

The Limits of Europe

**The future of relations
between the EU and its
Eastern Neighbours**

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The limits of Europe: The future of relations between the EU and its Eastern neighbours

This paper examines the relationship of the EU with its Eastern Neighbourhood; the six Eastern Partnership countries – Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine – and Russia. Special attention is paid to the potential opportunities arising out of these relationships from a youth perspective of FutureLab Europe and the measures that they deem necessary in order for these opportunities to be seized.

When ten new members joined the European Union in 2004, the borders of the Union shifted towards the East, and that was further emphasised in 2007 with the Bulgarian and Romanian accession.

However, with increasing populism and enlargement fatigue across the European Union, the European project with its 28 Member States seems to have reached the limits of its enlargement, although this has never been stated as a formal policy. European Neighbourhood Policy has inevitably become more important because of the new borders to the East and the re-emergence of Russia as a global player, and the Eastern Partnership is ranked high on the agenda of Lithuania's Presidency of the Council of the EU. The power politics and diplomacy at play in the negotiating process with Ukraine in advance of the Eastern Partnership Summit in November made the EU neighbourhood a hot topic and demonstrated the need for a new approach. What should be the future relations with the EU's neighbours to the East? What is the relevance of the Eastern neighbourhood for the future of Europe and the prospects of its young people? And what should individual Member States, like Finland, do to bring the EU closer to its Eastern neighbourhood?

Definition of the relationship

The EU's relationship with its neighbourhood is based on soft power. The EU aims to spread democratic values and support its Eastern neighbours in adapting European standards.

A challenge in this process is that the requirements demanded of neighbouring states are often similar to those placed on prospective Member States, but without the incentive of eventual EU membership. One reason for this is that some EU member states fear the EU's Eastern neighbours could some day come knocking on the membership door and do not want to open the door for membership at this point.

In principle enlargement could continue, as the EU has never defined where its borders end. To the South the Mediterranean presents a natural physical border, but to the East one could argue that Europe ends at the Prut, Dnieper, Volga, Ural Mountains or perhaps even Vladivostok.

However, the approach to the Eastern neighbourhood seems to be out of touch with today's reality, and therefore needs to be rethought and refreshed, and the countries concerned must be offered a partnership that does not simply aim to strengthen European value-based influence in the region. The approach towards both the Eastern Partnership countries and Russia should be open-minded and constructive. The EU's way of doing things should not be automatically pre-judged or presented as the better way of doing things.

Greater coherence is needed

The main EU strategy for the countries of the Eastern Partnership has been built on a combination of a more-for-more approach to induce reform and change - offering 'carrots and sticks'. Gradual steps are being taken towards

visa-free travel in exchange for the adoption and implementation of far-reaching reforms in the partner countries, which is undoubtedly a positive development. Greater freedom of movement would go a long way towards empowering young people in the Eastern neighbourhood and encouraging exchange with their peers in the EU, which in turn could help promote democratic values in the East.

The experience of previous accessions has demonstrated that EU standards are more readily adopted by candidate states when there is a clear benchmarking process in place and there is regular reporting on the progress of aspirant countries by the European Commission.

Not all EU countries share the same sense of urgency in their attitudes towards the East. The Union allows itself to be pulled erratically from its Eastern neighbourhood to its Southern neighbourhood depending on which way the political wind is blowing. The Eastern Neighbourhood is on the agenda when Poland, Lithuania, or another Member State from behind the former Iron Curtain is in the hot seat of the Presidency. To counterbalance this trend the key players like Germany could give a stronger impulse to building relations between the EU and its Eastern neighbours and bringing them closer together. Member States on the borders of the EU could strengthen their bilateral relations with their Eastern neighbours and offer to mentor and guide their partners on the basis of a strong relationship between two equal states. This is especially true for Member States that have an immediate experience of EU accession and integration. The EU must capitalise on the shared interests and historical connections of Member States with countries to the East of the EU.

This raises the question of Finland's role in the Eastern neighbourhood. Finland's long history of interaction with its neighbour to the East has been a clear marker of Finnish national identity. Although the border has become more permeable in recent years thanks to increased

cross-border activity, there is still no clear consensus in Finnish society about the Eastern neighbourhood. As the only "Western" EU Member State sharing a border with Russia, it seems that Finland should have a very influential and constructive role to play. Yet it was Sweden, not Finland that launched the Eastern Partnership initiative with Poland in 2009. Is it time for Finland to wake up to the possibilities that the Eastern neighbourhood provides? Could steps be taken to facilitate greater professional, academic and general societal exchange between Finns and their Eastern neighbours? Could Finland play a greater role in promoting the rule of law, human rights and economic reform in its Eastern neighbourhood? A more open trade relationship would, after all, be most likely to benefit Finland as much as any other country.

Trading blocs

A more open trade relationship would serve to develop and diversify the economies of the Eastern neighbourhood and the EU should therefore emphasise implementing the Deep and Comprehensive Free Trade Agreements with Ukraine, Moldova and Georgia, and the case for the benefits for EU should be made as well. Taking the trade arrangements one step further, the EU could work on progressively integrating the partner countries into the EU internal market, and cooperation should be intensified especially in areas where both parties can reach significant gains in both the short and medium-term perspective, such as tourism and the fight against international and transnational crime.

Both the EU and Russia are offering to the former Soviet states of Eastern Europe to join their respective (and mutually incompatible) trading blocs, some with much less conditionality than the other. The EU had hoped to have deals with Ukraine, Moldova, Georgia and Armenia by the Vilnius Summit at the end of November 2013. Out of these, however, Armenia had a change of policy in September, announcing it would join the Russian-led Customs Union instead, following a period of intense pressure

from Moscow related to security, labour migration, energy and trade. The recent developments in Ukraine showed that this might not be a unique case. The actions taken in advance of the Vilnius Summit by Russia, demonstrated that there is a zero-sum imperialistic approach towards the region, and the relations with Russia will be the great imponderable in the EU's Eastern neighbourhood. The EU has to seek ways to better engage with Russia and avoid the scenario whereby Eastern neighbours are being split down the middle and forced to choose between East and West.

Visa liberalisation and mobility

Mobility is the key to achieving greater mutual understanding and creating a common ground between the societies of the EU and its neighbours. Stereotypes, myths and the prejudices communicated by media still shape the perception of the people within EU borders and in the neighbouring countries. In Finland, for instance, which shares the longest EU border with the "East", there is a lack of a clear consensus on what the Eastern neighbourhood means for Finland and its people.

Cultural exchange is sorely lacking between Europeans and their counterparts in Armenia, Azerbaijan, Belarus, Georgia, Moldova, Russia and Ukraine. Travel restrictions tend to hit ordinary citizens, who cannot obtain the costly visas necessary to visit the EU. Because of these barriers, cross-border business and interpersonal interaction will remain underdeveloped. If the EU really wants to engage civil society and ordinary citizens in its neighbouring states, then it must trust them enough to simplify the visa regime. It must also ensure to target the citizens, not only the elites who speak foreign languages. Thus the EU should intensify its cooperation with and funding for grassroots organisations that operate at the local level.

Joint scholarship schemes, academic exchanges and study programmes bring a positive change on the ground and instil a feeling of being a part

of Europe among younger generations in the Eastern neighbourhood. Therefore the opening of Erasmus to Eastern Partnership countries as of 2014 is a very welcome step in the direction of openness and greater mobility, as are the efforts being made towards visa liberalisation within the framework of the Eastern Partnership. Twinning programmes for national, regional and local administrations as well as inter-parliamentary dialogue should also be encouraged. Within the EU, greater funding could be provided for supporting the development and accreditation of university courses or degree programmes that deal with the European Neighbourhood (successful projects along these lines have already been implemented in Visegrad countries – Poland, Czech Republic, Slovakia and Hungary).

Gains for Europe

The EU's relations towards its Eastern neighbourhood should not be viewed as pure altruism. The EU can also gain from the ambitious, highly skilled (young) people who consider themselves to be part of Europe and can contribute to innovation and growth. Academic, scientific and economic exchange across the EU's Eastern borders would be of strong mutual benefit to the economies and societies of the EU and the Eastern partners.

As well as the untapped potential arising from the people of the Eastern Neighbourhood, it is also important to remember the economic value of closer relations. Taking Ukraine as an example, it has a population of 45 million people and in terms of area is almost twice the size of Germany. While investors today may be sceptical about entering the Ukrainian market, closer ties with the EU including deeper economic reforms could help to unleash Ukraine's enormous potential and bring about much greater levels of foreign direct investment. This could be a huge boon to the economy of the EU.

The narrative of EU policy towards the East must draw out all of the potential and positives that the East has to offer and stress the mutual benefits

that closer relations would bring. It is also for this reason that the EU must not rule out the prospect of EU membership for its Eastern neighbours, which could end any hope of democratic and economic reform in the region.

Balance

Striking the balance between openness and conditionality is perhaps the biggest catch-22 facing the EU in its Eastern neighbourhood. Openness is necessary to bring about democratic and economic reforms, but how to open up to these countries if they refuse to take the first steps in this direction? Which should come first? Conditionality has met with some success in the Western Balkans, but the countries of Eastern Europe have other options to EU integration (for example Russia's proposed Eurasian Union). This demonstrates the limitations of the EU's soft power in the East.

Combining strong conditionality towards political and economic elites with a policy of openness towards societies – through visa liberalisation, academic and professional exchanges, cross-border projects and funding – is not

a straightforward policy. Political and economic stagnation at the macro level would inevitably filter down to have a negative impact on the lives of ordinary people. Nevertheless, if political elites in the Eastern neighbourhood refuse to countenance political and economic reform, the door to civil society, students, academics, businesses and tourists must be kept open. In order to be in any way effective, the EU's soft power requires the support of civil society in neighbouring states.

Conclusion

EU relations with Eastern partners offer many substantial benefits to both sides. In order for these benefits to become reality, the EU should change the way it approaches its Eastern partners. This is important not only for the economic and social progress for present and future generations in both parts of Europe but also for the future of EU foreign policy. If the EU cannot engage its Eastern neighbours as equal partners and affect positive change in its own neighbourhood, how can the Union (and its Member States) ever be taken seriously as a world power.

This position paper is a collective product of FutureLab Europe, a programme for ambitious bright young professionals who want to play an active role in shaping the future of the European project. FutureLab Europe is a project of the European Alliance for Democratic Citizenship, affiliated to the Network of European Foundations and coordinated by the Körber Foundation. It is operated by the European Policy Centre. Follow us on www.futurelab europe.eu, on facebook.com/FutureLabEurope and [@FutureLabEurope](https://twitter.com/FutureLabEurope).

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