

## **Guest Editorial**

### **Challenges in the North of Europe\***

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The agenda of security, cooperation and integration in the North of Europe has been well established among the key actors inside and outside the region. Moreover, to a significant degree, they have a common understanding of the core issues which can be listed as follows:

- the future of Russia;
- relations between Russia and the Baltic states;
- defence of the Baltic states;
- NATO partnership and enlargement;
- the role of the USA in the region;
- EU enlargement and partnership; and
- the Northern dimension of EU policies.

It is worthwhile having a look at where the EU is today and where it seems to be going in managing these challenges.

#### **I Russia and the Baltic States**

While some politico-military aspects of security are involved (e.g. managing the impact of residual nuclear strategic bilateralism and as well as adjusting conventional arms limitation and transparency and confidence building measures to an asymmetrical constellation of military capabilities and deployments), the developments have been in the policies of stability promotion and support for transition, as well as in

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efforts towards conflict prevention and resolution in connection with Russian–Baltic disputes.

The most tangible – although still partial and tentative – results have been achieved in settling the remaining issues of sovereignty, minorities and borders between Russia and the three Baltic states.

The closing down of Skrunda signifies the complete withdrawal of Russian troops, with only some technical tasks remaining, and marginal spillover arrangements (concerning the retired military) being implemented according to agreed rules and plans. Transit to Kaliningrad is running satisfactorily, albeit under a provisional arrangement. Kaliningrad will remain on the agenda but mainly as a challenge to political, economic and social stability in the *oblast* rather than as an issue of Lithuanian sovereignty.

The adoption in Latvia of new legislation enabling the extension of citizenship to stateless persons and the Russophone population in general and the pending ratification of similar legislation in Estonia – meeting the OSCE/Council of Europe criteria set by their partners and supporters in the EU and NATO – constitute a significant step in the further integration of the Baltic states, including Lithuania, with European and transatlantic institutions. Those steps also strengthen the states' position in normalizing their relations with Russia.

Border agreements between Russia–Estonia and Russia–Latvia remain unconcluded owing to Russian hesitation and procrastination. In so far as this Russian policy is dependent on internally driven politics over the past and future identity of Russia, the possibilities for outsiders to influence decisions in Moscow by pressure, linkage or accommodation are limited. Russia's linking of the border issue with the minorities issue, unfounded in itself, is becoming outdated in its own terms, as well as by the progress on citizenship and other issues taking place in Latvia and Estonia which is recognized by the rest of the international community. In any case, such a linkage is of questionable value or even counterproductive for Russia, considering that it will clearly gain economically from EU enlargement to the Baltic region.

## **II Defence of the Baltic States**

A significant development is taking place in the area of new defence cooperation, including the creation of capabilities for joint crisis management among the Partnership for Peace/Euro-Atlantic Partnership Council (PfP/EAPC) partners in the region, as well as bilaterally, trilat-

erally and among the Baltic states and the Nordic countries. The innovative policy of the 'Friends' for defence-related support to the Baltic States is becoming more effective as a result of better and more purposeful coordination. Furthermore, a doctrine of national defence through denial is being crystallized in the Baltic states, and this is strengthening their credibility irrespective of their future defence solutions. There is a stability and transition aspect to this development for the Baltic states and Poland, as well as an indirect compatibility-enhancing connection with prospective NATO enlargement. The participation of Russia in the EAPC and in the PfP activities – a politically difficult issue – is relevant in this respect, with implications for regional security and tension.

Active discussion and practical adoption of additional and complementary military confidence and security building measures (CSBMs) have indicated a legitimate area of cooperation. Cases so far involve the Estonian–Russian arrangement and the Finnish–Swedish offer to countries in the region in 1998. The implications of the forthcoming adaptation of the Conventional Forces in Europe (CFE) Treaty in the region will test the diversification of the defence architecture. Policies toward CFE adaptation continue to reveal differences between the Northern European and Central European constellations.

### **III Transition and Integration**

Less tangible, but in the long term even more significant, developments are taking place in the process of political, economic and administrative transition in the Baltic states and Poland, endowing them with new political capital and accelerating the process of their pre-accession to the Union. The support of the Nordic countries has also been instrumental. The prospect of membership of the EU is a significant boost to the international status of the Baltic states, in particular in their relations with Russia.

The inclusion of Estonia and Poland in the negotiation process and the improved prospects for Latvia and Lithuania confirm the outlook for a Northern Europe comprising an interface between an enlarged EU and Russia. The overall effects of EU enlargement are a part of the security scene which has to be taken into consideration in all evaluations of the future of the region.

#### **IV NATO Enlargement**

NATO enlargement is an evolving issue that is somewhat difficult to grasp in its totality, given its mix of political, military and psychological factors. On the one hand, Russian ideas of security guarantees, implying conditions or restrictions on the freedom of choice principle, have been rebutted or sidestepped. On the other hand, self-imposed conditions and restrictions by NATO in its policy of enlargement remain in place. With no automaticity, no clear decision is in sight for the Baltic region, even at the forthcoming Washington summit.

There is still much to think about and discuss. Constant dialogue with NATO is necessary for those that have expressed membership ambitions as well as for other partners, as the enlargement process will have significant implications for the security and stability of the whole region. The issue may also test the relevance of the NATO–Russian Joint Permanent Council in dealing with third-country matters.

#### **V The Role of the USA**

The position and policy of the USA is evolving in an interesting way. The USA is entering the scene of stability policy and broad cooperation in the Baltic Sea and Barents regions through doctrinal engagements (the Northeast Europe Initiative NEI; the Baltic Charter), and specific contributions (above all in nuclear safety). Here the USA will have to deal with the European Union in the future as the main actor on the scene, with considerations that have relevance to the overall transatlantic relationship (EU first pillar).

An issue related to competence and sphere of influence has emerged in the EU response to the US approach to closer involvement in the multilateral regional bodies (the Council of the Baltic Sea States (CBSS) in particular). The US relationship with the forthcoming Northern dimension of the EU also remains to be worked out. The growing interest of the USA in Northeast Europe is also linked with its bilateral relationship with Russia, involving among others nuclear waste management projects in Northwest Russia.

#### **VI The Northern Dimension of EU Policies**

The role of the EU in the North of Europe is, in a concise and focused manner, being shaped by the idea of a Northern dimension for its common policies, due to be adopted in a more operational guise by the

Vienna European Council in December 1998. There are several aspects to this issue.

First, the Northern dimension will force the Union to identify and operationalize its joint interests in the region in a comprehensive manner. It is a further test of the Union's coherence and capability in its external relations in a key region involving its partnership with Russia, and as well as its pre-accession support for the candidate countries. The North, South and East will have to reflect the EU's priorities in a balanced way, with the EU paying even-handed attention to the issues and concerns which are important to its members.

Secondly, while the instruments implementing the doctrine of interdependence and mutual benefit between the Union and its partners emanate from the first pillar, the fundamental objectives of the Northern dimension are derived from the overall goals of common security and stability through cooperation as enshrined in the CFSP *acquis*. There is a growing determination in the Union to acquire a stronger political identity and role. This process of adaptation will also have an impact on Northern issues.

In parallel, in the EU internal debate there is a widely held concern over the weaknesses of the external role of the Union. It is strong in the economic aspects of stability promotion, further strengthened by EMU, but weak in its political role of conflict management. The Amsterdam Treaty provides for more efficiency through new CFSP instruments. Fresh attention is currently being given to the access of the Union to military means of crisis management in the context of the defence dimension of the CFSP. While Northern Europe remains a stable region, security concerns are related to the Former Soviet Union (FSU) region, the Balkans and the South.

Thirdly, the concept will guide the Union in preparing and implementing an integrated policy of transition support, enlargement, Russia handling and interdependence, building upon policies and activities already underway. Added value will also come from the enhancement and intensification of the EU's common policies indirectly, through its influence in the international institutions that control financial and other resources.

Lastly, the Northern dimension will have political and psychological effects on the perceptions that other actors, the candidate states, Russia and the USA have of the Union as an actor in the process of transforming a key region in Europe. One important spillover will be the impact on the Russian conception of the Union, undoubtedly providing a clearer picture of what the EU is, and what it can provide. Similarly, the Northern dimension will strengthen the position of the EU in the transatlantic dialogue.

## VII Agenda for the Near Future

Where do we go from here? What is on the agenda for the immediate future and beyond?

The political, economic and social situation in Russia remains uncertain. As the government takes stabilization measures, their sustainability and effectiveness will be critical. The internal crisis may not be conducive to a forward-looking, or compromise-seeking Russian outlook in regional issues; but there is no reason to expect steps backward, either. New instruments are available for partners, such as humanitarian assistance, and the signal that will be provided by the Northern dimension, will encourage Russia to remain outward looking and engaged in Europe. The workable policy stance for the European Union and the USA remains strategic patience, combined with critical engagement.

The Baltic states have come a long way in terms of transition and integration. A good deal remains to be done, much of it routine but demanding legislative, social or economic measures for EU compatibility: the same applies in the military field with a view to their membership aspirations in NATO. The doors remain open. NATO will provide continued reassurance. A particularly active period is ahead in the Baltic–EU accession process and every step taken will be a new symbolic and real sign of the Europeanization of the Baltic states.

Partners from the Baltic Sea region are among the most active in the PfP programme. There are plans and ideas for new activities and institutional solutions that will reinforce and diversify the presence of the new NATO in the region, which will be an element of growing importance for regional stability and linkage with the overall European security order. At the same time, the functioning of the Russian–NATO relationship will politically be of critical importance for the stability-enhancing role of new defence-related cooperation in the region. The Washington Summit will be important in many respects.

The European Union is only now taking centre stage in Northern Europe in a way that reflects its status and capability. In addition to forthcoming decisions on the Northern dimension itself, the EU needs to make a more effective contribution to the multilateral regional bodies (the CBSS, the Barents Euro-Arctic Council (BEAC), and also the Arctic Council). Moreover, the EU–Russian PCA will have to be put into practice effectively.

The work being undertaken within the OSCE on the security model (related to a new Charter and the revision of the Vienna Document) and the coming decisions on CFE adaptation will further strengthen the framework for regional security and cooperation in Northern Europe.