal and economic conditions there are not brought up to those of the rest of the continent, South-Eastern Europe will remain problematic. This applies especially to Serbia, which still stands in latent conflict with the West over the Kosovo question.

In order to bolster support for EU accession in the Serbian population, Brussels should avoid rushing ahead and forcing Belgrade to choose between recognising Kosovo and joining the EU. In view of the crisis in the EU and the sluggish pace of economic development and reforms in the Western Balkans, Serbia's accession is not imminent anyway. Moreover, five EU member states – Cyprus, Greece, Romania, Slovakia and Spain – also reject recognition, fearing that it could encourage secessionist movements within their own territories. As long as the EU is at odds over the Kosovo question and there is no basic treaty between Serbia and Kosovo, it

would be counterproductive for the EU to press Belgrade (or Priština) into making far-reaching decisions. Excessive Western pressure would also improve Russia's chances of being perceived as the sole ally of the Serbs.

The latest opinion surveys in Serbia show about 70 percent support for an alliance with Russia. But the more differentiated question of the preferred "political and economic alliance" found 37.5 percent for neutrality, the same figure for Russia and 16.2 percent for the EU. At the same time, however, about 44 percent support their country joining the EU, while 42 percent oppose this.<sup>9</sup> Earlier surveys found approval levels of almost 60 percent. Altogether this would suggest that public opinion is contradictory and shifting. The approval figure shot up after each successful step in the EU accession process, such as the lifting of visa requirements in 2010, only to fall again when bad news came from Brussels – whether in connection with the euro crisis, the flow of migrants through the Balkans, the difficulties in the EU-brokered talks between Belgrade and Priština, or most recently the Brexit referendum. The foreign policy leanings of the Serbs and other Western Balkan nations considering EU accession are plainly shaped more by political perceptions of current events than by supposedly deep-seated preferences and animosities.

If it wishes to promote a long-term Euro-Atlantic orientation in the region, the EU needs to move quickly and energetically. Above all, the economic stagnation and grave financial imbalances in South-East-European states need to be counteracted. Serbia, the other post-Yugoslavian states and Albania should receive access to the European Structural Funds, be permitted to join the EU's financial stability mechanisms, and thus enjoy a kind of "shadow membership" of the EU. The crucial aspect is to raise the standard of living in the Western Balkan states and open up perspectives, especially for the younger generations. That is the only way to preserve the attraction of the EU's model of democracy in South-Eastern Europe and curtail the influence of other actors like Russia, Turkey and Islamic states.<sup>10</sup>

<sup>9</sup> Representative survey commissioned by NSPM website, Belgrade, 25 November – 3 December 2015, <http://www.nspm.rs/istrazivanje-javnog-mnjenja/ludi-od-srece-ili-jos-jednotuzna-jesen.html> (accessed 2 April 2016).

<sup>10</sup> Dušan Reljić, "Does the EU Want to Bring Russia and Turkey into the Western Balkans?", *Euractiv.com*, 12 December 2014, <http://www.euractiv.com/section/global-europe/opinion/does-the-eu-want-to-bring-russia-and-turkey-into-the-western-balkans/> (accessed 1 April 2016).