

## **BRIEFING** 09/04/2014

# WILL THE CRIMEAN CRISIS REINVIGORATE TRANSATLANTIC SECURITY?

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"In the short run, the Russian annexation of Crimea may infuse NATO with new energy and a new sense of mission. But over the long term, the most important variable may well be the economic fortunes of the United States and Europe".

### **Craig Kennedy**

(President of the German Marshall Fund of the United States)

Since the end of the Cold War the two sides of the Atlantic have been gone through an identity crisis, similar to that experienced by NATO. In a recent article by German Marshall Fund President, Craig Kennedy wrote that transatlantic relations have lost part of their mission once Central and Eastern European countries were integrated into the EU and NATO. This great achievement has, however, let Europe and North America without a common project to pursue together. In addition, the financial crisis has pushed countries on both sides to focus more on domestic issues than international and security ones. As an outcome, defense budget cuts in Europe have drop continuously, hence widening the gap in defense capabilities between Europe and the US. In this regard, the NSA scandal has not only created mistrust among the allies but has also shown how Europe lacks behind in the use and development of complex systems of intelligence gathering or at least in detecting them when used by others. Last but not least, the Asian pivot set by the Obama administration has further underlined Washington's increasing attention toward other parts of the world

than Europe. For all these reasons, Europe and the US have maturated diverging interests over the past two decades and, therefore, they found difficult to respond to regional crises in Ukraine, Syria, Iran and Libya in a coordinated way.

Despite this, Russia's annexation of Crimea seems having reinvigorated the transatlantic bind with a fresh new spirit of old school cooperation. As President Obama mentioned in his speech in Brussels on March 26, this is not the dawn of a new Cold War – as Russia is not bringing any ideological challenge to the table – but a wake-up call for remembering the values Europe and the US fought for during World War II and the Cold War. How these rhetorical remarks will turn into practical measures is yet to be seen, but it is quite certain that Europe and the US will seek deepening cooperation in at least two fields: defense and energy security.

As concern defense, obviously NATO will represent the perfect room for discussing again transatlantic security. After decades of identity crisis during which NATO has been redefining itself multiple times to adapt to new security environments, the annexation of Crimea by Russia has somehow recalled the Alliance about what its core business really is. Although it is still too early to see if the newly appointed Secretary General, the Norwegian Jens Stoltenberg, will work on a new defense concept more focused on collective security than out of area operations, some recent remarks by NATO officials seem going toward that direction. During his speech in Krakow, Deputy Secretary General Alexander Vershbow pointed out:

"For 20 years, the security of the Euro-Atlantic region has been based on the premise that we do not face an adversary to our east. This premise is now in doubt. [...] If President Putin continues to guide Russia along its present path of aggression, confrontation and escalation, we will be forced to consider Russia less of a partner and more of an adversary."

If this will be the case, then a new security dilemma might take place between the West and the East parts of Europe. However, this new security dilemma will not take the shape of an arms race, but rather a race to decrease/increase interdependence in economic and energy terms. In fact, although President Obama called on European allies to raise their defense spending, the economic recovery in Europe will remain a

priority over the acquisition of new capabilities. Therefore, it is more likely that Europe will keep defense spending at the current level, while seeking to harmonize the production of military equipment to avoid duplications and overcome the lack of interchangeability of military supplies.

The second area of renewed transatlantic cooperation will be energy security. Europe's energy dependence on Russian natural gas is what has pushed the EU to prefer a softer approach than Washington to the Crimean crisis. Since the 2006-2009 energy crises, the EU has been weighing up projects to diversify its sources of supply and supply routes. Nevertheless, no concrete steps have been taken so far to reduce dependence from Russia as a supplier, nor from Ukraine as a transit country. For this reason, competing projects like the South Stream and Nabucco have remained on the table. On the one hand, the EU has lacked in determination in pursuing energy diversification. On the other hand, Russia has successfully worked for thwarting efforts to create a regional energy market in Central European Countries and in financing anti-shale gas and anti-Trans Adriatic Pipeline protests.

The Crimean crisis has woken up Europe once again, hence turning diversification of supplies from an opportunity to a necessity. In an interview at the Financial Times ENI CEO Paolo Scaroni said that unless an agreement is reached with Moscow over Crimea then Europe is expected "to start a "gigantic effort" to diversify its sources, including developing shale gas in Europe, importing more LNG, and focusing more on Algeria, Libya and Norway." This is where the US comes into play.

The US could help Europe to reduce its dependence on Russia in the short-medium term, as European diversification projects are planned to be operative no earlier than 5-10 years. More specifically, the US is working to provide Ukraine with pipeline access from eastern and central Europe in the short and medium term. Washington is also planning to export LNG to countries without a Free Trade Agreement with the US. In addition, the US could also help Europe developing shale gas resources, as important basins are present in Poland, the UK, Germany and Ukraine. In Germany, for instance, there are estimated shale gas resources that could replace its import from Russia by 2030, while other consistent basins have been discovered in Lviv in Ukraine, where ENI will soon start explorations. In this regard, the US could provide

technical assistance and best practices in environmental management and in the fracking process.

Last but not least, the US and Europe could work together for stabilizing North African countries, particularly Libya, whose energy resources – now blocked by political turmoil – could provide further diversification.

In conclusion, although the Crimean crisis has shown the weakness of Western countries in responding to the Russia's territorial expansion in Ukraine, in the long term such move could turn into a stronger West and a weaker Russia. In fact, although Russia may maintain Crimea, Moscow has lost the rest of Ukraine, which will likely seek a deeper integration into the EU and NATO. In addition, Russia has restored Europe's determination in pursuing energy diversification that will decrease Russia's leverage in the long run. Finally, Russia has given the US, Europe and NATO a new political agenda that reinvigorates their relationship. NATO in particular has not only remarked its role as a collective security provider for European countries, but could also expand its membership to other countries in the Caucasus (Georgia) and in the Balkans (Bosnia-Herzegovina, Macedonia and Montenegro). If Russia's grand strategy is to build a ring of friendly states along its borders, what might achieve is right the opposite.

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