The relations between Russian Federation and Spain

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After two-day negotiations in Moscow in the end of January, 1977 a new period in the history of relations between Russia and Spain began - diplomatic relations between two countries were filled. However, the basic directions of cooperation found their reflection later in the Amity and Cooperation Agreement (1994) and Strategic Partnership Declaration (2009). There is also a wide range of agreements which form the basis for the development of bilateral cooperation in various spheres. At present cooperation between Spain and Russia includes several directions: political, economic, civil cooperation, and also cooperation on struggle against global challenges.

Relations between Russia and Spain expand favorably, and it appears mainly in an active political dialogue at different levels. In March, 2009 during the visit of Russian President D. Medvedev to Spain a number of important and mutually advantageous agreements were signed. “The twenty-first century is indeed possible to reach a new level of cooperation between the two countries in all spheres. And, most importantly, to coordinate our efforts for a variety of fronts - the economy, and in the field of human relations and foreign policy, not least in view of the role played by our nations in our continent and the world,” - said D. Medvedev.

Thus, dialogue between Russia and Spain covers the international and bilateral levels. Really, the countries share the views on a variety of large international issues and act as adherents. Russia and Spain have close perceptions of the modern international relations based upon such principles, as multilateral cooperation, strengthening of United Nations’ role and international law. Besides, both Russia and Spain realize importance cross-cultural dialogue in modern circumstances when certain extremist circles try to impose something like the conflict of civilizations. Therefore Russia actively supports the initiative of Spain and Turkey - the Alliance of Civilizations. «We find within this organization considerable potential for mobilization of collective efforts of the states and a civil society in the interests of overcoming intercultural, interreligious and interethnic contradictions», - said A.V. Yakovenko, Deputy Minister of Foreign Affairs of Russia.

Russia and Spain also cooperate in settling international conflicts. For an example, both countries support the idea of giving an additional serious impulse to the peace process in the Middle East, including opportunity of organizing an international conference devoted to this issue.

Political cooperation

Spain is well placed to take the lead in efforts to improve EU-Russia relations. Russo-Spanish relations are free from the many biases and unresolved historical arguments that affect many other bilateral relationships. Both countries have a glorious imperial past, have emerged recently from dictatorships, and have made considerable input into the world’s cultural heritage.

Economic relations of Russia and Spain ground mainly on political basis and there is a number of political moments which get these states closer to each other. First of all, it’s important to note that there are no contradictions that could be related to history or political or geopolitical processes in present. Common between these states are internal problems, which regularly aggravate and often in connection with international conflicts related to threats of separatism and terrorism.

Spain and Russia were opponents to the recognition of Kosovo independence, fearing negative consequences for themselves. Both countries opposed the unilateral declaration of independence. However, the reasons for this refusal were not exactly the same in the first place, and the evolution of events has set the positions of the two countries further apart (Makarychev; Vaquer, 2009). For Russia it was also important that Spain as NATO member didn’t recognize Kosovo independence. In this respect, Russia expects that Spain will also become an important strategic partner in the project of common Euro-Atlantic security architecture announced by President Medvedev.

Spain has made clear its desire to use its Presidency to improve EU-Russia relations which have been going through a period of some difficulty since the August 2008 war in Georgia. Spanish Foreign Minister Miguel Angel Moratinos is making efforts to establish the Georgian-Russian relations. “We have visited the Georgia-Russia
Euro-Atlantic security architecture

in June 2008, Russian president Dmitri Medvedev laid out a proposal in Berlin to review the overall security architecture of Europe. This proposal is still in the preliminary stages of defining its objectives and commitments. For Russia, it is necessary to newly redefine the principles and institutions that make up the collective security system, following the example of the 1975 Conference on Security and Cooperation in Europe that brought together all the countries of the Euro-Atlantic region to sign the Helsinki Final Act. According to D. Medvedev’s speech at Evian, France in October of 2008, a new European security architecture should be governed by five premise.

In other words, with this initiative Russia seeks to prevent NATO from becoming the key organization framework for European security and to acknowledge a security role for the European Union. In the meantime, Russia’s “hard” security concept is diametrically opposed to the Union’s “soft” security approach.

This important period when EU should define the reaction to the propositions of D. Medvedev has fallen out to the Spanish Presidency. And it’s very important for the EU-Russia cooperation that under the Spanish Presidency the EU has preferred not to ignore these propositions but to answer them structurally and by that to bring an important contribution to involving Russia into security discussions.

Some of the more distinguished politicians from countries like France, Germany, Italy and also Spain have already shown their support for the Russian idea of creating a new European security architecture. At the Munich conference, Javier Solana expressed the interest of European institutions in considering the proposal with a view to rebuilding mutual confidence between the main players in European security.

Thus, Spain could play a double role as facilitator between the Member States in order to find common ground and as intermediary in the triangle Russia-EU-USA in creating global security.

Russian experts also discuss intensively EU-Russia relations in the context of Spanish Presidency. More precisely, the idea of so-called “big bargain” which consists in: “energy in exchange for common high-grade institutions along with common view of global security problems” (Bordachev, 2009). This is a possible way to overcome the deficit of trust and lack of strategy in relations between Russia and EU.

Russia-Spain relations in the Mediterranean

a number of differences between Russian and Spanish diplomacies may be traced. Firstly, Spain – unlike Russia – maintains some military presence in the Balkans, which makes it take a more pragmatic and less confrontational stance. Secondly, Spain – unlike Russia – is very reluctant to draw any parallels between Kosovo and other regional conflicts, admitting that Kosovo deserves separate treatment. Thirdly, for Russia the Kosovo incident reveals Russia’s distinctive identity mostly oppositional to the West. This is certainly not the case of Spain which prevents any possible anti-European modalities in its diplomatic position (Makarychev, 2009).

New Partnership and Cooperation Agreement

As a new Partnership and Cooperation Agreement concerns the European Union as a whole, we will consider firstly the EU-Russia perceptions and then will envisage Russia-Spain cooperation in this context.

The negotiations on a new Partnership and Cooperation Agreement started in June 2009 in Khanty-Mansisk. It is supposed that the document will be universal and will include such issues as economic cooperation, political dialogue, development of four common spaces, security and justice etc. However, energy remains the main issue and simultaneously problem for the development of the new Partnership and Cooperation Agreement. For its conclusion it is necessary to overcome some serious obstacles based on different perceptions and visions.

Russia considers the new document to be of a general character that would provide with the opportunity of working out and signing agreements on various sectors of cooperation as well as would allow necessary flexibility in negotiations.

The EU perceives the new agreement as a universal one in which democratic standards of a law-based state will be fixed as well as the basic aspects of energy security will be guaranteed. In particular, the EU would like to integrate the Energy Charter and the Transit Protocol into the new Partnership and Cooperation Agreement.

So, at least four key factors differentiate Russia from the EU in this regard (there may well be more): integration of state and company, attitude to monopolies, attitudes to prices, profits and investment, transparency.
Thus, it’s important to develop a new flexible regime of trade in energy resources or to reform Energy Charter Treaty as well as discussions about the new Partnership and Cooperation Agreement. The document should include the aims of both partners. In case, if liberalization and monopoly are perceived as both possible market models, there will be an opportunity to have common denominator in strategic energy thinking and Spain could play this important role for further development of EU-Russia relations.

Economic cooperation

Energy sphere

Economic relations between Russia and Spain become stronger over time. Bilateral trade grew almost fivefold over the past five years, hitting $9.3 billion in 2008. Russian exports increased 17% amounting to over $5 billion and imports grew 32.5% to $4.2 billion. It is expected that due to agreement in the energy sphere economic cooperation will gain a new impulse for further development.

During the most recent state visit of Russian president Dmitry Medvedev to Spain, in March 2009, two countries signed an energy agreement giving Spanish companies greater access to Russian fossil fuels in exchange to easing Spanish regulations regarding purchase of Spanish energy companies by Russian businesses. According to Spanish prime minister Zapatero, “The memorandum means greater security in Spain’s energy supplies and it guarantees better access for our companies to Russian energy reserves” (“Russia and Spain…”, 2009). Besides, it gives opportunities for creating additional job places. It’s a complex agreement and covers such energy sources as oil, gas and liquefied natural gas.

Agreement between Gazprom and Gas Natural gives the Spanish side access to Gazprom’s export pipelines and, potentially, Shtokman gas field output, in exchange for a stake in Spanish electric utilities. Gazprom is considering inviting Spanish companies, in particular, Repsol, to join projects to produce and liquefy natural gas in Russia.

The gas swap deal between Russia’s Gazprom and Spain’s Gas Natural includes liquefied natural gas supplies from Russia’s Shtokman field to be delivered to Spain. “Up until now, Gazprom has not supplied natural gas to Spain. In accordance with this agreement, gas under Gazprom contracts will appear on the market of Spain in the nearest future” - Alexei Miller, the head of Gazprom, said.

Cooperation between Russian railways and Spanish rail companies

Spain is a world leader in terms of the extent of the new high speed rail lines it is building and commissioning. The experience gained by Spanish Railways in feasibility evaluation, design, construction and operation of high speed rail links can be easily adapted to Russian operating conditions. The relevant technologies and engineering solutions are fully in line with international standards, while at the same time Spanish engineering design companies charge somewhat less for their services than, for example, French or German companies.

One important component of cooperation between Russian Railways and Spanish railway companies is the further development of information exchange, the harmonization of technical and operating standards and commercial procedures.

The signing in March 2009 of a cooperation agreement between Russian Railways and ADIF – Spain’s Railway Infrastructure Administration – was an important stage in the development of links between the two countries’ railway companies. The document reflects the parties’ mutual interest in building a close and mutually beneficial relationship in all aspects of the freight and passenger rail transport business in Russia and Spain.

Spain is interested in Russia’s experience of work in wintertime and with this aim several research and expert groups visited Irkutsk to explore the railway functioning under low temperatures.

Tourism

Spain enjoys a steady inflow of Russian tourists and investments. According to the Russian ambassador to Spain, trade between Russia and Spain in 2008 reached ten billion Euros. The same source estimates that 300,000 Russian tourists visited Spain in 2008, while 100,000 Spaniards visited Russia. Spain is immensely popular among wealthier Russians as a place to buy their second home or have a summer dacha. Its climate and favorable tax regime have continued to attract Russian money even after the financial crisis. According to DOKI real estate agency, Russians spent up to two billion Euros in 2009 for purchasing property in Spain. The permanent living Russian-speaking community in Spain is currently estimated at quarter of a million. Foreign Minister Miguel Moratinos said shortly after Spain assumed the Presidency that he would work towards abolishing visas for Russians wishing to visit the EU. A kind of “road map” would be considered but however it’s the question of future (Ordzhonikidze, 2010).

Civil society relations of Russia and Spain

The forum “Dialogue of civil societies” serves for contacts between intellectuals and business communities. Its creation was declared in February, 2006 during Vladimir Putin’s state visit to Madrid. The forum includes three “round tables”: economy, culture, mass-media. The forum will promote in many aspects to the development of new ideas and the further strengthening of mutual understanding and trust between Russia and Spain.
For Russia it could be useful to address the experience of so-called democracy transit which occurred in Spain, to get acquainted with developments of civil society, with the business organization. Russia and Spain are united by political, economic and social transformations, but at the same time each of the countries has its own experience of transformation and development of democratic institutions, its successes and failures. The forum will allow to find things in common for further cooperation.

Spain for Russia represents an example of “soft power” and probably cooperation would allow to introduce European values to Russia that witnesses about affinity of Russia more to the European rather than to English-Saxon culture.

**Common challenges**

Russia and Spain cooperate in fighting against terrorism. There is a working group covering this issue. The countries also actively discuss this problem in the framework of international organizations such as UN as well as at the bilateral level. During the visit of D. Medvedev to Spain an important joint document on the fight against was signed.

Another global challenge touching upon all the countries is financial crisis. During its official visit to Spain D. Medvedev proposed the idea of reforming economic relations and creating new world financial architecture. Then, during the London Summit on April, 2009 both countries supported the idea of fundamental reform.

“The key challenge of the G20 is to link the short-term response to the crisis with the task of fundamental reform. We need to build a robust institutional framework to underpin, not only globalization, but also to address market failures” – declared José Luis Rodríguez Zapatero, Prime Minister of Spain.

“If you ask what we are proposing, it is simply a more equitable international financial system” – announced Dmitry Medvedev, President of Russia.

Countries and regional groups from around the world worked closely together to find practical policies contributing to the aims of both the Washington and London Summits. Several governments – including Spain and Russia – have set out their own agendas following publication by the UK of its plan for recovery – The Road to the London Summit.

In conclusion we can say that Russia-Spain relations are developing and becoming stronger. They ground mainly on the political and economic basis as both countries share opinion about main political issues such as Euro-Atlantic security, Kosovo independence, energy cooperation, reform of the international financial system. However, Spain and Russia have different perceptions of the key world questions.

**Notes**

1. Spain and Russia subscribe a Declaration of Strategic Association http://www.la-moncloa.es/IDIOMAS/9/ActualidadHome/03032009_visita+presidente+ruso.htm


9. What Summit leaders have said in the run-up to the London Summit http://www.londonsummit.gov.uk/en/summit-aims/summit-progress/quotes-leaders-pre-summit/
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