

1. A theoretical framework for the analysis of EU–Russian interaction in Ukraine: a neoclassical realist-inspired approach

The greater levels of interaction between the EU and Russia in their shared neighbourhood is a recent phenomenon born from the EU's enlargement into erstwhile communist Eastern European space and Russia's international resurgence in the last decade. When examining EU–Russian interaction in the shared neighbourhood, it is important to note that while scholars from vastly different theoretical perspectives have attempted to understand the foreign policy and international action of Russia and the EU, none has explicitly explored the competitiveness of the EU–Russian relationship in their shared neighbourhood under a single theoretical framework. Indeed, the increased interaction between the EU and Russia in the territory that lays between them forces some theoretical challenges and questions which are not easily answered when employing any International Relations theory alone. This research reconciles such limitations by embracing a neoclassical realist approach as an overarching framework in conjunction with some other scholarly approaches to determine the competitiveness of the EU–Russian relationship in Ukraine.

This chapter starts by offering a concise examination of the pertinent theoretical approaches identifiable in the scholarly literature, acknowledging the inflexibility of a number of approaches and the growing influence of constructivism. Second, an evaluation of neoclassical realism's theoretical foundations and claims is undertaken with particular reference to its central causal chain. Third, a theoretical framework for this research, inspired by neoclassical realism, is developed by constructing a definition of competition and outlining the key research variables. Last, a theoretically informed competition–cooperation policy matrix is designed to aid evaluation of the competitiveness of the specific empirical policy areas.

1.1 THE DOMINANT THEORETICAL APPROACHES FOR EU AND RUSSIAN FOREIGN POLICY ANALYSIS

Surveying the theoretical literature on the EU's foreign policy since the signing of the Maastricht Treaty in 1991 reveals numerous significant contributions which require overview here. Three key strands are delineated: EU-centric theories, traditional International Relations theories and, more recently, constructivism.

Two main (broad) EU-centric theories have been traditionally employed to explain the EU's foreign policy: institutionalism and intergovernmentalism. Institutional theories start with an assertion that the EU represents a 'community of states', where its supranational structures profoundly impact foreign policy outcomes (Thomas 2009, p. 343).¹ Under this view, the Commission has the power to compel and push member states towards decisions they would likely have never agreed to in a purely intergovernmental setting. Intergovernmental theories treat the EU as embodying a 'forum' in which member states strategically pursue national interests and preferences (Thomas and Tonra 2012, p. 13).² This approach argues that as supranational institutions within the EU have minor autonomy and clout, EU foreign policy is predisposed to be a competition between the national interests of member states. Subsequently, it is argued that the EU lacks 'even a modest degree of policy coherence' supranationally (Bendiek 2012, p. 43). Unsurprisingly, these EU-centric theories have often been criticised for overwhelmingly favouring either the supranational role or the member states' role in the EU's foreign policy-making process at the expense of the other (Rynning 2005; Hyde-Price 2008; Thomas and Tonra 2012). Furthermore, these theoretical approaches have been critiqued for being too 'Eurocentric' and not applicable to broader behaviour or trends in international politics (Pollack 2001; Toje and Kunz 2012).

Traditional International Relations theories have often been eschewed in the EU foreign policy literature in favour of the *sui generis* theoretical approaches mentioned above. Indeed, Andreatta (2011) notes that the two major traditional schools of International Relations, realism and liberalism, belatedly came to terms with the EU's integration and subsequent international role, which for a long time was treated as something of a short-term aberration. Nonetheless, as evident with the emergence of the liberal intergovernmentalist argument in the 1990s, liberalism, as opposed to realism, has been an easier fit with the EU's foreign policy development as it affords a greater role to non-state actors in the international system while being optimistic about inter-state cooperation (Andreatta 2011).³ Realism (notably structural realism), on the other hand, due to

its overwhelming state-centric focus and pessimistic worldview, has often produced a sceptical view of the EU's international action, arguing its continued cohesion is predominately an attempt at balancing the United States and securing its eastern frontier (Jones 2003; Rosato 2011). Despite the limited contributions of traditional International Relations theories, given the EU's ostensible evolution as an international actor with an attempted acquisition of deeper foreign policy capabilities, more mainstream International Relations theories (including a growing realist body) have emerged in the literature in the last few years (Zimmermann 2007; Selden 2010; Rynning 2011; Bendiek 2012).

In recent studies (Checkel and Moravcsik 2001; Zurn and Checkel 2005; Thomas 2009; Cebeci 2012), a loosely constructivist branch of theoretical literature has emerged which has focused on conceptualising what the EU is, specifically what type of international power it is.⁴ Given constructivism's focus on language and ideational variables, this branch of theoretical literature has propagated an obsession with conceptualising the EU as a post-modern (or post-Westphalian) type of international power (K.E. Smith 2005; Wolfe 2011). Indeed, over the last decade, constructivism has taken hold as arguably the dominant approach to understanding the EU's integration (Christiansen et al. 2001), its internal institutional dynamics (Risse and Wiener 1999; Schimmelfennig and Sedelmeier 2002), its identity building (Risse 2005; Zurn and Checkel 2005), and, increasingly, its foreign policy (M.E. Smith 2003; Schimmelfennig and Thomas 2009; Kratochvíl and Tulmets 2010). Constructivist studies of the EU's foreign policy tend to be overwhelmingly concept-heavy and empirically bereft, producing a body of literature more concerned with understanding what the EU is rather than explaining what the EU does (Moravcsik 1999; Diez 2013; N.R. Smith 2014).

Canvassing the pertinent theoretical literature used to assess Russia's foreign policy in the post-Soviet setting, two branches dominate: international system-level analyses and state-level analyses, with a third, smaller constructivist school also evident.

International system-level analyses make up a significant portion of literature examining Russia's foreign policy in the post-Soviet setting. Within this branch, studies have tended to be structuralist and rationalist (primarily structural realist), seeking out explanatory variables inherent in the international system for Russia's action and decision-making (Thorun 2009). For instance, structural realists have argued that Russia's foreign policy development has been based purely on fulfilling Russia's interests which altered from being in favour of initial cooperation with the West towards wanting greater independence and assertiveness as the post-Soviet period progressed. This change in foreign policy objectives

was, structural realists argued, solely due to the changing distribution of power internationally and regionally (MacFarlane 1999; Lynch 2001). The major domestic assumption of these studies is that because Russia's foreign policy decision-makers adopt a *realpolitik* paradigm to guide their decision-making, decision-makers metronomically make decisions based only on factors in the international system. Consequently, other domestic (or ideational) factors such as the decision-making process and the role of identity are eschewed for a framework which perpetuates an assumption that Russia is automatically a 'power maximiser' in its foreign policy (Legvold 2012, p. 38).

State-level analyses have sought to explain Russia's foreign policy decisions through considering variables emergent in the domestic setting (Thorun 2009). These studies have attempted to identify changes at the domestic level as being the primary driver of Russia's foreign policy behaviour. Subsequently, domestic factors such as the growing authoritarianism under Putin (Gill 2014), the role of key economic and political elites (Donaldson and Noguee 2014), the importance of entrepreneurial bureaucrats (Checkel 1993; Lo 2008), the role of the general population (Zimmerman 2009) and even the role of the Orthodox Church (Lomagin 2012) have been cited as key drivers (or at least important intervening factors) of Russia's foreign policy. This branch of literature is heavily influenced by Foreign Policy Analysis as it tends to forgo engaging with the broader International Relations theoretical debates and narrowly focuses on assessing the domestic foreign policy decision-making process. Accordingly, as Thorun (2009, p. 6) argues, 'only few offer a model that specifies under what conditions and to what extent domestic-level factors mattered in foreign policy decision-making', which has meant that 'domestic-level factors are often included to explain only residual variance'. Thus, these studies have failed to synthesise their approaches with broader International Relations studies, which has ultimately inhibited their utility beyond their narrow domestic scopes.

Lastly, although representing arguably a smaller section of the theoretical literature, constructivist accounts of Russia's foreign policy emerged in the 1990s and have remained influential since. Pioneered by the works of Hopf (1999, 2002) and Legvold (2001), constructivists have argued that Russian foreign policy development was predominately driven by the identity of its elites, specifically how elites perceived Russia's international role. Consequently, when Russia's foreign policy capability was at its weakest (particularly in the early 1990s), it was, partly, a product of conflicting national identities.⁵ Thus, the strengthening of Russia's foreign policy since the late 1990s was argued to be a product of a growing cohesiveness (or, at least, management) amongst elites as to Russia's international role identity.

As Tsygankov (2010, p. 20) argues, Putin solved the divisive identity conundrum by creating ‘a mixed-identity coalition . . . [an] alliance of oligarchs and chekists . . . which gained strength in the new world context, which held both threats and opportunities for Russia’. However, constructivist approaches have been heavily criticised for overestimating, exaggerating or misrepresenting the degree of identity (in)coherence of elites, while failing to factor in other variables into their analyses (Thorun 2009).⁶

As illustrated above, there is not a practical unifying theoretical approach to examine the competitiveness of EU and Russian foreign policy decisions in a comparative manner. Undoubtedly, the EU-centric theoretical approaches (either institutionalist or intergovernmentalist) used to analyse the EU’s foreign policy or the domestically focused theoretical approaches (largely from a Foreign Policy Analysis tradition) used to analyse Russia’s foreign policy are incompatible as a singular unifying theoretical approach as they are too narrowly focused on either the EU’s or Russia’s unique foreign policy decision-making processes. Additionally, regarding the dominant structural International Relations theoretical works, liberal intergovernmentalism for the EU and structural realism for Russia, no natural unifying approach emerges in the literature, especially since both liberalism and structural realism overlook arguably key factors in the foreign policy decision-making process.

Alternatively, the rise of constructivism in both EU and Russian foreign policy literature presents a clear approach which could be operationalised into an overarching framework to examine the competitiveness of EU–Russian relations because, unlike the aforementioned theoretical approaches, constructivism is commensurable with considering both the EU and Russia (Adler 2012). Recent constructivist works on ideational drivers of the emerging China–Japan dispute demonstrate its usefulness as a comparative International Relations approach (Wang and Blyth 2013; Suzuki 2015). While constructivism offers some fruitful avenues for assessing EU–Russian interaction and competition by highlighting the role of identity, values and norms in shaping foreign policy decisions, it also raises serious validity concerns (Adler 1997).

First, constructivist studies to date have generally been too philosophically (or ontologically) focused; failing to develop viable middle-range theories, which hinders its applicability as a testable International Relations theory (Moravcsik 1999; Jupille et al. 2003; Lupovici 2009). Consequently, constructivism has received notable criticism as being methodologically weak, mainly due to its interpretive epistemological foundations which restrict its application for empirical research (Zehfuss 2002). As a result, constructivism cannot claim to have any real explanatory or predictive power; rather it produces rich and detailed academic-centric research

which is empirically constrained. As Jupille et al. (2003, p.8) note, the ‘metatheoretical debate about institutions has run its course and must now give way to theoretical, methodological, and carefully structured empirical dialogue’.

Second, constructivist approaches tend to focus too closely on the ‘intersubjective’ origins of foreign policy decisions through examining the inherent identity of groups and the driving normative values emanating from the ‘speech acts’ of such groups (Fiaz 2014). For Toje and Kunz (2012, p.1), constructivism was born out of a desire to reconnect with non-systemic variables but in doing so, it has almost entirely forgotten the role of structure and materialism in driving foreign policy decisions. Consequently, it is argued that in the context of EU–Russian relations, material and structural factors need to be brought back into consideration, especially when examining interaction in their shared neighbourhood.

Despite the unsuitability of the above-examined approaches for utilisation as overarching theoretical frameworks, they nevertheless offer particular strengths for examining the competitiveness of the EU–Russian relationship in their shared neighbourhood. The EU-centric and distinct Russian state-level approaches provide insights and methods for understanding the domestic foreign policy decision-making dynamics and processes of both while realist approaches adeptly show the structural constraints influencing both Russia and the EU’s foreign policy objectives. Additionally, constructivism offers insights into the role ideational factors, particularly identity and culture, play in the formation of foreign policy on both sides. Ultimately, this research aims to harness the benefits of these particular approaches when evaluating the nature of the EU–Russian interaction under the umbrella of neoclassical realism, which it is argued has the flexibility to incorporate a range of approaches under a single framework.

1.2 NEOCLASSICAL REALISM

Neoclassical realism represents a loose coalition of classical realist tradition and structural realist elegance. It has gained momentum as an emerging realist theory in the post-Cold War setting. The ‘realist’ work of Wohlforth (1993), Schweller (1994), Christensen (1996) and Zakaria (1999) from the 1990s is seen as the foundation scholarship for neoclassical realism (even though none of these works use the term neoclassical). Neoclassical realism’s emergence has been abetted by the demise in popularity of structural realism as a grand theory of International Relations in the post-Cold War setting and the growing consensus amongst realists that

domestic factors require evaluation when examining the irregularities of state action. Neoclassical realism, in response, attempts to bind the rigour and elegance of structural realism with the central classical realist doctrine of Morgenthau, Carr and Kissinger: that individual and state-level variables matter in foreign policy decisions (M.J. Smith 1990). As defined by Rose (1998, p. 146), neoclassical realism holds that:

foreign policy is driven first and foremost by the country's relative material power. Yet it contends that the impact of power capabilities on foreign policy is indirect and complex, because systemic pressure must be translated through intervening unit-level variables such as decision-makers' perceptions and state structure.

Neoclassical realism is dually concerned with the impact of the international system on a state's behaviour and the mediating effect of domestic pressures in developing and shaping a country's foreign policy. Consequently, it can be said that neoclassical realism is both a theory of foreign policy, with a similar domestic focus to Foreign Policy Analysis, and a theory of International Relations.

In combining the domestic focus of classical realism and the systemic focus of structural realism, neoclassical realism employs a multi-level analysis as it accounts for each of Waltz's (1979) three images of International Relations: the system, the state and the individual.

For neoclassical realists, the international system is a major factor in international relations and thorough understanding of this system is required when evaluating and positing state action. Similar to structural realists, neoclassical realists hold that the international system constrains and guides the actions of states. Thus, the international system is anarchic and represents a self-help system where actors are forced to undertake action within collectively defined parameters or else suffer the consequences of becoming irrelevant or ineffective (Waltz 1979). Therefore, neoclassical realism posits that the international system precipitates a struggle for power amongst units within the system. Although power, which is of great importance when understanding international relations from a realist point of view, is significant in all three levels of neoclassical realism analysis, it is argued that power emanates overwhelmingly from the systemic level. While military and economic resources at a state's disposal inevitably impact the power it can wield internationally, Wohlforth (1993, p.294) argues that 'the relation of perceived power to material resources can be capricious; the mechanics of power are surrounded by uncertainty'. In this sense, neoclassical realism holds that states (and researchers for that matter) cannot concretely or correctly calculate power. Rather it is how

states interpret their place in the international system, through analysing long-term trends and receiving feedback, which has the greatest impact on driving foreign policy. For instance, states try to anticipate other states' behaviour and the likely future power trends by predicting action within the parameters of the system as they see it. Thus, systemic incentives and threats as perceived by decision-makers, although ambiguous and hard to assert, play important roles in guiding how a state interacts in the international system (Rose 1998).

In a significant diversion from structural realism, neoclassical realism also places central importance on the role of the state. States are seen as the most important actors in the international system because groups of people represent the essence of social reality. As Taliaferro et al. (2009, p. 24) posit, 'tribalism is an immutable aspect of the human condition and political life' and is partly driven by *metus hostilus* (fear of enemies), which propels the need for groups to overcome barriers to collective actions, essentially binding them together. Neoclassical realism uses the term 'state' liberally to encompass a number of autonomous entities with varying geographic scopes, internal attributes, material capabilities that coexist in an anarchic environment (Taliaferro et al. 2009). Thus, the definition of a state is not necessarily solely confined to the ubiquitous nation-state which populates the current system but can also represent other forms of entities that exhibit traits of statehood such as sovereignty, autonomy, territory and a populace (Krasner 2004). However, it is important to note that for neoclassical realists, all states have a 'national security executive' encompassing the head of government and the ministers and practitioners involved in making foreign policy which sits at the juncture of the state and the international system (Taliaferro et al. 2009). While the national security executive of a state is the main body that formulates foreign policy, neoclassical realism strongly argues that the state is not completely autonomous from society (Rose 1998). Subsequently, neoclassical realists take into account the state–society relationship when analysing foreign policies (Taliaferro et al. 2009).

Lastly, although neoclassical realism is not as enamoured with the role of individuals as classical realism, it nevertheless agrees that individuals can, at times, influence the foreign policy decisions of a state (Sterling-Folker 2002). Indeed, as historical cases such as the role of Napoleon in nineteenth-century Europe and the impact of Hitler and Stalin in the twentieth century suggest, the idiosyncrasies and ideologies of individuals can have a real impact in shaping foreign policy decisions (Kissinger 1966). However, as the aforementioned cases show, it is only at exceptional times when leaders have a firm grip on power that they can actively influence foreign policy (Waltz 1979). More common is a scenario where leaders are

heavily constrained by domestic and international structures, leaving little room for whimsical and capricious policy-making. As Kissinger (1957, pp. 326–8) argues, ‘the statesman is inevitably confronted with the inertia of his material . . . [T]he acid test of a policy . . . is its ability to obtain domestic support.’

1.3 A NEOCLASSICAL REALIST THEORETICAL FRAMEWORK TO EXAMINE EU–RUSSIAN INTERACTION IN UKRAINE

The development of a neoclassical realist framework for this research is aided by a number of supplementary sources to enhance the practicality and usefulness of this research. Consequently, as illustrated in this section, this framework uses contributions from constructivism, cognitively focused research and Foreign Policy Analysis. It is argued that the strength of using a neoclassical realist approach is not in its elegance (although useful), which potentially causes rigidity and oversimplifications, but in its flexibility as a problem-driven approach that calls for richness and specificity over generalisability. Essentially, the neoclassical realist studies which have favoured elegant causal chains with a strong focus on generalisability are more akin to structural realism, and consequently are unsuitable as models for examining the complexity of EU–Russian interaction in their shared neighbourhood (Wohlforth 1993; Schweller 2004; Rathbun 2008). This section first confronts a glaring caveat, the challenges of comparing two different entities under a single framework. Second, a definition of competition that harnesses both material and ideational factors is offered. Thereafter, building on this definition, the key variables – namely, identity, perceptions, the foreign policy-making process and the foreign policy response of Ukraine – are outlined for the examination of the competitiveness of EU–Russian interaction in their shared neighbourhood.

1.3.1 Comparing the EU and Russia

There is an inherent comparative angle to this research as this book uses the foreign policy decisions of three entities (predominately the EU and Russia but also Ukraine) as the units of analysis. Rose (1998) and others (Cha 2000; Rathbun 2008) have argued that neoclassical realism is naturally suited to utilisation in a comparative way. Cha’s (2000) neoclassical realist analysis of the security dynamics of East Asia illustrates the comparative and cross-cultural utility of neoclassical realism as it traces how the unique domestic settings of states within a regional security complex translate

systemic pressures into foreign policy decisions. However, comparing the EU and Russia is complicated by the fact that while Russia is a state, the EU, while having state-like attributes, is clearly something else altogether.

Examining Russia's foreign policy, given that Russia is a state, from a state-centric perspective, such as neoclassical realism, does not cause any validity issues. However, examining the EU's foreign policy presents a number of validity issues and commensurability challenges. First, an obvious problem with employing a realist approach for the analysis of EU foreign policy is that the EU is clearly not a state. Debating the existential nature or the institutional dynamics of the EU, although important scholarship, is beyond the scope of this book. Unequivocally, though, the EU, in its current incarnation, is, at the very least, an international actor which produces a foreign policy; whether it is effective or coherent is a different question (Selden 2010; N.R. Smith 2016). In the post-Lisbon setting, the EU's ability to generate foreign policy has arguably been enhanced with the formation of a diplomatic body, the European External Action Service (EEAS); the creation of two positions to improve the visibility and standing of the EU internationally; and the broadening of the exclusive and shared competences of the Union (Howorth 2010).

Indeed, the EU's foreign policy, comparatively to that of a state, is more conspicuously, although perhaps only ostensibly, influenced by ideational and normative factors. However, the overwhelming focus on this ideational aspect of the EU's foreign policy has arguably resulted in the marginalisation of analysing systemic and material variables as drivers of the EU's action. This book argues that in certain geopolitical contexts, the EU is susceptible to systemic and material drivers of foreign policy and subsequently acts in a far more self-interested and rational manner, as opposed to the 'ethical power Europe' conceptualisation of the EU as a benevolent and normative-focused actor. One geopolitical context in which the EU arguably pursues self-interested goals over normative ones is in its neighbourhood, particularly its eastern neighbourhood. Bressand (2011) argues that while the EU pursues something of a 'Kantian' agenda in its broader international action (favouring multilateralism), in its eastern neighbourhood, it follows a far more self-interested, 'Machiavellian' agenda which prioritises *realpolitik* goals over absolute gains. Consequently, the EU, although generally not willing to acknowledge it publicly, views its eastern periphery as an important geopolitical region, one in which it is actively trying to interact with and influence. As Toje and Kunz (2012, p. 1) argue, the 'established orthodoxy' of employing 'sui generis theoretical constructs' for the EU limits understanding the EU's external role, so bringing power back into the fold can shed new light on the EU's foreign policy.

Therefore, given that the EU produces a foreign policy and is arguably

susceptible to the same structural forces that Russia is, it is argued that comparing the EU's foreign policy with that of Russia's, despite obvious caveats, nevertheless, represents a fruitful undertaking. Indeed, both the EU and Russia have different foreign policy-making processes and face different internal and external constraints. However, this framework attempts to overcome this by examining a multitude of variables with added emphasis on factoring in the unique domestic foreign policy-making processes of both entities.

1.3.2 Competition in International Relations

This research is centrally concerned with assessing the competitiveness of two large powers – the EU and Russia – in their overlapping spheres of influence – the shared neighbourhood, specifically Ukraine. Choosing variables that are important to understanding and evaluating competition is, therefore, imperative. Contrary to a structural realist assertion that competition between states is a product of security dilemmas in an anarchic and self-help system which promotes self-interested and zero-sum behaviour (Waltz 1979), this research argues that entities create competitive or cooperative foreign policy decisions based on a number of factors. Glenn (2009), Sterling-Folker (1997), Glaser (2010) and others (Williams 2004; Youngs 2004; Toje and Kunz 2012; Juneau 2015) contend that actors are influenced by both material and ideational factors when producing foreign policy, which means that actors are not simply structurally predisposed to either competitive or cooperative behaviour. Sterling-Folker (2002, p. 73) argues that mixing structural realism with constructivism (that is, a focus on ideational factors) contributes to a deeper understanding of structural realism's assertion that states favour competition over cooperation.

The material drivers for international action, born of the anarchic international system, are undoubtedly a strong determinant of whether two entities are likely to compete or not. As Waltz (2000, p. 34) contends, 'when external conditions press firmly enough, they shape the behavior of states', which, in the scope of an emerging multipolar system, makes competition or cooperation more complicated given the number of relevant international actors. However, while multipolarity certainly increases the potential for great power competition, it does not preclude cooperation emerging altogether. Indeed, as Deutsch and Singer (1964, p. 390) argued, assessing whether 'interaction opportunities' between states lead to competition or cooperation should be done from 'the vantage point of both the total system and the individual states comprising it'. Consequently, bringing in a domestic focus is a critical component of understanding why competition or cooperation occurs between two powers in a given policy area.

In addition to international and domestic material factors, it is argued that ideational factors such as identity, norms and values also impact the foreign policy decisions of an entity, and, therefore, whether the interaction is going to be competitive or cooperative. Jepperson et al. (1996, p. 33) state that ‘cultural environments affect not only the incentives for different kinds of state behavior but also the basic character of states – what we call state identity.’ Although more often associated with constructivist or critical approaches to foreign policy, ideas, although eschewed by structural realism, do have an important place in realist thought. Kitchen (2012, p. 80) claims that while ‘ideas should be analytically subverted to power’, foreign policy, and therefore competition between the foreign policy of two states, ‘emerges through a process of empirical assessment and ideational competition within the foreign policy executive’.

Bridging this material–ideational divide, this research defines competition in international relations as a contest between two or more powers for some perceived prize, honour or advantage which is a product of structural (and geographical), material, cognitive and ideational factors.

1.3.3 A Neoclassical Realist Causal Chain for Analysing the Foreign Policies of the EU and Russia

In operationalising this definition of competition with the core assumptions of neoclassical realism into a testable theory of International Relations, a three-step causal chain (Figure 1.1) is utilised.

The independent variable is the state’s (relative) position in the international system. This variable is best understood as two intertwined assumptions. First, the primary systemic driver of foreign policy is a state’s position in the international system. The nature of the international system, whether unipolar, bipolar or multipolar, and a state’s position within that order primarily determine what action a state can undertake (Rittberger 2004). Second, an important interlinked systemic factor is the distribution of power in the international system, manifested as a state’s relative power. The rise (or fall) in the power of a state not only has repercussions for how it will act but also for how other states, in turn, will adjust (Rittberger 2004). Undoubtedly, states are more sensitive towards the power capabilities of rivals that are geographically close to it. As Buzan and Waever (2003, p. 466) contend, regional settings (what they call regional security complexes) tend to be more unstable because security threats minimise significantly over distances. Thus, it is the threats emanating from the region that are the most influential to a state’s foreign policy response. Therefore, while a state’s relative power position within the broad international system provides parameters that subtly directs its long-term

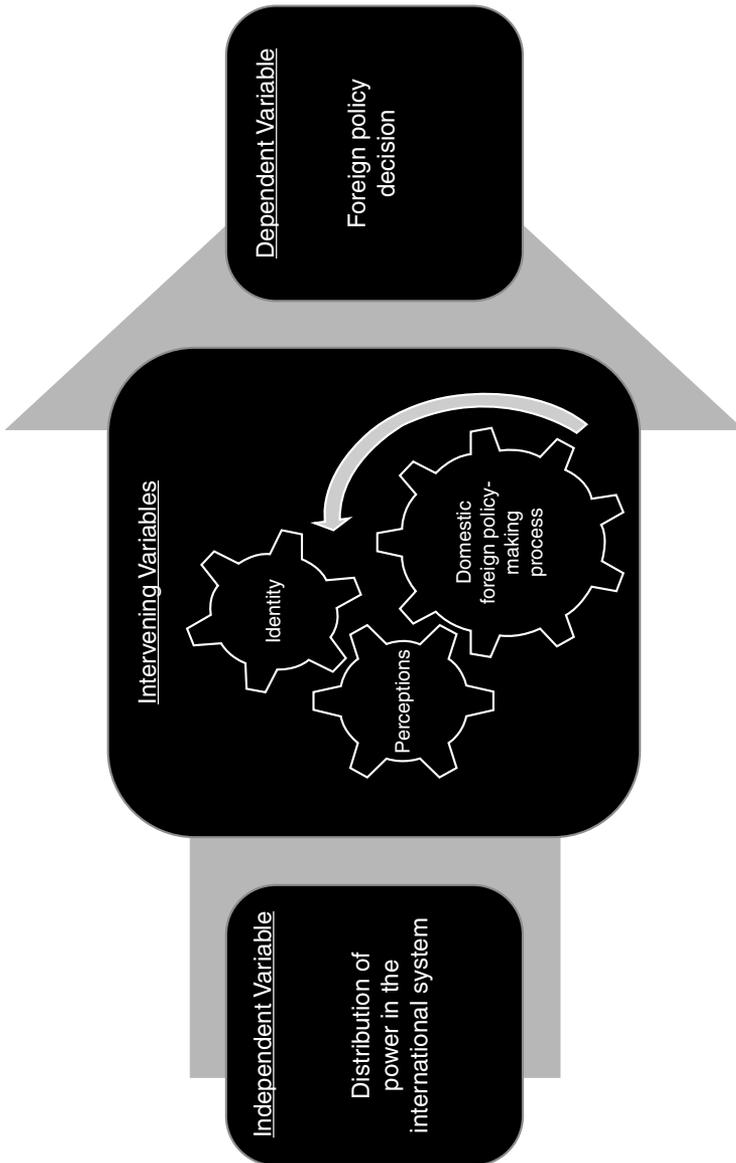


Figure 1.1 A neoclassical realist causal chain for analysing the foreign policies of the EU and Russia

foreign policy goals, it is the pressures emanating from the regional setting which play a far more causal role in foreign policy formation (Acharya 2007).

Traditional neoclassical realist approaches call for accurate calculations of a state's relative position in the international system. This research argues, however, that employing equations to calculate quantitatively the distribution of power in a given international or regional setting is a challenging endeavour which is beset by epistemological issues. The actual nature of the international system cannot be adequately quantified; rather it is subjectively interpreted and judged by foreign policy decision-makers leading to inconsistencies and disputation between different entities (Schweller 2004). Consequently, a state's foreign policies are rarely 'objectively "efficient" or predictable' when solely based on an 'objective assessment of relative power', which represents neoclassical realism's major critique of structural realism and the justification for bringing the domestic setting to the fore (Taliaferro 2006, p.485). Consequently, this research employs a crude contextual examination of the evolution of the distribution of power in the European regional context since the collapse of the Soviet Union in 1991 (see Chapter 2), with specific attention to the current power dimensions in Eastern Europe and how this informs foreign policy decision-making in the EU and Russia.

The first intervening variable, which has been increasingly invoked in recent neoclassical realist studies, is the role identity plays in foreign policy formation. Juneau (2015, p.19) argues that identity acts as a 'further transmission belt' between the international system and foreign policy decisions as identity is important in shaping and directing a state's interests and motivations for undertaking action. Hadfield-Amkhan's (2010, p. 62) assessment of identity in Britain's foreign policy decisions holds that 'the discursive transference from identity meanings to policy practices, neither historical changes nor systemic alterations regarding a perceived threat lessens the instinct to use foreign policy as the chief vehicle to make plain national values and mandates'. In other words, identity acts a kind of mental framework for decision-makers; a filter which makes sense of systemic pressures and how an entity should respond. Consequently, identity plays a constricting role in foreign policy formation as it narrows the options available to decision-makers. As Abdelal et al. (2006, p. 698) posit, 'the content of a collective identity may be purposive, in the sense that the group attaches specific goals to its identity'.

To examine the impact identity has on the foreign policy decisions of the EU and Russia, this research evokes the concept of 'role identity' as first explored by Deutsch (1957) and later built upon by Holsti (1970), Walker (1987) and Wendt (1987). Role identity alludes to a particular international

role that the foreign policy decision-makers of an entity envision when formulating foreign policy. An actor's role identity is strongly dependent on culture, norms, values and rules but also the importance of 'others' (that is, other international actors), which gives exogenous meaning to an international role (Wendt 1999). However, as the literature strongly argues, state identity is multi-faceted, always changing and susceptible to internal and external pressure (Wendt 1999; K.E. Smith 2012). For this research, role identity is judged by accounting for the content and contestation of an actor's collective identity. Content refers to the 'meaning of a collective identity' – that is, what is the ideational substance which forms the identity of a group (Abdelal et al. 2006, p. 696). Contestation refers to the level of agreement within a group over the content of the collective identity – that is, the adhesiveness and bind the collective identity has (Abdelal et al. 2006, p. 696). Consequently, this research endeavours to uncover and assign identity-based roles for both the EU and Russia's foreign policy in the context of their interaction in their shared neighbourhood.⁷

The second variable, which builds from the parameters set by the putative role identity of each actor, is the foreign policy decision-makers' perceptions. Neoclassical realism holds that foreign policy decision-makers, 'whether politicians, military personnel or bureaucrats, make decisions that are based on their perceptions and calculations of relative power and other states' interests and motivations' (Taliaferro et al. 2009). Rose (1998, p. 158) states that 'the international distribution of power can drive countries' behaviour only by influencing the decisions of flesh and blood officials'. To that end, perceptions help explain why states often undertake different responses to similar situations; interpretation of systemic pressures can vary significantly. Kitchen (2010, p. 134) cites Morgenthau's (1967) assertion that the 'uncertainty of power calculations is inherent in the nature of national power itself' as illustrative of the neoclassical realist standpoint on how power is perceived. Foreign policy decision-makers' perceptions are, unlike identity, not constricting but rather can swing the options available to a state, rightly or wrongly (perceptions are, of course, prone to human error).

This research borrows heavily from the perceptions scholarship which has proliferated in the last decade, particularly in relation to the EU but also with regards to Russia's post-Soviet trajectory (Laffan 1998; Egeberg 1999; Chaban and Holland 2008). Three key areas of the decision-makers' perceptions are examined. First, the perceptions of the entity's position in the international and regional systems will be considered. It is argued that decision-makers consciously calculate the distribution of power in the international system when formulating foreign policy. Second, the entity's perceptions of the other will be considered. Decision-makers evaluate the

strength and interests and motivations of other entities when deciding on foreign policy. Lastly, the entity's perception of the benefits of pursuing their foreign policy decisions in the case of Ukraine will be considered. Foreign policy is, in part, driven by underlying interests and motivations as entities remain inherently self-centred. Thus, perceptions of capabilities, both of oneself and the other, lead towards intentions: the perceived interests and motivations for undertaking an action (Mintz and DeRouen 2010). By looking at these three key areas of decision-makers' perceptions, this research aims to develop a comprehensive understanding of the logic and rationale behind specific foreign policy decisions.

The power available to a state's foreign policy apparatus (through its domestic institutional make-up) to act on its foreign policy desires represents the last intervening variable in the domestic transmission belt. As discussed above, neoclassical realism holds that all states have a national security executive which oversees the foreign policy-making process (Taliaferro 2006). The national security executive's ultimate decision is strongly reliant on its ability to extract sufficient resources from society to pursue an objective. Zakaria (1999, p. 9) claims that:

foreign policy is made not by the nation as a whole but by its government. Consequently, what matters is state power, not national power. State power is that portion of national power the government can extract for its purposes and reflects the ease with which central decisionmakers can achieve their ends.

Thus, examining the domestic foreign policy decision-making dynamics of a state, through weighing the interests and power of key actors and institutions, requires evaluation. Consequently, this variable is arguably the most important of the three domestic intervening variables examined as it is the last step of the foreign policy decision-making chain, mixing both the logic of appropriateness associated with the state's role identity and the logic of consequences stemming from the decision-makers' perceptions into a coherent *and final* decision (N.R. Smith 2016).

To account for the effect of domestic institutional constraints in the context of this research, the internal foreign policy dynamics of both the EU and Russia will be examined. It is important to note that because the domestic settings of states are not identical, and in the case of the EU and Russia, wildly different, examining the unique processes of each is important. Therefore, this research aims to focus on the particular decision-making dynamics of both the EU and Russia, focusing on the key actors and institutions involved in making foreign policy. In the case of the EU, the importance of intergovernmental channels (that is, member state preferences) vis-à-vis supranational institutions (the Commission

and EEAS) will be assessed. With regards to Russia, the influence of the President's role as commander-in-chief, mediated by key political and economic elites along with, to a lesser extent, the central foreign policy institutions (Ministry of Foreign Affairs, Ministry of Defence and Ministry of Internal Affairs) will be evaluated. Therefore, this research aims to account for the varying impact of the domestic institutional setting of the EU and Russia as a last stage in the internal foreign policy decision-making chain.

The last variable concerns the foreign policy decisions of Ukraine, which comes into the causal chain as a response to the foreign policy decisions of both the EU and Russia. Given that the foreign policy decision-making process has a dynamic quality to it, assessing the effectiveness of the policy and contemplating how the response will affect the future behaviour of the conferring state is important. In the context of Ukraine, scholars have traced its foreign policy decisions since independence along specific Russian-centric, Euro-centric or neutral phases leading Ukraine to be aptly classified as a complicated third actor in the relationship, one prone to play both sides concurrently (Larrabee 1996; Kuzio 2005a; Gawrich et al. 2010). However, borrowing from Casier's (2012) exploratory article on EU–Russian competition, this research consciously aims to treat Ukraine as an active player in this phenomenon rather than as a passive recipient (or 'target actor'). Casier (2012, p. 33) argues that 'the interaction should be studied within the framework of a triangle, with three players (EU, Russia and neighbouring state), in which all three relationships mutually influence each other'.

This research does not intend to examine the foreign policy decisions of Ukraine with the same scope or depth as the EU or Russia. The identity, perceptions or domestic foreign policy-making setting of Ukraine's foreign policy decision-making process are not examined. Rather Ukraine's foreign policy decision is utilised as an indicator of how the EU and Russia's policies have influenced Ukraine's decisions. Furthermore, examining Ukraine's action in light of both the EU and Russia's policies undoubtedly sheds light on the competitiveness of EU–Russian interaction. Therefore, Ukraine's foreign policy decisions will be analysed to extrapolate how the EU and Russia's foreign policy decisions have shaped and guided Ukraine's ultimate foreign policy outcomes, and vice versa due to the argued 'feedback loop' that exists in the decision-making procedure. The response of Ukraine is not only a good indicator of the state of EU–Russian competition or cooperation in their shared neighbourhood but also as a predictor for the trends and evolution of the relationship moving forward.

The dependent variable, as is the norm in neoclassical realist studies, is the foreign policy outcome of the EU and Russia. It is argued that a state's foreign policy decision is neither simply a case of power maximisation

(offensive realism) nor security maximisation (defensive realism) but rather a complicated relationship between the ‘national security executive’, the domestic setting and the international system which results in a strategy more akin to influence maximisation. Zakaria (1999, p.20) cites Gilpin (1983) when explaining the relevance of influence maximisation to neo-classical realism:

As the power of a group or state increases, that group or state will be tempted to try to increase its control over its environment. In order to increase its own security, it will try to expand its political, economic and territorial control; it will try to change the international system in accordance with its particular set of interests.

Thus, the central objective of the state is to increase its influence over other states by employing any number of strategies: threats and coercion, alliances and cooperation, and the creation of distinct spheres of influence (Juneau 2009).

1.4 MEASURING COMPETITION: A THEORETICALLY INFORMED COMPETITION–COOPERATION POLICY MATRIX

It is through the analysis of the foreign policy decisions, guided by the independent and three intervening variables discussed above, that the level of competitiveness between the EU and Russia in the shared neighbourhood state of Ukraine will be evaluated. As international actors are argued as following strategies which amount to ‘influence maximisation’, the foreign policy outcomes of the EU and Russia in the scope of Ukraine and the shared neighbourhood are expected to reveal the level of competition between the two entities. This research examines the foreign policy decisions in three key sectors: trade, energy and security. In essence, the research is concerned with developing a theoretically informed narrative which examines the influence of systemic, material, cognitive and ideational variables on the foreign policy outcomes of the EU and Russia in relation to pursuing their interests in Ukraine. In this sense, foreign policy decisions, as evident in documentation and action on the ground, represent the key ‘units of analysis’ this research will examine and compare to determine whether the interaction between the EU and Russia is competitive or not.

This research borrows heavily from the empirical and methodological contributions of Foreign Policy Analysis and Comparative Politics

(Carlsnaes 2004; Hudson 2005). Casier (2012, p.37) argues that when considering whether the policies of states in a particular area are competitive, cooperative or something in between (indifferent), two important distinctions have to be made. First, how do the ultimate objectives of the two policies relate or align to one another? Are they conflicting, where policy objectives are mutually exclusive; compatible, where policies are not aligned but also not mutually exclusive; or complementary, where policies reinforce one another towards a common goal? Second, how strong are the policy objectives? Here, policies can be adjudicated as having objectives that are malleable or rigid. Malleable policies occur when there is a lack of political will to fulfil the stated objective whereas rigid policies have the necessary political will, while a middle ground occurs when one side has rigid policy strength and the other malleable policy strength.

It is argued that treating cooperation and competition as a simple dichotomy is reductive and misses the complexity of interaction between different actors in international relations. Rather, as Miller (2002) argues, cooperation (and competition) is better conceptualised as a continuum. Therefore, using the two distinctions examined above (objectives and strength) as axes, a policy matrix (Figure 1.2) based on Casier's (2012) assertion can be generated. In this matrix, there are nine possible outcomes when analysing the policy decisions of states which fit into three broad categories of relationships: competitive, indifferent and cooperative. A competitive relationship would likely result in policies that are contentious, rhetorically charged and largely zero-sum. An indifferent relationship would result in a mix of cooperation in certain areas and competition in other areas creating opportunities and constraints for interaction. A cooperative relationship would lead to joint partnerships, association agreements and strong dialogue; essentially becoming largely positive-sum.

		Policy objectives		
		Conflicting	Compatible	Complementary
Policy strength	Malleable	Weak competition	Competition < indifference	Weak cooperation
	Middle ground	Medium competition	Indifference	Medium cooperation
	Rigid	Strong competition	Indifference > cooperation	Strong cooperation

Figure 1.2 The competition-cooperation policy matrix for EU-Russian interaction

NOTES

1. The broadly aggregated institutionalist branch includes a wide range of specific theories such as historical institutionalism, rational choice institutionalism, supranational institutionalism and multi-level governance (Rosamond 2007).
2. The intergovernmental branch includes classic intergovernmentalism, confederalism and liberal intergovernmentalism (Cini 2007).
3. Moravcsik's (1993, p. 480) liberal intergovernmentalism built on Hoffman's (1966) original intergovernmentalist approach by adding two further assumptions: 'the assumption of rational state behaviour' and 'a liberal theory of national preference formation'.
4. The EU has been called numerous other 'monikers' to describe its power: ethical, small, metrosexual, ambiguous, transformative and green, to name but a few (Forsberg 2013).
5. Hopf (2005, p. 225) argued that three main identities permeated through Russian elite circles, liberal, conservative and centrist.
6. The levels of identity (in)coherence amongst elites are influential to a country's foreign policy decision-making process (Hopf 2002; Abdelal et al. 2006).
7. It should be noted that scholars have examined the importance of roles and identity with regards to both the EU and Russia, providing a useful theoretical and substantive base for this research (Chafetz 1996; Grossman 2005; Elgström 2007).