

Russia is indispensable

Eckhard Cordes wants to prevent the division of Europe into two economic blocs.

Although the Olympic flame is still burning in Sochi, the preparations for the big closing ceremony on Sunday are already underway: as the first Olympic Winter Games in Russia draw to a close, German athletes are among the most successful.

The Russians show obvious respect, not just for the performance of the German team. Germans are highly regarded as investors and employers, 6 000 German companies operate in Russia, approximately 100 were involved in challenging technical projects for the Winter Olympics. Among other nations, Germany tops the list of Russia's most important partner countries - for the time being, at least. For word has spread in Russia that, in contrast, Germany's admiration for all things Russian continues to dwindle.

The German media unleashed a veritable explosion of critical reports to go with Sochi's Olympic torch. Hardly one single positive sentence on Sochi was left to stand unreserved. Russia is also being pilloried for the crisis in the Ukraine. We are left in no doubt as to the differences between Germans and Russians. But what about the things we have in common?

A climate has arisen in Germany and the EU in which politicians avoid travelling to Sochi so as not to be considered a friend of Russia's. Those who do go in order to draw their own conclusions are forced to justify their actions. Are these conditions really conducive to fruitful dialogue?

Referred to as "Putin's Games", there is a story behind the Winter Olympics: back in 1995, Sochi lost out to Salt Lake City with its first application under Boris Yeltsin. At the time, Russia was in the throes of a profound crisis, with its gross domestic product dropping by an incredible 50%. Twelve years later, the city on the shores of the Black Sea near the Caucasus Mountains finally made the grade.

Sochi is now part of a consolidated country, whose people are no longer forced to struggle from day to day but who demand their political freedom with ever-increasing self-assurance. Why do we find it so hard to accept this new Russia as a European partner? Why do we have such little faith in the people of Russia and their ability to establish a modern European nation?

Today, German entrepreneurs are to be found in almost all of the 83 Russian regions, even those to the north of the Arctic Circle. Germans are welcomed with open arms. They bring their culture and their concept of democracy, they create jobs, and share their daily routine with the locals. At the same time, we entrepreneurs do not turn a blind eye to Russia's deficiencies as regards civil society, legal stability and corruption, all of which impede its economic development.

Nonetheless, we get involved locally, building bridges and acknowledging the country's progress. Unlike in the 1990s, German citizens who have to initiate legal proceedings in a

Russian court can do so successfully. As entrepreneurs, we have our finger on the pulse. We know that Russia is an indispensable part of Europe. And we suffer when this European perspective is increasingly called into question.

Exactly ten years ago, the eastward expansion of the EU shifted Europe's borders to the east. The enlargement was supposed to be an intermediate step en route to a common European house. Yet a widening gulf has replaced the pioneering spirit. It would be a mistake to blame Russia alone for the divide. Not only does the failure to abolish the visa requirement for citizens of Russia, the Ukraine, Armenia or Belarus right up until the present day put undue pressure on economic exchange, it impedes the modernisation of these countries, in the end, to the detriment of Europe as a whole. It is no good putting up barriers if you want open societies in Eastern Europe. The visa requirement must be abolished. It is up to Germany to play its part.

In the past, the EU has made other mistakes: it has pursued its agenda with the six countries of the Eastern Partnership without a functioning dialogue with Russia. And, despite an ostensibly strategic partnership, to date the EU Commission has rejected any high-ranking consultations with the customs union set up by Russia with Kazakhstan and Belarus. The mutual isolation only increases where partnerships are neglected and consultations left undone. The customs union, however, is an inescapable fact; it can no more be ignored than the influence of the Russian economy and politics on all the countries of the Eastern Partnership.

Approximately eight million ethnic Russians live in the Ukraine alone, making up over 15 percent of the population. They represent the majority in the Crimea. Throughout Eastern Europe, whether in Transnistria, Abkhazia or Nagorno-Karabakh, no conflict can be resolved without entering into dialogue with Russia. By contrast, a confrontation between the EU and Russia would lead to unpredictable tension, generating new trouble spots.

In particular, the situation in the Ukraine indicates that the only solution is to pull together. The countries of the Eastern Partnership will undergo a terrible test of loyalty if compelled to choose sides. Therefore, there must be no competing spheres of integration between the EU and the customs union, no case of "for" or "against".

The German economy is following this development with the same concern as its Russian counterpart, which is interested in cooperation: 40 percent of German companies in Russia fear that the conflict between the EU and Russia regarding the future of the Ukraine will have a negative economic impact.

People are dying in Kiev. The time has come for mediation in person. It is crucial that the German Foreign Minister adopt a proactive approach, together with his Polish and French counterparts; indeed, the Committee on Eastern European Economic Relations called for such an approach at an early stage. Those responsible for the use of force in Kiev must be called to account. By contrast, blind sanctions would only increase the division of the Ukraine and hamper a resolution.

Financing offers are essential to stabilise the Ukraine and can be tied to reforms. Furthermore, the offer of an EU association remains the foundation for a modern Ukraine in economic terms. Nevertheless, these two measures will only have a long-term effect if all the large Ukrainian parties support the process, including Russia. Therefore, the EU and Russia must intercede jointly in the Ukraine, putting an end to the bloodshed. This is a lesson also learned from the conflicts in Iran, Syria and Kosovo. Russia's cooperation is imperative.

The Committee on Eastern European Economic Relations was the first to speak up: Russia must become part of a European Free Trade Association. It is the only way to overcome Europe's increasing division into two economic blocs, and the only way to resolve the Ukraine

conflict in the long term. We have invited politicians and entrepreneurs from all over Europe to attend our second "east forum Berlin" in April 2014 and discuss strategies for the economic harmonisation of the EU Single Market and the customs union.

The agenda must include discussion of a "common economic area". Therefore, I am delighted that the German government's coordinator of German-Russian cooperation, Gernot Erler, seconds our proposal to set up a working group to prepare this common economic area. This project is equally important for the German and European economy as the planned free trade agreement with the USA. Politics and industry have to work closely together.

We should view the crisis in the Ukraine and the Winter Olympics as an opportunity to forge a new relationship between the EU and Russia. In Sochi, Russia presented itself as a country with a keen sense of tradition that is nevertheless looking to the West at the same time. The German Olympic medal winners received a rapturous ovation.

Sochi reminded us in Germany that we have friends in Russia. We have friends throughout Eastern Europe. These friendships and our political and economic weight entail a high degree of responsibility. We can, and indeed must, act as bridge builders between East and West. No-one else in Europe can relieve us of this duty.

The author is Chairman of the Committee on Eastern European Economic Relations.