

Solving the Crisis in Ukraine from the Perspective of The European Union's Geopolitical and Economic Interests

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Abstract: Eastern Europe has represented and still represents a vast space for the coexistence of European civilizations, but also an area with extremely interesting and attractive economic potential for economically developed states or entities. From these perspectives, not infrequently, the geopolitical crises or the geostrategic interests of the great forces in this space have led to the appearance or even the deliberate triggering of actions designed to create social, political and economic destabilization. Our approach, in this article, intends to underline and define essential aspects of the Ukrainian crisis which, at this moment, seems to have identified its solution by implementing a negotiation format, namely the *Steinmeier* format. Even though this path bears this name, as it was proposed by the President of Germany, Frank-Walter Steinmeier, the solution finds its origins in the **Normandy** negotiation format, which was the basis for the conclusion of the Minsk Peace Agreement of 2015. Actually, what we will define further in this paper is that the interests of Germany and France, at this time, are congruent with the interests of Russia and not with NATO's strategic partner, the United States of America. This congruence derives from purely economic reasons to which Germany clearly acquiesces, the main point of interest being the Nord Stream II gas pipeline and France wishing only to strengthen its role of geostrategic power in relation to Germany.

Keywords: Russia, Germany, France, Nord Stream II, Ukraine, European Union

Introduction

The process of geostrategic settlement of state forces, which began in the 1990s, tends to highlight the fact that it was not completed at this time. With the dismantling of the great Soviet empire and the formation of the new states, it was considered that Eastern Europe is entering a process of normalization and

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settlement of democratic societies that seemed to have found their way on the background of national, cultural and political identity.

If the period immediately following the 1990s represented a time when the newly formed states structured and consolidated their national identity, at this point the situations in this area of Europe are starting to move towards other objectives of regional and macro-regional interest. At this moment, Russia has resumed its imperial policy of hegemony in the area and thus it tries to recreate what once was the Russian Empire, and among the first states subject to this intention, of course, is Ukraine, a buffer state between the Western and Eastern worlds. The fact that Ukraine is in this crisis does not belong, in the sense of total guilt, to Russia, but to an obvious and profound internal fragility of the Ukrainian state that is internally divided between the west and the east and the division is a fundamental one, not just a form.

If the East is pro-Russian and mostly Orthodox, the West is pro-Western and mostly Catholic, which makes the internal turmoil to take on extremist reasons, with major socio-political impact and profoundly unprofitable for a state that has claims of a consolidated nation. Besides all these aspects, throughout this period, Ukraine has been in the position, not at all beneficial, of not receiving sufficient support from the Western states or even the United States of America. Economically speaking, Ukraine is in a two-way relationship, divided between the market created by Russia, the so-called Community of Independent States, and the European market, which is held by fairly strict regulations from the European Union.

Only a few years ago, more precisely from 2015, the European Union began to allocate massive funding, through various cooperation programs, to the states in the Eastern bloc, which have the role of securing the Eastern part of the Union border, but also of creating the necessary framework for the economic development of the countries with the status of candidate for membership of the European Union. All these aspects led, within Ukraine, to a social, political and economic division that was difficult to control, a division that resulted in a first major event, namely the annexation of the Crimean peninsula.

Content

The involvement of France and Germany, together with Russia, in the solution of the Ukrainian crisis, in *Steinmeier* format, needs to be seen from several perspectives. Prior to the adoption of this solution, which is not yet clearly adopted, various strategies were discussed and analyzed, which aimed to clarify the advantages and disadvantages of the factors involved. If for Germany, the North Stream II gas pipeline is a very important stake, for Russia, belonging to the G7 group, represents a normalization and an economic reopening towards Europe. So far this year, France has been supporting the German pipeline cause, but recently, it has an attitude against this achievement, which raises a number of questions regarding the economic interests of the national countries of the Union.

At the 21st EU-Ukraine Summit in Kiev in July 2019, the leaders reaffirmed the strength of the **political and economic connections** between the EU and Ukraine. Thus, Donald Tusk's statement states that "Our partnership is built on the association agreement, which is the most comprehensive agreement the EU has with any country. This agreement represents the framework of our ongoing political association and economic integration. Today we have discussed how we can fully realize its potential, for the benefit of our citizens and businesses.¹ Besides, regarding the Union's position concerning the situation in the separatist areas of Ukraine, Donald Tusk says that throughout this period "We do not recognize and we will not recognize the illegal annexation of Crimea and Sevastopol by Russia. Just a few days ago, the EU unanimously extended its economic sanctions against Russia for other six months. The sanctions will remain in force until the full implementation of Minsk agreement."

The position of France, in the days leading up to the summit that is planned to be materialized towards the end of 2019, is quite clear. A statement from the Foreign Ministry of France says "The conditions of entering into force of the future status of Donetsk and Lugansk regions have been specified and the removal of the armed forces from three districts has been coordinated by the parties. France welcomes these achievements, to which the intensive negotiations of the latest weeks in the Normandy format between France, Germany, Ukraine and Russia have contributed", is emphasized in the statement of the French Foreign Ministry. According to the representative of the French foreign policy department, at the

¹ <https://www.consilium.europa.eu/ro/meetings/international-summit/2019/07/08/>.

moment, conditions for the meeting of the heads of states and governments in the Normandy format have been created.¹

Practically, the compromises between France and Germany started these negotiations, behind them being the very big stake of the continuation of the North Stream II project. If Russia failed, it would be because the abandonment of this big energy project would have meant huge losses in the Russian economy. According to a statement from a Brussels official, Simone Tagliapietra from Bruegel Economic Institute in Brussels, "the conflict ended less dramatically than expected. By this compromise, Paris helped Berlin to get the coal out of the fire." The energy expert gives good marks to the German negotiators who have reached this compromise for Berlin.²

The unclear aspect of these negotiations and energy projects is that Ukraine, on one hand, is given support, in order to calm pro-Russian areas, and on the other hand, it is damaged by the realization of this section of natural gas supply to the Baltic Sea. By avoiding Ukraine as a transit country, it is damaged, on average, by \$ 2 billion annually, which does not subscribe to the Ukrainian economic outlook. Another interesting aspect is the withdrawal of the United States of America from Europe's energy policy. Donald Trump's position vis-à-vis the danger, from the American perspective, of the increased dependence of the Russian Union on energy is known. In this way, the position of Poland, a country that is totally against the creation of North Stream II, is justified, and this is because, at this moment, the United States of America has built a shale gas terminal in Poland, a terminal that is to represent Americans debut to supply gas to Europe. Directive 692/2019 was initiated during Romania's presidency of the European Union and aims to delay the construction of North Stream II, with the supporting countries being France, Poland, the United Kingdom and the Baltic countries. However, this directive merely regulates the distribution of control over energy domination in Europe.

In these circumstances, we must look at the crisis situation in Ukraine as a complex of geostrategic and economic interests of the European Union, the United States of America and Russia. Specifically, the United States of America does not act in Europe unless its strategic interests are affected and the action can only be achieved through the North Atlantic Alliance. On this basis, the European Union and Russia are developing their area of economic interest, which, at least lately,

¹ <http://www.nrcu.gov.ua/ro/news>.

² <https://www.dw.com/ro/nord-stream-2>.

through the voice of France, is trying to divide the areas of influence and, not less important, a strengthening of energy security in the area.

The fragility of Ukraine, and, more recently, President Igor Dodon's proposal for the Transnistrian region of the Republic of Moldova, reveals a tendency of geostrategic resettlement of large military forces, a back-up solution for Russia. On the assumption that Ukraine and the Republic of Moldova will reach a state of pseudo-federalization, we can appreciate that the new compromises are already defined and agreed, in one form or another. In addition to energy issues, the European Union has begun to heavily invest in agricultural conversion and from this perspective, Ukraine is a major area of interest. If Eastern Ukraine concentrates on industry and armaments, the Western zone is an area with a high availability in the agricultural area, Ukraine, after Russia, being one of the largest countries on the Euro-Asian plateau. In these parameters, we could understand the tactics of the European Union regarding the transit of Russian gas on the territory of Ukraine. If the stake is represented by a development of organic farming, then everything that concerns energy would go on a second place for Ukraine. The configuration of federal states such as Crimea, the area of South-Eastern Ukraine, Transnistria, represents the interest and policy of Russia, which thus maintains a buffer zone between East and West.

The Russian-German relation has been in place since the 1990s, with Germany substantially contributing to the development and reconsolidation of the Russian state. Moreover, in the migration policy, the fact that approximately 1.2 million Germans have returned to Germany since the 1990s, has substantially contributed to improving cooperation between the two countries. Political groups made up of ethnic Germans from Russia have created a supportive tendency for Vladimir Putin and this is a very important one for the foreign policy of the two countries. In Angela Stent's analysis, she states that "During President Elçin's mandate, Germany - despite facing economic and social challenges after the unification of the two German countries - was that strong partner who supported Elçin administration's policy and economy and acted as a lawyer for Russia in the European structures", Angela Stent explains.¹

In the same terms, Angela Stent also explains the American failure in relations with Russia, in that "While Germany supported the US security programs, German policy towards Russia in this period - and since then - has been different from US

¹ <https://www.vice.com/ro/article>.

policy in a major area: promoting democracy. Promoting democracy abroad has often been a part of American foreign policy - though selectively applied - but has never been a central element in the German foreign policy tools. During Clinton administration (1993-2001), a variety of NGOs - some allied with the two main American political parties - actively participated in promoting democracy in Russia after the Soviet collapse. All German political parties had branches in Moscow and worked with different political groups, but they avoided promoting democracy and direct intervention in the way those political groups were organized”, explains the American expert.¹

The European Union, considered the main mediator in the Ukrainian crisis, is on the verge of a paradigm shift regarding the new energy security policies and even those related to the consolidation of the states at its borders. The obvious refractory attitude towards the United States, on all levels, makes us reconsider the actions of the Union towards Russia. The fact that France, through the president's voice, supports the reintroduction of Russia into the G7 group is an eloquent aspect of long-term alliances and orientations in the European space. This year, the European Commission adopted a package of measures to support Ukraine's democratization and fight corruption in the amount of 109 million euros, with a substantial financial allocation and with a well-defined target.

Conclusions

The economic interests of the European Union, in the context of the Ukrainian crisis, represent the main instrument of foreign policy that the Union launches as a method of macro-state consolidation. The immediate creation of a new Minsk 2 agreement is the result of negotiations and compromises between the Union and Russia. Certainly, France and Germany will become the heads in the development of a new socio-political-military framework with Russia, a foundation that will polarize the construction of a unitary policy of political-economic cooperation with the extra-community space. The influence of United States of America in Europe, from an economic perspective, will be in the spectrum of France's policy of interest, a country that seeks to implement regulatory mechanisms which can control a too strong ascent of Germany.

¹ <https://www.vice.com/ro/article>.

The overall policy of the Union, a social, economic and military one, will focus on a much closer framework of cooperation with Russia, through this step wishing to develop effective instruments of sustainability in economic and defense matters. Certainly, in the coming period, Ukraine will become the testing centre for this paradigm shift initiated by the Union in its relation with Russia.

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