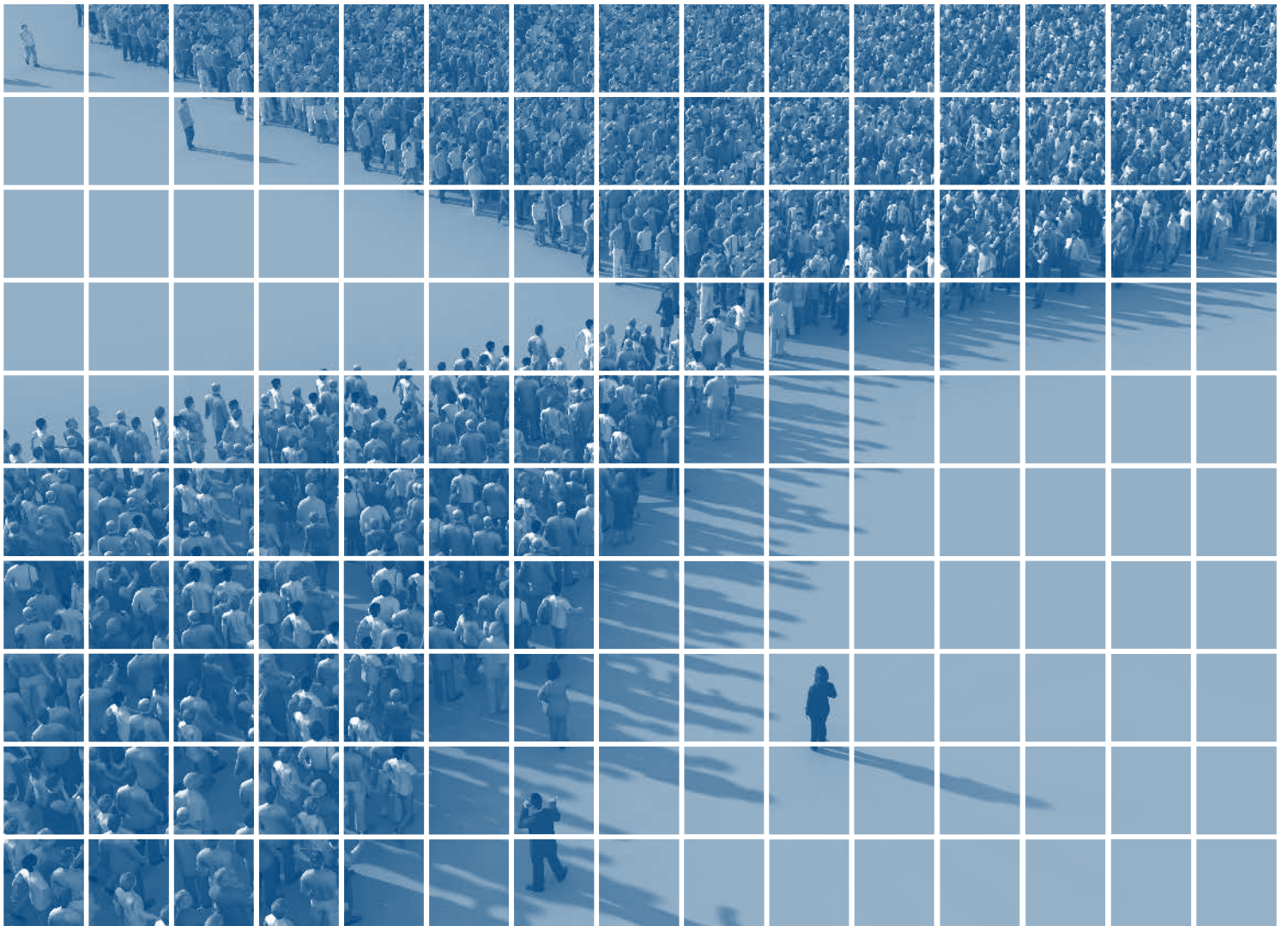# European Security – Challenges at the Societal Level

OSCE Network

OSCE Network of Think Tanks and Academic Institutions

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Acknowledgements

Executive Summary

In the wake of the current confrontation between Russia and the West, will the nations of Europe govern their interactions by rules and principles, as the signatories of the Helsinki Final Act hoped, or by the conjuncture or clash of national interests, unmitigated by a code of behavior? If by rules and principles, will those reflect shared values? Or are the values once deemed universal shared, in fact, only by certain elites? If a clash of interests prevails, can Europe contain the ensuing struggle and make the competition a non-zero-sum game? Or will each nation in Europe be faced with a series of stark choices between conflict and concession, winning and losing?

Europe – by which we mean here the OSCE area – faces a multitude of challenges, some, such as terrorism or climate change, have external origins; and some pertain to our living together on the European continent. Among the latter is the Ukraine crisis, which clearly shows that the Helsinki Consensus is being challenged – not because it has been disavowed, but because each side in the clash between Russia and the West claims that the other has broken it. Other challenges, such as the rapid growth of populist, nationalist and xenophobic forces in the face of the migration crisis, are symptoms of strain. Confrontations between sets of values are played out both within societies and between them.

As a result, the institutional foundations of cooperative security in Europe and the rules and principles they represent are rapidly disappearing. Both Russia and the West are starting to prefer deterrence to cooperative security. This spirit is also beginning to pervade economic relations and inter-societal interactions. Other countries increasingly see this confrontation as a threat to their own security. Attempts to restore a normative approach to international governance – rules and principles, whether based on shared values or not – would appear to require a significant lessening of current tensions first.

This report, therefore, argues that interim rules of the road in the security, economic and social fields, based on current realities and currently shared interests, are needed to help reduce those tensions: a *modus vivendi* that allows the sides to retain their principled positions on the European order, and how they believe it is threatened; but that also allows for the mitigation and containment of existing conflicts. This will not produce as much stability as a norms-based regime, and may result in less human security for individuals, but it can pave the way for serious discussions that can lead to a return to norms and principles as a guiding force for the European order.

The ideas in this paper are based on fifteen national narratives produced by institutions affiliated with this Network and which will be published separately. The narratives show that though in several countries – e.g., Russia, the United States, and the United Kingdom – societies perceive the standoff in mutually exclusive terms, the populations of many other counties have views that diverge strongly from the "Western" or "Russian" narratives. The narratives identify numerous shared interests on which to base an interim *modus vivendi*: on global and strategic issues and transnational threats, on conflict resolution in Europe and the Middle East, and on economic issues.

Our narratives generally recognize the need for a program of urgent action aimed at resuming dialogue and seeking cooperation, structuring multiple lines of dialogue as a starting point for broader intergovernmental cooperation, and agreeing on some urgent measures without political conditions and linkages. In light of recent dangerous incidents involving military forces, these should include an agreement in the NATO-Russia Council on avoiding military incidents and accidents and engaging in further dialogue on military risk reduction. Measures should also include dialogues on economic and social matters and the beginning of what will probably be a protracted dialogue on re-establishing a shared understanding of the principles of the Helsinki Decalogue.

At the same time, the narratives recognize that progress on resolving the Ukraine crisis will be a major factor in permitting the success of these measures and that failure to resolve that crisis will render most of them – and especially the attempt to re-establish norms – problematic. The OSCE has contributed greatly with the Special Monitoring Mission, but urgently needs to develop further operational capacity to make a greater contribution to the full implementation of the Minsk Agreements.

Key Recommendations

We recommend agreement on a Code of Conduct for Facilitating a Diplomatic Process including elements such as:

- lowering the level of confrontation by avoiding steps that raise tensions and taking agreed de-escalatory measures;

- strengthening communication by de-escalating rhetoric and discouraging hate speech, maintaining channels of communication at all levels, conducting a dual dialogue: both on issues where agreement is possible and on issues where no agreement can be expected soon; and encouraging academic and other exchanges to mitigate contradictory and mutually exclusive narratives; and

- taking measures to re-establish cooperation by avoiding conditionality on cooperation, working together on climate change, terrorism and other global or transnational issues, consulting with partners throughout the world to encourage their involvment, and publicizing the willingness of political leaders to cooperate.

We recommend creating a more connected economic order by measures including:

- developing a package of economic and environmental confidence-building measures to counter the tendency toward autarky that has been strengthened by the use of economic sanctions by all sides.

We recommend working on re-establishing a shared normative order through initiatives including:

- analysis of historical narratives on Western-Russian relations,

- initiating a dialogue on norms at the societal level, and

- utilizing existing networks of young leaders to help shape future interactions.

Introduction

Europe[1] is passing through a period of unprecedented challenges in terms of scope, complexity and speed. They are generated from within and from outside of Europe and challenge Europe's cohesiveness, integrity and competitiveness. Its competitiveness is challenged by ongoing shifts in the global distribution of power in an increasingly polycentric world. Its cohesiveness is severely tested by mounting global challenges and transnational threats, including climate change and transnational terrorism and a decreasing political ability to absorb inflows of refugees and migrants.

Europe's integrity is endangered by disputes over the European order and deepening institutional fragmentation, within both multinational groupings and individual societies. Societies are increasingly entrenching themselves behind fault lines, particularly those between Russia and the West.[2] But fault lines are also emerging *within* the Euro-Atlantic and Eurasian communities. Societies are often tempted to shield themselves from perceived external challenges through nationalism, isolationism and protectionism instead of addressing them through cooperation and openness. The challenges Europe is facing now are unlikely to disappear any time soon. Rather they will shape Europe's agenda for years to come.

While acknowledging numerous other fault lines affecting the OSCE area, this report concentrates on the divisions between Russia and the West. The reason is that Russian-Western relations represent the backbone of European security. There will be no resolution for the open and protracted conflicts nor agreement on an inclusive European order without cooperation between Russia and the West.

The purpose of this report is not to assign blame, but to understand where we are and why, and what needs to be done to manage those divisions. Based on its analysis, the report strongly advocates the resumption of a comprehensive dialogue between Russia and the West. While such a dialogue should be independent from the current crises, it is evident that it can only be productive to the degree that progress in crisis resolution is achieved, particularly regarding the Ukraine crisis. On the other hand, more dialogue will facilitate progress in crisis resolution. The argument that a business-as-usual approach to relations with Russia is unwarranted does not preclude extraordinary dialogue and fails to address the fact that the challenges we are facing are unprecedented and require extraordinary means.

Dialogue should lead to what the report calls pragmatic transactional cooperation, that is, cooperation starting from the current realities. In chapter 3, the report proposes a number of urgent steps to be carried out within the OSCE and beyond. In addition, it proposes a number of projects focused on the link between the societal and the governmental level, to be implemented by the OSCE Network of Think Tanks and Academic Institutions (cf. section 3.2).

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1   When speaking of Europe, we mean the 57 OSCE participating States.

2   By "Western states", we mean all states that are members of or are associated with the EU and/or NATO.

The report is the outcome of intensive exchange and discussions among representatives of sixteen institutes from all regions of the OSCE area that participate in the OSCE Network. Our joint research and the discussions were supported by two workshops held in Geneva and Moscow in May and October 2016.

Narratives for a Europe in Crisis

The role of narratives on the current crisis of European security is emphasized by a 'competition of narratives' within a European order shaken by 'the return of geopolitics' and 'the resurgence of geo-economics' between Russia and the West (as organized politically within NATO and the European Union) with the participation of in-between actors.

As a concept for analysis and policy, narrative may refer to material, institutional and ideational drivers of actorness. From the strategic point of view, narrative is a means used by policy makers to construct a shared meaning of the past, present and future of international politics in order to shape the behavior of domestic and international actors. Publics regularly internalize and rationalize the world in the form of narrative and media may exert a greater impact on public perceptions than government.

From the discursive point of view, narrative is an identity-driven and identity-reproducing process, whereby nations, leaders or people strive to connect their roles and destinies with internal and external developments. As a result, narrative tends to be a widely used and recognized story of the past.

Narrative and policy belong together and proceed in parallel. Narrative is used to validate or legitimate policy to domestic and international audiences and those messages may not necessarily be identical, but may be tailored to serve a function or purpose. The need for narrative within governments and societies is at its greatest when there is a change underway or expected in policy. As interpretations of developments in the Euro-Atlantic and Eurasian region, narratives serve to rationalize and validate strategies and actions in a formative period of international security.

Kari Möttölä, Finland between the Practice and the Idea: the Significance and Change of Narrative in the Post-Cold War Era. (Paper prepared for publication in the context of the OSCE Network Study Group: European Security – Addressing Challenges at the Societal Level, forthcoming 2017.)

The report builds on 15 studies on national security policy narratives[3] written by the members of the group. In analyzing the differences and shared views among Russia, Western countries and the countries that cannot be attributed to either "side", it focuses more on the link between the interstate and the societal level and less on the purely intergovernmental politics that are usually the main object of comparable reports. Therefore, it deals only peripherally with issues such as arms control or violent conflicts, but focuses on aspects that are more directly felt by citizens. We have chosen this approach because the current conflicts and problems run much deeper than intergovernmental politics and have reached the societal level. Suspicion and estrangement between societies have again reached levels not seen since the end of the Cold War. As a consequence, it has become much more difficult to re-establish cooperative politics, because re-creating confidence at societal levels is more difficult than at inter-governmental levels, where things can be repaired quickly if there is political will.

An important finding from the studies conducted is that the narratives we have identified do not exactly match the standard Russian and Western security narratives, which are almost mutually exclusive and lay blame for all evil on the other side. The debate over Russia reveals very different approaches. There are countries such as Austria, Italy and France where perceptions of closeness and even friendship with Russia are prominent. Switzerland, deeply anchored in the West, takes positions, but largely avoids blaming sides. And there are other countries, such as Georgia, the United Kingdom and Ukraine, where people feel fundamentally threatened by the Russian Federation. On the other hand, narratives underlying even official discourses in a number of countries allied with Russia, such as Belarus and Kazakhstan, reveal remarkable differences from the Russian mainstream narrative. What unites almost all narratives is the shared objective of pragmatic cooperation among Russia, the Western states and those countries that belong neither to Euro-Atlantic nor to Eurasian institutions.

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3   These include Austria, Belarus, Finland, France, Georgia, Germany, Italy, Kazakhstan, the Netherlands, Russia, Switzerland, Turkey, Ukraine, the United Kingdom, and the USA. These reports will be published in a separate book in early 2017.

The Challenges Ahead

The challenges ahead are numerous, complex and difficult to address. The situation in the OSCE area is characterized by a number of major fragmentation lines as well as external challenges that can roughly be sorted into four groups: fragmentation and divisions within and between societies; fragmentation within the integration structures; conflicts in Russian-Western relations; and negative influences from outside.

Divisions and Authoritarianism within Societies

We start from the assumption that long-term and more fundamental political change is driven by societal forces. Under the heading of society we understand all strata of the population of a country apart from the sphere of institutionalized politics – ideally parliaments and governments. Thus, society includes a broad variety of associations of any kind from business networks and trade unions, via churches, sports clubs, and cultural and scientific associations to non-governmental organizations. In most countries within the OSCE area, we observe a deepening of domestic fragmentation lines and the strengthening of populist, nationalist and xenophobic forces whose main desire is to cut their countries off from global developments. In some countries, these forces, by exploiting disconnects between ruling establishments and populations, have influenced the formation of governments or even assumed political power. Political forces of this kind represent a serious danger to a free and open Europe.

More people perceive threats and harbor suspicion and even hatred than at any time since the end of the Cold War. Because it is necessary for political leaders to secure the support of their electorates before they can repair ties at the intergovernmental level, any return to cooperative politics has become more difficult.

Fragmentation within the Integration Structures

The European Union (EU) is the most sophisticated integration structure in the OSCE space. Its development is key for the whole of Europe, and the EU-Russia relationship is a major pillar of the European order.

Currently, the EU's internal disagreements are so serious that they amount to a comprehensive crisis. No recipe has yet been found for the deep socioeconomic North-South divide within the EU. With Brexit, the EU will lose one of its strongest member states. A substantial move backwards towards disintegration can no longer be ruled out. Such a development would harm the whole of Europe and can be in nobody's interest. Against this background, the influx of refugees is seen by many as an unbearable burden.

NATO is also facing significant challenges in relation to the conflict in Syria, where different member states are pursuing different and even conflicting strategies. Moreover, the latent dispute over transatlantic burden-sharing is serious in times of scarce resources.

The Eurasian Economic Union (EAEU) has not yet become a driver of economic cooperation among its member states. Trade among them has been in steady decline. Western sanctions on Russia and Russian counter-sanctions, Russia's withdrawal from free trade with Ukraine and the extension of EAEU membership to Armenia and Kyrgyzstan have contributed to the erosion of the Euro-Asian Customs Union. The Ukraine crisis has triggered political concerns among member states over Russia's role and, most fundamentally, has revealed the fact that their national interests suffer severely from the confrontation between Russia and the West. Neither EAEU nor Collective Security Treaty Organization (CSTO) membership is seen by these states as a solution for these concerns. Particularly in the context of the current crisis, Russia's allies are emphasizing their multi-vector foreign and security policies and seeking to expand their relations with Euro-Atlantic institutions to balance their relations with Russia.

Russian-Western Relations

Relations between Russia and the West are at their lowest point since the end of the Cold War. Security relations soured in the wake of NATO enlargement, disputes over arms control, the Kosovo conflict and independence, and Western interventions in Iraq and Libya. As manifested by the conflict over Ukraine's association with the EU, economic integration issues are now part and parcel of the highly securitized dispute over the European order.

These developments are reinforced by a widening gap in how the actors understand the underlying norms and values of the European order, while mounting controversy at interstate level is complemented by deepening estrangement between societies. Russia no longer sees itself as part of the Euro-Atlantic community of states and, instead, seeks to protect itself from the Western policy of promoting democracy and human rights, often confused with a policy of regime change and interference in the internal affairs of sovereign states.

At the same time, Russia's involvement in the Ukraine crisis has raised concerns in the West, especially among Russia's neighbors, that Moscow is pursuing a revisionist policy that seeks to revise the post-Cold War European order. This has moved Russia's neighbors, which have recently become members of the EU and NATO, to seek credible reassurances from the Alliance and to move towards a deterrence posture vis-à-vis Russia.

As a result, we are witnessing a further deepening and hardening of the fault line between Russia and the West and a rapid dismantlement of the foundations of cooperative security in Europe, which have been in place since the end of the Cold War. The British narrative speaks of the end of an attempt over a quarter of a century to build bridges and of "deep competition and, in effect, covert confrontation". To be sure, current developments do not replicate the historical Cold War, which was a global and antagonistic ideological confrontation pursued by orderly assigned camps. However, they are increasingly reminiscent of Cold War behavior, in which the "other" was framed in a black and white manner as the only one bearing guilt for the conflict, and had to be removed before a resolution could be found. This kind of essentialist approach is a really alarming sign.

The Impact of External Developments

Two developments have had a salient impact on Europe: The change in global economic and power structures, and conflicts and instability in Europe's vicinity.

Rates of growth in Europe – the EU as well as wider Europe – are generally low, while a number of emerging countries are growing much faster. Europe can thus be said to be losing ground, at least in comparative terms. A new wave of protectionism would further complicate the situation. At the same time, Europe depends increasingly on global developments and decisions over which it has less influence. Europe, as well as its major constituent parts, has not yet found a way to deal with this. At the same time, climate change and large-scale disintegration and violent conflict in neighboring regions have had a number of consequences for the OSCE region, among them the increasing danger of transnational terrorism and violent extremism, as well as more refugees. It is undeniable that conflicts in these regions are having a direct impact on Europe, far more so than in the past. There is little hope that these conflicts can be resolved in the foreseeable future. Just decreasing their intensity would be a success.

The complexity and interconnectedness of today's conflicts have a number of consequences. Changes in one area can have substantial implications for completely different areas. Whether the USA and Russia cooperate or do not cooperate on Syria has an impact on their general relations as well as on conflicts in Europe. There is always the possibility of sudden, non-linear changes in the quality of conflicts, for better or for worse. Thus, governments and populations have to learn to exercise governance in the face of a hitherto unknown level of uncertainty. The prime task is to deal with the situation in a cooperative manner.

Russia and the West – Differences and Shared Views

In analyzing the relations between Russia and the West, we are looking for convergences and divergences in perceptions to find possible platforms for cooperation. We start from the understanding that Russian-Western disputes are only one part of the larger problems that plague the OSCE space. We believe that patiently overcoming these divisions and shaping cooperation between Russia and the West serves the interests of all OSCE states and that failure to cooperate will make appropriate adjustments to the current challenges an increasingly hard mission. For achieving sustainable and pragmatic cooperation in the OSCE space, dialogue is indispensible.

We have started by analyzing the issue of *principles and norms*, followed by *interests and assessments*, and come, finally, to *institutions and instruments*. Each of these three sub-chapters deals with security, economic and normative issues.

2.1 Principles and Norms

One of the characteristics of the current turbulent period is that the behavior of governments is less norm-guided than it was in more stable times. Violations of international law and related accusations have become common.

Security. Nobody in the OSCE area openly questions the validity of the Helsinki principles governing relations among the OSCE participating States. However, there are substantially and increasingly different interpretations of what specific principles

imply and what their mutual relationship is. This concerns most of the ten principles, particularly those of sovereign equality (I), refraining from the threat or use of force (II), the inviolability of frontiers (III), the territorial integrity of states (IV), non-intervention in internal affairs (VI), respect for human rights and fundamental freedoms (VII), and equal rights and self-determination of peoples (VIII).

The commitments to democracy based on human rights and fundamental freedoms, prosperity through economic liberty and social justice, and equal security for all nations, expressed in the 1990 Charter of Paris for a New Europe and reconfirmed on many occasions thereafter, among others, in the 1999 Charter of European Security and in the 2010 Astana Commemorative Declaration, are increasingly disputed. Russia and some other states, including countries in the West, differ from the mainstream Western understanding of political principles, leaving an increasing normative gap.

According to the prevailing Western narrative, the Russian government has seriously broken international law in Crimea and through its involvement in the conflict in Eastern Ukraine, calling into question the whole European order. In a number of countries, for example, Germany and the USA, there is concern that Russia might broadly reject the Helsinki consensus of a rule-based European order. From a Finnish point of view, the Helsinki and Paris order is in serious crisis, but not yet necessarily broken. For its part, the Russian narrative says that Western countries have broken and undermined international law with a number of military interventions and attempts at

regime change from Kosovo to Libya. Russia sees itself as having pushed for a rule-based European order with its European Security Treaty initiative, which Western countries were not ready to discuss seriously. An additional asymmetry is that Russia perceives its conflicts with Western states as a global issue, whereas the West sees relations to Russia predominantly as a regional question.

From a more specific security policy perspective, the 2010 Astana vision of "comprehensive, co-operative, equal and indivisible security"[4] is in jeopardy. While cooperative security has remained the official concept of the OSCE and no state has yet formally renounced it, the practical behavior of most states shows that they currently rely more on deterrence than on cooperative security. Correspondingly, two of the three pillars of the OSCE arms control regime are either politically dead (Treaty on Conventional Armed Forces in Europe / CFE) or urgently need modernization (Vienna Document on Confidence- and Security-Building Measures 2011), while the Open Skies Treaty is still functioning.

The expectation prominent in the early 1990s that a comparatively quick norms transfer to the transition countries would lead to more cohesion and, thus, to stability, has largely failed. The question remains whether this failure is temporary or long-term in nature. The answer to this question, which is not yet apparent, has fundamental consequences. In the first case, a rule-based order remains a long-term option; in the second case, it will be very difficult to achieve.

Historical optimism makes us believe in the first option. The long-term objective of a norm-based European security order – a security community – should be maintained. However, for the time being,

and this means a period of undefined duration, it remains a remote goal. The normative consensus between Russia and the Western countries is not stable enough to build concrete politics upon. Consequently, cooperation has to be based on more concrete interests to achieve a critical minimum of stability and cooperation. From the perspective of some countries, this is not new. In Kazakhstan, the prevalent view is that norms are not so decisive. Also in the French narrative, the perception that one should follow a *realpolitik*-based approach, focusing on interests, plays a prominent role.

Economy. In the 1975 Helsinki Final Act, the expectation was expressed that economic cooperation would foster stability and security: "Convinced that their efforts to develop co-operation in the fields of trade, industry, science and technology, the environment and other areas of economic activity contribute to the reinforcement of peace and security in Europe and in the world as a whole."[5] This is echoed by the 2003 "OSCE Strategy Document for the Economic and Environmental Dimension", which assesses itself as "an important step forward in developing our efforts to intensify economic and environmental co-operation among the participating States and thus to ensure comprehensive security and stability in the OSCE region."[6]

While statements like these are still fundamentally valid, they need differentiation. *Weak economic interdependence*, such as the simple exchange of goods, can achieve only little in creating stability and security. But this is precisely what we have in the relationship between Russia and Western

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4   OSCE, Summit, Astana 2010, Astana Commemorative Declaration. Towards a Security Community, para. 2.

5   CSCE, Summit, Helsinki 1975, Helsinki Final Act, chap. Co-operation in the Field of Economics, of Science and Technology and of the Environment, 1st sentence.

6   OSCE, Ministerial Council Meeting, Maastricht 2003, OSCE Strategy Document for the Economic and Environmental Dimension, pt. 4.1.

countries. Moreover, *asymmetric interdependence*, where one partner is more dependent on the other, can even be used to exert political pressure with economic sanctions or other trade restrictions. Thus, the belief that economic interconnectedness will *automatically* lead to more stability has been seriously challenged.

Values and norms can unite or divide societies as well as states. While principles and commitments are codified in international documents, the body of norms and values on which different societies agree is constantly changing. Within the OSCE area, we observe quite different social and governance structures and value systems. Consequently, there are – beyond the level of official documents – quite different sets of domestic values and different perceptions of right and wrong.

Summary. Contrary to the dominant expectation in the 1990s, there is no normative consensus among Russia, Western and other countries in the OSCE space that would provide a sufficient basis for practical politics. That does not mean that norms and commitments do not play any role at all. Neither does it mean that the problem can be reduced to a lack of appropriate implementation. It *does* mean that the normative consensus among the participating States is so weak that it no longer sufficiently informs policy-relevant decisions. For a norm-based organization, such as the OSCE, this is a fundamental problem that the 57 participating States have not yet really addressed.

This sober finding has two principal consequences: *First*, at the present stage, cooperation among states should be primarily based on shared interests and assessments. This will not produce as much stability as a norm-based regime. It will also produce less human security for individuals and increase the risk

of human rights being relativized in view of powerful interests. *Second*, societies, states and the OSCE itself should start to deal with normative issues in a serious manner. At the state level, this concerns the principles and norms of the Helsinki, Paris, Istanbul and Astana *acquis* that should not be renegotiated. Rather, their interpretation and application under the current conditions should be discussed.

At the societal level, norms dialogues should be conducted with the aim of mapping the currently existing normative structures, their divergences as well as their convergences, and discussing how a future common normative basis might look. In Recommendation C we make a corresponding proposal.

2.2 Interests and Assessments

European order. The core of the dispute between Russia and Western countries is the disagreement over the European order. As evidenced by, among other things, the Ukraine crisis, there is no longer a consensus on the principles, instruments and institutional framing of such an order. Historically, the Helsinki Final Act represented a compromise on the European order relevant for the period up to 1990. *De facto* European frontiers, including those of Eastern Germany, were politically recognized, irrespective of historical territorial claims. Since it was clear which bloc controlled which frontiers, the spheres of interest were clear-cut and rather well respected during the Cold War.

Currently, we have neither a functioning cooperative order nor one that sets rules for competition, since one of the security blocs that formed the basic structure of the Cold War has disappeared. Some argue that this implies that all European states

should be free to choose the organizations they wish to join. Others believe that indivisible security dictates a natural privilege of interest in certain spheres. The competition between these two visions is the core of the dispute. This competition without rules leads to instability and violent conflict. If Europe wants to regain lasting stability, states have to elaborate a shared understanding of a set of rules governing the European order on the basis of the Helsinki and Paris principles. Finding a proper starting point for such a process would, in itself, mark a major step forward.

The dispute over the European order rests on the fact that efforts to create a sustainable inter-linkage between Russia *and* the West, in the sense of a durable, cooperative and resilient connection between these two elements, have failed, at least for the time being. Discussions about the integration of Russia *into* NATO were not fruitful. What was actually attempted was establishing a special relationship between Russia and the Western integration structures. The NATO-Russia Council and the EU Four Common Spaces are the most important examples. However, although not completely unsuccessful, these efforts have not resolved the problem.

Russia has started to build up its own integration structures, namely the *Collective Security Treaty Organization* (CSTO) and the *Eurasian Economic Union* (EAEU). These institutions may be quite different from their Western counterparts and serve different purposes. What matters is that they exist.

The boundaries of the Russian and Western sets of integration structures are not clearly delineated. They overlap as far as countries are concerned which are not, but eventually may (and, in some cases, desire to) become part of either or both of them.

Consequently, there is competition in one form or another for the states that have not yet made their choices.[7] This produces a dangerous tendency to treat such countries as objects of policies pursued by European powers, rather than as sovereign states that should make their own choices.

This concern is reflected in the security policy narratives of the countries involved. In Belarus, for example, Russia-West détente and a convergence between EU-based and Russia-led integration projects is perceived as an important precondition for mitigating the consequences of the current confrontation. In Kazakhstan, the growing competition between the leading powers is increasingly seen as a threat to their national interest. The vital importance of maintaining high-level political contacts, even in difficult times, is also emphasized in the security policy discourse of other countries, such as Finland. Switzerland, supported by a number of states, has initiated the "economic connectivity" debate to transform a spheres-of-influence thinking into a win-win situation.

Politico-military situation. The dispute over the European order has been widely securitized and, to a certain degree, re-militarized. The war in Ukraine is the most visible evidence. Both Russia and the West currently prefer deterrence to cooperative security. This manifests itself in the increased number and size of military exercises, including those conducted on short notice and close to borders, as well as risky maneuvers by vessels and aircraft, which can lead to unintended incidents, with a considerable potential for escalation. Therefore, it is long overdue that Russia and the NATO states start to discuss these issues in the NATO-Russia Council.

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7   Cf. Back to Diplomacy, Final Report and Recommendations of the Panel of Eminent Persons on European Security as a Common Project, November 2015.

Most military measures taken by the various sides aim at increasing the readiness of armed forces or at relocating them to a limited degree. The overall figures of military equipment, however, have remained comparatively low and no general build-up, rearmament, or arms race has yet been observed. Neither side has enough military capabilities to start "large-scale offensive action" on a continental scale. What *is* possible, however, is geographically limited war, such as in Ukraine, as well as unintended war. Hybrid warfare, cyber attacks and other attempts to undermine societal resilience add to the picture. Taken together, for the time being, we are observing a limited militarization including some risk of re-nuclearization. The military situation can become more dangerous if it remains unchecked, but it is a symptom, not the cause of the dispute.

Threat perceptions. The fluid situation of a limited militarization is reflected in the fact that a number of governments harbor stronger threat perceptions than their populations do. Thus, significant majorities of the populations in such diverse countries as Belarus, France, Italy, the Netherlands and Switzerland rate military threats as low. However, in a more recent poll (February / March 2016), 48 per cent of Germans perceived Russia as a threatening country, whereas only 25 per cent of Russians saw Germany as threatening.[8] At the same time, Russian public opinion polls recorded an unprecedented surge of fears of a possible war with the US during the culmination of fighting in Ukraine at the end of 2014 and early 2015. More than the general public in many countries, governments and international organizations have started to allude to more or less explicit security concerns. In the communiqué of the NATO

Warsaw Summit of 8-9 July 2016 we read: "Russia's aggressive actions, including provocative military activities in the periphery of NATO territory and its demonstrated willingness to attain political goals by the threat and use of force, are a source of regional instability, fundamentally challenge the Alliance, have damaged Euro-Atlantic security, and threaten our long-standing goal of a Europe whole, free, and at peace."[9] And the 2015 National Security Strategy of the United Kingdom states about Russia that one "cannot rule out the possibility that it [Russia] may feel tempted to act aggressively against NATO Allies."[10] Conversely, we can read in the "Concept of the Foreign Policy of the Russian Federation" of February 2013: "Russia maintains a negative attitude towards NATO's expansion and to the approaching of NATO military infrastructure to Russia's borders in general as to actions that violate the principle of equal security and lead to the emergence of new dividing lines in Europe."[11] It is, however, striking that states such as Belarus or Kazakhstan avoid identifying specific threats, but express their concern in more general terms such as an "increase in competition between leading powers."

The situation is significantly different in countries, such as Georgia or Ukraine, where threat perceptions about Russia are most prominent, both among the public and in governments. In general, we observe that there is a gap in threat perceptions between those countries that are situated close to Russia and those that are further away. Among the latter, perceptions also differ significantly between

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8   Körber Stiftung, Russland in Europa, Annäherung oder Abschottung. Ergebnisse einer repräsentativen Umfrage von TNS Infratest Politikforschung in Deutschland und Russland, Hamburg 2016, p. 7.

9   NATO, Warsaw Summit Communiqué, Issued by the Heads of State and Government participating in the meeting of the North Atlantic Council in Warsaw 8-9 July 2016, para. 5.

10 HM Government, National Security Strategy and Strategic Defence and Security Review 2015. A Secure and Prosperous United Kingdom, Cm 9161, Presented to Parliament by the Prime Minister by Command of Her Majesty in November 2015, pt. 3.20.

11 Ministry of Foreign Affairs of Russia, Concept of the Foreign Policy of the Russian Federation, Approved by the President of the Russian Federation V. Putin on 12 February 2013, para. 63.

governments and populations. However, the longer the divisions between Russia and the West exist, the more threat perceptions spread among the broader population.

Economy. The fragmented picture of European economies is a direct consequence of the countries' unequal abilities to adapt to globalization and the different results of economic transition. Countries such as Poland, the Czech Republic, Slovakia and Hungary have become integral parts of the international production chain. Accordingly, the convergence between these countries and those from the old West is deep, although differences in political culture and identity remain.

Apart from that, the economic exchange between the EU countries and the countries from the post-Soviet space has mostly remained at a rather simple level: Raw materials, most prominently hydrocarbons, are exchanged for machinery, cars and other manufactured goods. The comparison of these two cases shows the direct impact of economic and societal factors on the interstate level: Whereas in the first case, we have *deep interdependence* in the sense that the two elements – the old and the new EU states – cannot be separated without destroying the whole, the second case is characterized by *weak and asymmetrical interdependence* that makes it easier to use economic tools, including trade barriers and sanctions, as instruments in political disputes, provided the political will is present to accept the resulting economic costs.

Competing interests in economic integration have been a significant source of conflict in the case of Ukraine. And while politics can influence economic transition processes only modestly and over the long-term, it can directly instrumentalize economic vulnerabilities for political purposes.

Although it is exaggerated to say, as some experts do, that economic warfare has replaced military warfare, this contains an element of truth. As a result, it is possible to start a negative, disintegrative, economic-political spiral by political means: The exploitation of economic weaknesses by one side can be followed by attempts by the other side to reduce its own vulnerabilities. This can only be achieved by reducing the connectedness between economies and societies and leads ultimately to a policy of isolation and autarky.

A responsible European stability policy must counteract such tendencies and strengthen interconnectedness to the point at which stability is achieved by strong interdependence. Economic relations must be calculable on a long-term basis. Tendencies towards economic warfare must be contained by new economic confidence-building measures. In Recommendation A, we propose the elaboration of such a set of economic and environmental CBMs.

Perceptions of shared interests. Against the background of the current tensions, it is encouraging how many interests shared by Russia and Western countries have been identified in the narrative reports. Strategic issues, such as the New START Treaty, and cooperation on space matters and Iran, are mentioned in the U.S. paper; nuclear non-proliferation in the Dutch and Kazakhstani papers. Cooperation on transnational threats – terrorism, "Islamic State", cybercrime and climate change – is mentioned in most reports, including those on France, Germany, Italy, Kazakhstan and the Netherlands. The same is true for cooperation on Libya, Syria and the Middle East (France, Germany). However, conflicts within the OSCE space – Ukraine, Nagornyy Karabakh – are also mentioned as objects of cooperation (Germany). Finally,

economic cooperation is mentioned in the narrative reports on France, Italy, Kazakhstan and Ukraine, and the Dutch report explicitly mentions potential relations between the EU and the EAEU. Altogether, the main focus of perceptions of shared interests is on global issues and transnational threats, on conflict resolution in Europe and the Middle East, and on economic issues.

Summary. While the fault lines between Russia and the Western states are undeniably deepening, a more careful analysis of the situation shows that this process has not yet become irreversible. Even under the presently strained relations, there is an impressively long list of shared interests that allow for and necessitate cooperation. Thus, Europe should engage in pragmatic cooperation in as many fields as possible.

2.3 Institutions and Instruments

Towards a New Compromise on the European Order

The long-term strategic task is to restore consensus on a sustainable and rule-based European order. This may take a long time. The relevant dialogue has not yet even started, pending a settlement of the Ukraine conflict. Therefore, from a mid-term perspective, it will be necessary to agree on a *modus vivendi* that would allow for mitigating and politically managing existing disputes and conflicts.

This part starts by outlining some obstacles on the way ahead, then sketches alternative scenarios for Europe that require different kinds of political orders. Subsequently, it attempts to describe the problem structure of a new European order, followed by a proposal to develop a *Code of Conduct for Facilitating a Diplomatic Process*.

Obstacles on the Way ahead

First, political leaderships of most states are overwhelmed by urgent practical issues from Brexit to Syria and Ukraine. This makes it difficult to address the more fundamental question of the European order.

Second, zero-sum game calculations and unilateral approaches prevail on many sides. There is not yet enough readiness to seriously address the relevant issue of the European order. However, attempts to change the conditions to one's own advantage and only then to negotiate will likely have no success.

Third, any consensus on a sustainable European order would require a respective normative basis. However, there is no readiness yet to reopen the issue of reaching an agreed interpretation of the Helsinki and Paris principles in order to achieve a shared interpretation adjusted to the new landscape without renegotiating them.

Fourth, multiple external factors aggravate the difficulties of creating a European order. Approaching the starting point for a process towards a shared understanding of the principles of the European order makes it mandatory to work on each of these areas of difficulties.

Alternative Futures for Russian-Western Relations

There is a wide spectrum of imaginable alternative options for shaping future relations between Russia and the West, ranging from containment to minimal or selective cooperation, pragmatic transactional cooperation, through developing a security community.

A strategy of one-sided or mutual containment, accompanied by an increasing remilitarization and nuclearization of security relations, does not find support in any of our 15 narrative reports. It is evident that this approach would ruin Europe and would represent a danger for the rest of the world.

A somewhat milder version could be called a *strategy of neglect and minimal or selective cooperation.* Cooperation would be limited to some key economic areas, such as trade with hydrocarbons, whereas other areas could be the subject of sanctions. This would be accompanied by at least a limited remilitarization. This option also received no support in the narrative reports.

A third option would be a *strategy of pragmatic transactional cooperation*. This kind of cooperation starts from the current realities, whether one likes them or not, and looks for as many possibilities for cooperation as possible. This approach got support in almost all of the narrative reports, reflecting the security policy discussions in, among other countries, Belarus, Finland, France, Germany, Italy, Kazakhstan, the Netherlands and the United States. However, the level of confidence in the potential of such a strategy varies significantly: While the Ukrainian perception expects equal or even growing confrontation with Russia and does not see a viable option for a win-win situation, the Finnish narrative

aims at restoring common security based on the OSCE principles. The proponents of *pragmatic transactional cooperation* see a comparatively large spectrum of possible areas of cooperation, from economic issues to addressing transnational threats to resolving conflicts in Europe (cf. section 2.2).

The option of introducing a new *Yalta-type order* by clearly delineating and observing a sphere of influence for Russia in Eastern Europe or that of returning to a *Vienna Congress-type concert of European powers* governance system, strongly favored in the Russian mainstream thinking, does not find any significant support in other countries.

Finally, there is the *Astana vision of a norm-based security community*, which was not mentioned as a realistic option in any of the narrative reports.

The more cooperation between Russia and the West, the more a new compromise on the principles governing the European order is needed.

Problem Structure of a New European Order

We are still far away from having solutions for a new consensus on the European order. Our governments have not yet started a substantial discussion on the issue. However, it is possible to discuss the structure of the problem.

The European order should rest on the Helsinki principles, but cannot simply copy the bipolar Helsinki order. The key element of this historical order was the legitimation of existing frontiers, which, under the Cold War conditions of opposing, stable military blocs, made it possible to legitimize the existence of three groups of states – Western,

Eastern and neutral and non-aligned (NN) states. Thus, the status of each state was defined and the different spheres of interest were largely respected.

Today's situation is much more fluid in every respect. The status of a number of states is not clearly defined. They may be interested in cooperation with this or that side or with both. According to Helsinki Principle I, they have the right to choose which to join. Various integration organizations compete over them using various means. In this situation, the key issue is the relation between different emerging integration structures. In addition, external states, such as China, influence the OSCE space. The historical bipolar reflex tells us: either we or they. A modern approach would think in terms of overlapping memberships and rules governing cooperation and competition.

Principle I of the Helsinki Decalogue stresses "sovereign equality, respect for the rights inherent in sovereignty" and includes the following text: "They [the participating States] also have the right to belong or not to belong to international organizations, to be or not to be a party to bilateral or multilateral treaties including the right to be or not to be a party to treaties of alliance; they also have the right to neutrality."

Apart from the recognition of the neutral and non-aligned states, this principle did not play a major role for the Helsinki order until this order was transformed by the dissolution of the Soviet Union and the Warsaw Pact and the reunification of Germany. But Principle I could play a major role for a future European order. The formula "to be or not to be a party to bilateral or multilateral treaties" means free choice. At the same time, the OSCE participating States have committed themselves to "bearing in mind the legitimate security concerns of other States"[12] while implementing this freedom of choice. This is only possible if there is no pressure to decide to join this or that side and if the necessary framework is in place. This requires contact and dialogue between all integration structures and, particularly, between the EU and the EAEU and the NATO and the CSTO / Russia, joint rules of behavior, and the elaboration of a framework that allows individual states to participate in the treaties in which they want to participate without losing their cooperation with others.

Whereas the Helsinki order was adapted to a bipolar world, the prime challenge for a new European order is to govern integration issues in an inclusive and flexible manner that avoids falling back on the inherited patterns of bipolarity.

Code of Conduct for Facilitating a Diplomatic Process

The Panel of Eminent Persons' 2015 Report "Back to Diplomacy" called for a "robust process of active diplomacy" with the "ultimate aim […] to re-establish security on a co-operative basis"[13]. There is no alternative to such a political process apart from ongoing crises, escalation and war. However, starting a process towards a cooperative order requires at least an agreed starting point and an overall objective, both in terms of the dos and the do-nots, and there must be a mental mindset guiding the process. Elements of such a starting point can be formulated in a kind of Code of Conduct that does not necessarily have to be a written document, but can also be expressed in the form of a series of statements.

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12 OSCE, Code of Conduct on Politico-Military Aspects of Security, 3 December 1994, DOC.FSC/1/95, para. IV.10.

13 Back to Diplomacy, quoted above (note 7), pp. 5 and 14.

Such a Code of Conduct would aim at lowering the level of confrontation, strengthening communication among the sides, and setting up guidelines for cooperation.

Measures to lower the level of confrontation could include:

- The sides – governments and different societal actors alike – should deliberately avoid any steps that might raise the level of confrontation. In principle, this means reacting sub-proportionally to any step by the other side that is perceived as unfriendly.

- The sides should agree on deliberate de-escalatory steps. Such steps can also be taken by relevant societal actors, such as religious denominations or economic enterprises.

Measures to strengthen communication could include:

- The sides should de-escalate their rhetoric, discourage hate speech and stop attempts to frame the other side as an enemy with whom no solution can be found. It should be clear that the partner at state level is the current government in office and not any future government that might be seen as better.

- The sides should maintain as many channels of communication as possible at all levels. Sustainable cooperation will need related public diplomacy efforts.

- The sides should conduct a dual dialogue both on issues where agreement can be achieved and on issues where agreement cannot be expected soon. The first line of dialogue serves to frame platforms for cooperation, whereas the second serves to avoid misperceptions arising from disputed issues.

- Governments could turn to academic or other societal bodies to deal with contradictory narratives and adjust visa regimes to facilitate such contacts.

Measures to re-establish cooperation could include:

- The sides should cooperate wherever possible, on any given subject, at any level, be it state or society. Unnecessary conditions for cooperation should be avoided.

- The sides should cooperate on climate change, terrorism and other global or transnational issues. In doing so, they should include science and education, as well as other societal fields, to the maximum extent possible.

- The sides should consult on their cooperation with third partners in neighboring regions as well as on a global level.

- Political leaders should communicate to their populations their willingness to cooperate.

A Code of Conduct of this kind shapes the mindsets in the direction of cooperation, based on compromises.

Creating a More Connected Economic Order

Currently, we are observing two major characteristics in economic governance beyond the rules of the World Trade Organization (WTO). *First*, despite the existence of two different economic integration vehicles, the EU and the EAEU, there are no formal political ties between these organizations. *Second*, the re-emergence of economic sanctions in the Russian-Western relationship underlines the need for mechanisms guiding states' economic behavior in case of interstate conflicts.

Relations between the EU and the EAEU. These two organizations are very different in every respect – their objectives, the instruments available and performance. This is frequently used as an argument against dialogue and relations between these two bodies. However, the Ukraine crisis has shown that this line of argument is counterproductive. Among other factors, it was the lack of communication that contributed to creating the conditions for the conflict. Thus, the EU and the EAEU, as well as their member states, should enter into a dialogue with the objective of exploring the kinds of relations that *are* possible. Such an approach is supported by a wide range of states, including Belarus, Germany, Italy, Kazakhstan, the Netherlands, and Russia. The dialogue should include wider issues related to economic affairs, such as the freedom of movement. It should also include relations to third states, such as China. Discussions could be kick-started in the OSCE framework, i.e. in the OSCE Economic and Environmental Forum and in the Permanent Council's Economic and Environmental Committee.

Economic confidence-building measures (CBMs). Both in the Ukraine conflict and in the 2016 dispute between Russia and Turkey, economic sanctions and counter-sanctions have played a prominent role. Thereby, this instrument is back on the table on a scale not seen in Russian-Western relations in three decades. The necessary condition for sanctions is a certain economic connectedness, the sufficient one is weak interdependence, meaning that the connectedness does not go far enough and/or is of an asymmetrical nature. At least in part, economic sanctions have been used as a replacement for military measures. To stimulate the discussion, this report proposes the elaboration of an initial package of OSCE economic and environmental CBMs (cf. Recommendation A).

Working on Re-Establishing a Shared Normative Order

Any notion of a security community, but also of a cooperative European security order, requires the existence of a shared normative basis. Currently, no sufficiently firm joint value base on which to build practical policies exists. Norms are not only not shared, but different and diverging norms are used as political weapons in an attempt to violate and humiliate the political 'enemy'. Thus, when we speak about the option of re-establishing a cooperative European order, we implicitly presuppose not only the termination of such norms manipulation, but also and, much more profoundly, the reversal of the trend of a divergent normative development in favor of a convergent one.

Restoring the OSCE states' damaged value base is a long-term project with uncertain success. Despite and just because of this fact, a number of steps should be started.

First, States should stop misusing norms disputes as political weapons.

Second, civil society actors should initiate norms dialogues at the societal level. In Recommendations B and C we make proposals for such dialogues.

Third, it is urgent that the OSCE, as a norms-based organization, start to deal with the fact that its presupposed shared normative basis has broadly disappeared.

Working on norms is difficult and will not produce results soon. However, it is an indispensable task in view of the objective of a new consensus on a cooperative order in Europe.

Recommendations

We offer two sets of recommendations. *First*, addressing the governments of the OSCE participating States with a Program of Urgent Action (3.1), which summarizes the most important steps that should be addressed immediately. The *second* set concerns recommendations to be implemented at the societal level by the OSCE Network of Think Tanks and Academic Institutions.

3.1 Program of Urgent Action

In view of unpostponable global and regional challenges, the states in the Euro-Atlantic and Eurasian area should agree on a Programme of Urgent Action that serves the following goals:

- Sending a clear signal that the states are ready to resume dialogue and look for options for cooperation.

- Structuring the different lines of dialogue and thus defining a starting point for broader intergovernmental communication.

- Agreeing on some urgent measures without political conditions and linkages.

It is clear that the key issues will have to be dealt with between the EU and Russia, NATO and Russia, and at bilateral levels. Both the Council of Europe and the UN Economic Commission for Europe (UNECE) can also play a constructive role. The OSCE can make significant and, in some areas, crucial contributions. It is not important in what form a Programme of Urgent Action is agreed, formally or informally. What is important is that there be a clear shared understanding among the key actors. Such a programme could have the following elements.

A. Measures to Normalize the Situation

States should send some clear public political messages that they *do* want to resume political dialogue and explore options for cooperation. Such messages can take different forms:

- Concerted public statements of political leaders represent the easiest option.

- A Code of Conduct for Facilitating a Diplomatic Process (cf. section 2.3), whether informally agreed or formalized, would represent a more elaborate variant.

Whereas questions of form can be flexibly handled, it is key that states consistently send the same message – returning to political dialogue and cooperation.

B. Structuring the Dialogue

The argument of 'no business as usual with Russia' has become ineffective. On the one hand, global and regional challenges do not wait until states agree on something. On the other hand, dialogue is key for resolving conflicts including the one in and around Ukraine.

The necessary dialogue will be conducted along different lines: Some elements have to be discussed between the EU and Russia, others in the NATO-Russia Council, still others in the OSCE, and some other issues are on the agenda of ad-hoc arrangements, such as the Normandy Format. The key stakeholders should come to an informal or formal agreement on an inclusive and structured dialogue that is transparent about what is discussed where and with whom. This dialogue structure is the starting point of broader intergovernmental communication on the options for a pragmatic transactional cooperation.

C. Politico-Military Issues

States should quickly agree on some immediate steps and, at the same time, create the space for further exchange.

• States should conclude, in a timely manner and in the framework of the NATO-Russia Council (NRC) – an agreement to avoid military incidents and accidents including measures to be taken if they should occur.

• States should initiate, also in the NRC, a high-level political as well as military-to-military dialogue on further options for risk reduction and stabilization through measures of confidence- and security-building and arms control.

These measures should be accompanied by discussions among the 57 states in the OSCE Forum for Security Co-operation, including on the modernization of the related OSCE instruments (Vienna Document 2011).

D. Conflict Resolution

The relevant states should agree on substantial progress in the implementation of the Minsk Agreement and on further strengthening the OSCE's crisis prevention and conflict management tools.[14]

- It is evident that substantial progress in the implementation of the Minsk Agreement, of its security as well as of its political parts, would significantly facilitate a positive development in other areas, while failure would leave larger questions open. Therefore, progress in resolving the Ukraine crisis is key.

- The deployment of the Special Monitoring Mission (SMM) to Ukraine has shown that the OSCE can operate a mission of this size. However, it has also become clear that the SMM brought the OSCE to the limits of its capacities. Therefore, there is a need to further strengthen the operational capacities of the OSCE, including by innovative means. The OSCE Permanent Council should establish an Informal Working Group to elaborate proposals.

E. Economic and Environmental Matters

The overall objective in this area is to create a more connected economic order in the Euro-Atlantic and Eurasian space. While key tasks need to be carried out by the EU, the EAEU and Russia, the OSCE can also contribute.

- The EU and the EAEU should upgrade their technical talks to the political level and explore what kind of relations, contacts and joint activities are possible. Related discussions can be kick-started and accompanied by debates in OSCE bodies.
- The OSCE should elaborate a set of economic and environmental confidence-building measures (cf. 3.2, Recommendation A).

- The OSCE should modernize its 2003 "OSCE Strategy Document for the Economic and Environmental Dimension" adapting it to the current needs.

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14 Another working group of the OSCE Network of Think Tanks and Academic Institutions, chaired by Ambassador Philip Remler, has recently published the Study "Protracted Conflicts in the OSCE Area. Innovative Approaches for Co-operation in the Conflict Zones".

F. Conducting a Norms Dialogue

Even if cooperation is primarily based on interests, norms continue to matter. Therefore, states and societies in the Euro-Atlantic and Eurasian area should make efforts to re-establish their severely damaged norms base. This should include a number of normative dimensions:

- States should work on re-establishing a shared understanding of the principles of the Helsinki Decalogue including their mutual relationship.

- States should also work on restating a common understanding of the basic norms of human rights, democracy and the rule of law contained in the Paris Charter and follow-on documents.

- States should also make efforts towards a joint understanding of the norms guiding "comprehensive, co-operative, equal and indivisible security" (Astana Commemorative Declaration).

Finally, states should work on any other relevant normative issues. Norm dialogues must include civil society actors in a multitude of formats. Norm dialogues have a long-term perspective. But they are essential for laying the ground for re-establishing a shared understanding on the European order.

G. Conducting an Inclusive Trans-Societal Dialogue

As the populist movements in many regions of the OSCE area have shown, political mobilization and divisions have long since reached the societal level. In the same way, addressing these challenges in a cooperative manner will only be successfully achieved by a comprehensive approach including all relevant strata of society. As a consequence, all relevant lines of discussion must also be conducted at societal levels. Track 2 and 1.5 formats can parallel intergovernmental talks. Sometimes, they can address issues that are still too sensitive for intergovernmental treatment. And trans-societal debates can put aspects on the agenda that have been neglected by governments. Together, discussions at societal levels represent not only a supplement to intergovernmental talks, but also a value in themselves.

3.2 Proposals for Concrete Action by the Network

The following recommendations concern activities of the OSCE Network of Think Tanks and Academic Institutions that, *first,* serve and support the political process towards a shared understanding on the basics of a future European order and, *second*, focus on the societal level.

A. Elaborating a Set of Economic and Environmental Confidence-Building Measures

We recommend elaborating a set of economic and environmental confidence-building measures for the OSCE space.

Historical lessons learned as well as more recent studies provide evidence that, although economic connectedness and interdependence raise the cost of confrontation and violent conflict, they do not automatically prevent a conflict, particularly when political or security stakes are perceived by parties as outweighing economic costs of confrontation.

Most recent experiences, gathered in the context of the Ukraine crisis, have confirmed that in the course of a confrontation, economic interests and interdependence do not prevent the countries concerned from applying sanctions and counter-sanctions of various sorts, including economic ones.

Discussing economic confidence-building measures leads to the conclusion that sanctions do not contribute to building confidence but, rather, highlight the vulnerability that results from interdependence and thus militate for autarky. We

believe it is unrealistic to suggest banning sanctions as a policy instrument. However, a set of measures can help not only to (re-)build trust and confidence among states and businesses, but may also be instrumental in arresting, at an early stage, conflict-prone developments that can, at some point, lead to the application of sanctions.

In its diverse dimensions, the OSCE offers various tools, better known as "mechanisms", allowing the participating States to raise specific concerns and committing the relevant states to responding to them, with a view toward identifying the eventual problems that may result from taking certain decisions, and searching for cooperative solutions before the problems escalate. However, no such preventative mechanism exists in the economic and environmental dimension of the OSCE.

We recommend setting up a Network working group which would be tasked to:

- Explore the merits of setting up a mechanism for bilateral and/or multilateral consultation on economic and environmental issues that raise concern of individual participating States and may affect their interests.

- Consult relevant stakeholders on the issue.

- Assess the feasibility of establishing such a mechanism within the OSCE.

- Study measures that may be required to avoid the abuse of such a mechanism or its interference with other existing cooperative mechanisms, for example between the EU and individual countries or within the WTO.

- Elaborate a food-for-thought paper for consideration by the participating States that can be presented at a side event at the 2017 OSCE Ministerial Council meeting in Austria.

B. Analyzing Historical Narratives

We recommend analyzing historical narratives and elaborating recommendations on how to deal with historical narratives in a non-confrontational manner.

Narratives are sets of perceptions and beliefs that shape collective actors' expectations and, thus, frame their decision-making corridors. Historical narratives are sets of perceptions and beliefs coming from the past, related to the past and transmitted up to today that contribute to shaping actors' expectations. (Historical) narratives are not necessarily "objective", "rational" or free of contradictions – quite the contrary. Their relevance is that they exist and impact actors' expectations. The Study Group could establish a working group of historians with the following tasks:

- Identify historical narratives on Russian-Western relations that are still relevant for the present stage and analyze their development.

- Compare different sets of historical narratives shared by certain groups in the OSCE area and elaborate key differences and agreements.

- Elaborate recommendations for governments, international organizations and foundations on how to deal with historical narratives in a way that does not undermine cooperation in Europe.

- Elaborate recommendations on how to further organize a meaningful discussion process on (historical) narratives.

The working group should recruit itself and cooperate with the Council of Europe, in particular with respect to the project on "Educating for diversity and democracy: teaching history in contemporary Europe" and initiatives such as "Historians without Borders" or the Polish-Russian Working Group on Most Difficult Issues.

A report could be presented at a side event at the 2017 OSCE Ministerial Council meeting in Austria.

C. Conducting a Norms Dialogue at the Societal Level.

We recommend creating a dialogue format for reflection on a common normative basis, starting with the mapping of the status quo. Participants should be representatives of the generation that will shape interstate and inter-societal relations in about ten years.

The conflict between Russia and the West is not only occurring on an intergovernmental level. Rather, we are back to levels of suspiciousness and estrangement between societies we thought were long gone. In this sense, the current conflict is both an inter-societal and an intra-societal conflict. The various narratives collected are ample proof of this assessment, which is confirmed by polls on a regular basis.

Thus, overcoming the current crisis takes more than intergovernmental measures and expert discussions. We strongly believe that it is necessary to continue and to intensify people-to-people contacts at all levels. Before reaching a consensus on a shared normative order, more knowledge about different views and beliefs is required, as is a better understanding of the factors and events that have created these views and beliefs.

Therefore, we suggest working on the question of what chances exist for a common normative basis for a future European order beyond cooperation based on common interests and transactional advantages.

This dialogue format should bring together younger experts, officials and interested citizens. The participants will have a double role: Working towards a better understanding among each other and, thus, among the various societies in the OSCE area, but also contributing to shaping opinions within their own societies and professional communities. By making use of the opportunities offered by social media, individuals' impact on opinion formation has grown tremendously. This opens up a path for new approaches.

To that end, an OSCE-wide dialogue format could be created aiming at:

- Mapping currently existing norms bases within societies of the OSCE area.

- Discussing what a future common normative basis may look like.

- Serving as dialogue "ambassadors" within their own societies.

A report could be presented at a side event at the 2017 OSCE Ministerial Council meeting in Austria.

Disclaimer

In the preparation of this report, valuable advice
and various contributions were given to us by
a Reflection Group of members of the OSCE
Network of Think Tanks and Academic Institutions.
Nonetheless, the views set out in this report are
solely those of the authors. They do not necessarily
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This report is the joint production of representatives of sixteen institutes of the sixty current members of the OSCE Network of Think Tanks and Academic Institutions.

The OSCE Network is an autonomous OSCE-related track II initiative. It is not an OSCE structure or affiliated with the OSCE or its participating States. The Network's members are research institutions from across the OSCE area engaged in academic research and policy analysis on issues relevant to the OSCE's agenda. The Network is a flexible and informal format founded by more than a dozen research institutions on 18 June 2013 after discussions during the 2013 OSCE Security Days, inspired by a proposal made by OSCE Secretary General Lamberto Zannier in his inaugural speech in July 2011. It is open to think tanks and academic institutions willing and able to contribute academic expertise and policy analysis on OSCE-relevant issues. It provides expertise, stimulates discussion and raises awareness of the OSCE, and shares expertise and co-ordinates joint projects and activities among its members. Neither the Network nor its members represent the OSCE and the views expressed by network members are their personal opinions and do not reflect the views of the OSCE.