



BULLETIN

No. 125 (201) • October 8, 2010 • © PISM

Editors: Marcin Zaborowski (Editor-in-Chief), Agnieszka Kopeć (Executive Editor),
Łukasz Adamski, Beata Górka-Winter, Leszek Jesień, Łukasz Kulesa,
Marek Madej, Beata Wojna, Ernest Wyciszkievicz

What is behind Sarkozy's Proposal for Reshaping EU-Russia Relations?

by Beata Górka-Winter and Jakub Kumoch

A surprise new proposal by French President Nicolas Sarkozy to set up a new framework for EU-Russia economic and security relations, can be regarded as both an element of building the president's image ahead of the 2012 re-election bid and as a result of the Franco-German dispute over the future of EU-Russia relations.

According to *The New York Times*, France is to propose the creation of a "single zone of security and economic cooperation" at the trilateral Franco-Germano-Russian meeting in Deauville, northern France, on 18–19 October. No details were given by the newspaper, and the French side would neither officially confirm nor deny the information.

But on at least one prior occasion France is known to have been planning to propose a common Franco-German initiative on relations with Russia regarding a new European security and economic construction, with its date to coincide with the 65th anniversary of Allied victory over Nazi Germany. The idea was rejected—at a very early stage—by Chancellor Merkel, who, for her part, met with Russia's President Dmitry Medvedev to propose together the establishment of an "EU-Russia Political and Security Committee (ER PSC)" at the ministerial level. On 5 June in Meseberg the two parties issued a memorandum, calling for enhanced EU-Russia cooperation in crisis-management operations. The Meseberg initiative is said to have had an impact on Franco-German relations, and particularly on the difficult Sarkozy-Merkel *cohabitation*. According to French sources, Sarkozy had not been consulted before the idea was raised by the German leader.

This suggests that the French proposal might be yet another example of rivalry between the two leaders, whose mutual relations have remained tense over the past three years. It is easy to note that Merkel's Germany is much more reserved in contacts with Russia than its French counterpart. At the Meseberg meeting Berlin suggested that the unresolved Transnistrian conflict and Russian military presence on the territory of Moldova be included on the list of problems to be settled by Russia and the EU. At the same time, France vehemently defended its decision to sell several multi-task Mistral amphibious assault ships to Russia and argued at many levels that Russia posed no threat to the security of EU member states. The main declaration in this respect came from President Sarkozy himself, who observed at the St. Petersburg Economic Forum that "Europe and Russia must work together in a strategic way, very closely, in a relationship of confidence." Earlier this year almost the same rhetoric was used by his Defence Minister Hervé Morin and Foreign Minister Bernard Kouchner, who played down the reservations of France's Central European partners over the Mistral ship deal. Both Kouchner and Morin had been actively involved in striking the controversial multibillion deal.

The new move by Sarkozy can be regarded as an element of seeking a visible *rapprochement* with Russia and an attempt to build stronger economic ties with the new emerging market. France seems to be disappointed that the achievements of French companies in Russia are less impressive than the performance of their German counterparts.

For example, only this year Germany's Siemens AG succeeded in signing a letter of intent on the sale and delivery of trains and modernisation of Russia's railway stations. The German government is also intensifying efforts to secure Russian investments into its crisis-ridden shipyard industry. France, with its presence on the Russian market clearly less perceptible than Germany's, has also had some success stories this year, including a deal between state-owned giants Gazprom and Gaz

de France (the French acquired 10% of shares in the Nord Stream pipeline project). France definitely wants to play a major role in modernising the Russian armed forces. A document published by the French Ministry of Defence this year indicated that France was interested in increasing its arms sales from €7.95 bn to €12 bn within 12 months, and Russia has always been regarded as a major customer. It is also clear that there is a strong correlation between economic and political relations with the Kremlin, particularly in those branches of industry that require a high rate of political approval.

From the security angle it is crucial to bear in mind that Sarkozy's proposal and the Deauville meeting come just weeks before the Lisbon NATO summit planned for December; this is a clear sign that France is eager to discuss a future security arrangement directly with Russia, without waiting for feedback from most of its allies. For some of them, the idea of talking to the Russians behind their backs may spark serious concerns.

The role of the United States in the French-proposed security structure is also unclear, although some sources in France claim that it is the Russians who are interested in a further Europeanisation of the common security and economic zone, Sarkozy's administration being much more reluctant. The fact that "senior French officials" have chosen *The New York Times* to leak information about a controversial proposal may suggest that Sarkozy's administration is testing Washington's reaction to the project, which may carry implications for U.S. role in European security.

Notwithstanding the form and timing of the French proposal, it reflects a deeply-rooted belief of the French ruling elite and expert circles that Russia must be an active partner in shaping Europe's future security arrangement. It also shows that relations with Central European partners, although backed by a developed system of strategic partnership agreements, play a minor role on the French foreign policy agenda when compared to relations between Paris and Moscow.

But there is also a potential domestic motive behind the Paris initiative. Ahead of the presidential elections scheduled for 2012, Sarkozy's low approval ratings are influencing his active stand in foreign policy, where, arguably, he stands on firmer ground. The French president, who initially contributed to France's return to NATO's military structure and announced ambitious plans of reshaping the EU's power-sharing structure, now seems to be listening more carefully to what the French voters are saying. His recent 9/11-style speeches about the French war on terror as well as an ambitious agenda for the French presidency in G-8 and G-20, which includes challenging the Bretton Woods system of monetary management, seem to be part of the same strategy of building an image of a statesman capable of raising grand ideas.

The New York Times noted sarcastically, however, that Sarkozy's plans did "not always come to fruition," quoting the example of the Union for the Mediterranean (UfM), which had been designed to strengthen France's role within the EU-27, but ultimately turned into a serious dispute between Paris, the European Commission and the major member states (including Germany).

It is unlikely that much will come of the French idea other than the start of yet another debate about the future of Euro-Russian relations. Plans for building a common EU-Russia security and economic cooperation zone will probably end up as another "grand idea" by Nicolas Sarkozy, with its final version distant from the original one. Many EU member states will treat it only as an attempt to strengthen the international and—step-by-step—domestic position of the French leader himself.