Chaillot Papers

- 33 -

November 1998

COOPERATIVE SECURITY IN THE BALTIC SEA REGION

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November 1998

(*A French translation of this paper is also available from the Institute*)

ISSN 1017-7574.Published by the Institute for Security Studies of Western European Union and printed in Alençon, France, by the Imprimerie Alençonnaise.

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PREFACE

The Baltic Sea area has for centuries been a hub of international activity and exchange, embodied in particular by the Hanseatic League, with resulting conditions of intense cooperation and shared prosperity. It is therefore not surprising that, contrary to widespread fears, the situation in the region did not break loose after the bitter divisions imposed by the Cold War: in more ways than one, the region constitutes another 'mediterranean' area, with a potential for political solidarity and common security.

In many of the countries on the shores of the Baltic the urge for European reintegration, in economic, political and security terms, has been particularly insistent; in others, less so. Which accounts for the fact that their international institutional statuses remain quite heterogeneous. This does not in itself diminish regional stability, while promoting differentiated formulas of convergence and cooperation that are conducive to overall security.

The challenge that was entrusted to Olav Knudsen, during a three-months' stay at the Institute capped by a workshop, was to argue out the potential merits, and the possible shortcomings, of such a very particular geopolitical situation. The result of his research should also demonstrate that, in such subregional conditions of cooperative security, WEU is well placed to contribute, over time, a most useful institutional framework.

Guido Lenzi
Paris, November 1998

SUMMARY

Although much progress has been made in cooperation on security in the Baltic Sea region during the 1990s, elements of instability remain and a pattern of ambiguity characterizes the region. The problem to address is how to move from confrontational alliance politics to cooperative arrangements that include putative opponents, that is, to cooperative security.

The mutual relations between Estonia, Latvia, Lithuania and Russia lie at the heart of the region's security issues, although the other littoral states, EU and the United States are also key actors in what is one of the few regions where traces of the old East-West conflict can still be perceived. The most likely type of crisis in the region would be a highly charged conflictual situation in which politico-diplomatic intervention, possibly backed by an international preventive peacekeeping force, would be required.

Three main obstacles lie in the path of cooperative security in the region. The first of these is a lingering distrust that stems from history - the recent past, World War II and even earlier. The second obstacle is the asymmetrical balance of power, which is an even greater irritant since the 'regional great power' is also a world power. Lastly, there is the view in the smaller states that the Baltic Sea region must not be isolated from the European and transatlantic security structures.

Policies to deal with the situation have been adopted by actors both inside and outside the region. Russia has suggested the creation of 'a regional space of stability and security'. Nordic and Nordic-Baltic cooperation in the last few years has flourished, but in a rather haphazard way. Among external actors, the United States has been very supportive but reserved at the same time. The region has been difficult for the European Union to deal with because of the varying status of states within it. Nor is EU's Common Foreign and Security Policy clearly defined. As for WEU, its links to the region are not strong, and are secondary to the NATO and EU connections.

An important factor is the politically current notion of 'soft security', which covers both the kinds of challenges to security to be faced and the question of the kinds of instrument to be used in dealing with them. There are at least four diverging versions of the notion in northern Europe, and therefore differences over which of WEU's Petersberg tasks can be considered legitimate options.

An abundance of institutions are involved in cooperative security in the Baltic Sea region. These include NATO's Euro-Atlantic Partnership Council and bilateral Partnership for Peace arrangements; OSCE, through which Russia may prefer to act; EU and WEU; and the Nordic and Nordic-Baltic institutions. However, their activities are poorly coordinated. Greater political initiative is thus needed to bring together responsibilities in both the functional and geographic areas.

INTRODUCTION[1]

During the late 1990s, new trends have hardened the previously fluid relationships in the Baltic Sea region.(2) After the withdrawal of ex-Soviet troops from Lithuania, Estonia and Latvia in 1994, the Baltic Sea region seemed about to become an area of low tension.[3] Finland and Sweden joined the European Union in 1995. At the same time the quest for EU membership was started in earnest by Central and East European countries, among them Poland and the three Baltic states. By 1998 this pre-integration reached the phase of membership negotiations for six of the applicant states, in accordance with 'Agenda 2000', at the same time as the EU-Russia Partnership and Cooperation Agreement entered into force. In 1997 Russia also sought to shift its Baltic policy to a more positive stance. President Yeltsin offered security guarantees and cooperative projects to the Baltic states in October 1997. Transit trade was growing between Russia and Europe, and the world at large, by way of the Baltics.

Simultaneously, however, other developments showed that elements of instability and conflict were still present in the region. Border agreements between Russia and Estonia and Latvia remained unsigned. Bilateral trade was hampered by continuing political disputes. Despite the conclusion of the Founding Act signed by Russia and NATO in May 1997, strongly negative verbal reactions from Russia to NATO's enlargement plans and the aspirations of the three Baltic states for NATO membership continued even into 1998, reinforced in March 1998 by incidents over demonstrating russophone pensioners in Riga and a commemoration of Latvian SS veterans. Generally, Russia has been making far-ranging demands on Estonia and Latvia regarding the treatment of their non-citizen minorities from the Soviet era. Requests that Latvia comply with international norms in national legislation have otherwise been made by OSCE and EU. Responding to such international counsels, in the summer of 1998 the Latvian Parliament made significant changes to its legislation, approved by referendum in October 1998.

As for Russia itself, concern with its degraded power status and wounded sense of identity have fuelled preoccupations with territorial integrity. In the Baltic Sea region such moods have reinforced Russian concern about the status of Kaliningrad. Russian demands for transit rights through Lithuania or Poland to Kaliningrad have had to be shelved, at least for the time being. In the Kaliningrad exclave, military and civilian political groups disagreed over its possible transition from a mostly military complex to an economic development area.

Together, these tendencies in the region have contributed to an atmosphere of uncertainty. Mixed or alternating tones of intimidation and reassurance from Russia have been repeated over time. The low profile in this region adopted by both the European Union and the United States has been part of the picture, notwithstanding the decisions in December 1997 on EU membership negotiations for Estonia, and the US-Baltic Charter of January 1998.[4]

This pattern of ambiguity remains characteristic of the region and shows that further reflection is needed on the place and functions of Estonia, Latvia and Lithuania in regional and European security. The present study examines the security issues of the

Baltic Sea region and considers the potential role of cooperative processes in existing institutions, including the Western European Union and its 'Petersberg tasks'.[5] It juxtaposes the possibilities for cooperative security and the persisting challenges of power politics.

In the end, this report finds cooperative security in the Baltic Sea region to be served by too many poorly coordinated institutions. None of them seems prepared to assume a comprehensive role. A political initiative is needed to bring their diverse responsibilities and partial mandates together.

In what follows, developments in the region will be placed in the overall perspective of regional cooperative security and examined in the light of general concepts and established knowledge in the field.

The concept of cooperative security

The concept of cooperative security, in circulation since the 1970s, is currently much used, but also imprecise and easily confused with similar terms, like security cooperation. *Security cooperation* is broadly conceivable as any and all forms of cooperation aimed at increased interstate security, by forming associations of either an exclusive type (like alliances or collective defence agreements) or an inclusive type (such as the OSCE). *Exclusive* associations are formed in conflict situations and directed at somebody or something - they are organizations of common or coinciding interest in a perspective of potential confrontation. *Inclusive* associations seek to include all potential members regardless of whether they may be in conflict with others.

Cooperative security is a much narrower concept, denoting a specific, inclusive type of relationship: cooperation on security issues between putative opponents. Ultimately, the emergence of a sense of security in common dealings between former antagonists - facilitated and nourished by practices of cooperative security - may according to the theory lead to the development of a true *security-community*. Among those practices are conflict resolution and conflict prevention. In the policy practices of the Baltic Sea region, an extended, broad concept of security is very much at the top of the agenda. Yet the appeal of the idea of 'soft security' is severely limited by the number of interpretations found among the region's policy practitioners, as we shall see below.

The problem addressed by the paper

The problem for the Baltic Sea region is a problem that is general to regional security: *How does one create a new regional security-community where none existed before? How can one make the leap from confrontational alliances to cooperative arrangements between states used to regarding each other as actual enemies or possible opponents?*

The *security-community* concept designates a region where people resolve their differences without recourse to violence. A security-community was originally defined by Karl W. Deutsch and colleagues as '. . . a group of people which has become "integrated" . . .', in the sense that they have attained a '. . . "sense of

community" . . .' and '. . . dependable expectations of "peaceful change" among its population."[6] If we stick to what Deutsch called pluralistic security communities (those consisting of sovereign states), the major examples are conventionally held to be the US-Canadian area during most of this century, the Nordic area since about 1906, and the signatories of the 1951 Treaty of Paris creating the European Coal and Steel Community, subsequently expanded to the present European Union.

The main challenge today is not how to build a cohesive alliance which can overcome the divisions between its members. The task today, in the face of renewed attitudes of renationalization and confrontation, is to shift the parties' attention from preparing antagonistic action against an opponent to conceiving how to make potentially viable agreements with him.

In short, we may rephrase the main question as how to lead governments to make the conceptual leap from alliance politics to cooperative arrangements which include their putative opponents.

OVERVIEW

Actors, interests and incentives[7]

The most relevant state actors on the regional security scene are Estonia, Latvia, Lithuania and Russia, but state actors are not the only ones to have a security impact. Non-state actors in the region (environmental groups, business corporations, political parties, religious groups, etc.) are numerous, and their activities often have broader political functions. Non-citizen minorities within Estonia and Latvia have become significant in regional politics, although their position is weak and fragmented. They remain underorganized and have only fledgling organizations speaking for them collectively. The Russian government, on the other hand, has taken upon itself to speak for the russophone minorities. The OSCE and the Council of Europe have also concerned themselves with the minorities in the Baltic states, though with different instruments and scope. The mutual relations of these states and groups are at the heart of the security issues in the Baltic Sea region.

Other key actors may be identified as (a) *the other littoral states* - Denmark, Finland, Germany, Poland, Sweden, and (b) *outside powers* with interests in the stability of the region and with capabilities to act upon them - the United States and the European Union.[8] Non-state actors in Finland and Poland have especially active relations with Russia and the Baltic states. More reserved, yet still present, are the two other NATO members in the region, Norway and Iceland,[9]both of which have defined themselves as 'Baltic Sea states' in a political sense by joining the Council of Baltic Sea States (CBSS), on which more below.

It may be argued that there is an overarching European and global interest in peace and stability in the Baltic Sea area, one of the few regions within Europe where traces of the old East-West conflict may still be perceived. It is therefore in the common European interest to make sure that the shadow of the past retreats from the Baltics and is succeeded by the positive relations that result from integration. This common interest is shared not merely by the states *qua* states, but also by the various population groups and non-state actors in the area. Integration requires freedom of trade, foreign direct investment and access to transit routes, all of which are still occasionally subjects of dispute in the Baltic Sea region.

It is a familiar yet important problem in international security that such common long-term interests of adversaries cannot be directly translated into specific short-term interests. This is mainly due to the effects of the 'security dilemma' - the tendency, given insecurity, of even defensive measures by one state to be interpreted by its potential adversaries as hostile in intent and thus something to be counteracted.[10] So it is even in the Baltic Sea region during the 1990s.

'Stability' and 'peace' may be produced in many different ways, depending on one's definitions and operational criteria. For example, a regime was imposed on the Baltic area by the Soviet Union in 1945 that may be said to have ensured the peace and stability of the Baltic Sea region for decades. However, the Soviet solution did not satisfy other criteria, such as the principles of human rights and the interests of the populations of Estonia, Latvia and Lithuania, which were at the time minority groups

within the USSR. In the post-Cold War era the assumption that Estonia, Latvia and Lithuania are sovereign and independent states is rarely questioned, a change which of necessity has shaped the situation and interests both of states and non-state actors in the area.

Long-term interests may also be hard for the actors themselves to pinpoint, because in the 1990s the situation in the region has been in flux, politically and strategically. The processes of enlarging NATO and EU are only the most concrete manifestations of this dynamic. The scale and scope of exchanges between Central and Eastern Europe and the West are increasing drastically, significantly affecting the interests and incentives of actors in the region. The negotiation during spring 1997 of the Founding Act between NATO and Russia was a conscious effort on the part of NATO governments to deal with the difficulties caused by the West's attraction for Eastern Europe, and to influence Russia's security policy by presenting a cooperative stance as more attractive.

Overall, therefore, the question how the interests of each state and group are linked to the overarching common interest remains open. Interests are not easily seen by the actors themselves as converging. Existing incentives do not necessarily lead them to act in accordance with their long-term common interest. Still, incentives can be altered by joint governmental action to improve the prospects of advancing the long-term common interest. The process of European integration in the European Union is but one example.

Assessment of the situation as of autumn 1998

North European security has grown significantly more complex with the end of the Cold War. Despite deviant security policies, the Nordic subregion is solidly integrated both internally and with the rest of Europe. For the most part the Nordic countries have good-neighbourly relations with Russia. The Baltic states are a somewhat different matter.

On the one hand, Estonia, Latvia and Lithuania are currently in many respects under the tutelage of West European governments - led by the Nordic ones - which have been concerned to integrate them into the West. On the other hand, there are elements which make the Baltic subregion a source of disturbance in relations between Russia and the West.

One element is the close watch kept by Russian élites on a region once held to be theirs, as evidenced by a report to the Russian government by a group of prominent experts on Russian national security,[(11)] and by the fact that even in 1998 Moscow continues to regard the Soviet-era regime in the Baltics as established according to legal procedures.[(12)]

Another element is the internal weaknesses of the social, economic and political structures of the three Baltic states - despite impressive strides since they regained independence in 1991 - and their continuing asymmetric dependence on the East for energy supplies and economic revenue from transit trade. Those internal weaknesses include widespread corruption, poverty and public mismanagement - in fairness, all problems that are being dealt with but still unresolved.

A third element is the unpredictable state of the societal make-up of Estonia and Latvia, due to the large populations of resident non-citizens, mostly of Russian or ex-Soviet origin and with linguistic and to some extent political affinities to Russia. The discontent of such groups was actively utilized for Moscow's political ends in early 1998 to put pressure on Latvia.

In the military sphere, developments during the 1990s point to increased regularity and stability. Reduced military force levels characterize the region, a consequence both of unilateral Russian withdrawals and the 1990 Treaty on Conventional Forces in Europe (CFE), implemented in the period 1992-96. At the same time, organizational upheavals in the Russian military domain have created severe imbalances.[13] Thus, military aspects continue to be part of the regional security scene, even if their relevance for the politics unfolding as of early 1998 seems limited. However, as long as military resources exist they also carry politico-diplomatic influence.

Given the CFE regime for military equipment, the hardware situation in the area is well monitored. The preliminary agreement on CFE-II bodes well for the further development of the security of the region. Yet, it should not go unnoticed that as many as five regional states (Estonia, Finland, Latvia, Lithuania and Sweden) are not part of the CFE regime negotiating the revisions for 1999.

For peculiarly military and strategic reasons, conditions in the Kola peninsula, the northernmost part of Russia's Leningrad Military District, affect efforts to stabilize the larger region. Political ramifications are probably greatest for Russia's relations with Finland and Norway, but indirectly they reach well into the Baltic Sea region proper. For one thing, military resources in this northern area - notably submarine-based missiles - have become relatively more important to Russia due to disarmament in other areas, both geographic and functional. For another, the environmental hazards associated with military nuclear facilities have not been satisfactorily dealt with. Thirdly, despite the CFE Treaty's provisions, military equipment levels have not been reduced according to schedule. CFE implementation in north-west Russia has had to be delayed and apparently continues to lag behind even in 1998,[14] a point of dissatisfaction to Russia's three subregional neighbours.

New uses of military resources alter the importance of military manpower levels. Technological, economic and political change are reshaping both the military itself and the landscape in which military factors come into play. Many regional ministries of defence have remodelled their organizations to be better adjusted, e.g., to the needs of international peacekeeping.

The type of conflict most likely to occur in the Baltic area is not a violent or directly dramatic one, but rather the highly charged, tense political situation where the expectation of violence is somehow in the air. Intervention and crisis management on the politico-diplomatic level, possibly supported by international peacekeeping forces on preventive assignment, may then be the type of task facing the international community. However, it is not entirely unthinkable that a more complicated turn of events could appear on the horizon:

- demonstrations (e.g., on citizenship issues) turning spontaneously violent;
- paramilitary units of extremist groups taking political action using military means;
- external, rogue military forces or forces of other governments intervening, either on behalf of demonstrating groups or to seize infrastructure facilities (harbours, transport routes, etc.).

In a highly charged conflict environment where major regional actors are involved, only NATO would be capable of projecting the necessary deterrent or counterbalancing effect. On the other hand, peace support and crisis management seem to be the tasks pertinent to WEU's field of responsibilities within the Petersberg spectrum, on which more below.

In the diplomatic field, the year 1997 saw a sequence of dramatic decisions on the European security scene that had a heavy impact on North European security. At Christmas 1996 the expectation was in the air - in anticipation of the coming mid-1997 NATO decision in Madrid - that Finland and Sweden might shift their alignment to NATO membership.[(15)] However, despite a lively debate in these and other Nordic countries, they retained their differing stances on security (three Nordic NATO members, two Nordic non-aligned) and on long-term policy in the Baltic Sea region. In the meantime important knots and loose ends in European security had been untangled and tied down, with long-term implications.

During the 1990s a web of cooperative security arrangements gradually enveloped the former East-West antagonists. Beyond the CFE Treaty itself there were the broader underlying institutions - the Conference on Security and Cooperation in Europe (CSCE, since 1994 the OSCE), NATO, EU, WEU and the Nordic institutions - all representing considerable efforts to develop new policies of cooperative security. Their application in Northern Europe has been of major importance. While rarely initiators, Soviet and Russian diplomacy have had their share in developing several of these agreements, and Russia has in the main implemented them faithfully, if at times with some equivocation. Moscow has also participated fully in the activities of the Council of Baltic Sea States (CBSS), created in 1992 among all the littoral states of the Baltic Sea to give expression to the new, widened concept of security. Not to be overlooked, even if somewhat peripheral to the Baltic Sea region, is the Barents Euro-Arctic Council, which Russia co-founded with Finland, Norway and Sweden to promote cooperation between county-level authorities in their contiguous border areas in the far north.

International institutions have also been active on the ground in the Baltic Sea region. The OSCE provided institutional anchorage for troop withdrawals from the Baltic states and has had observer missions in Estonia and Latvia, allowing it to have a role in the handling of the minorities issues. The OSCE also monitored the Skrunda early warning facility, the Russian-controlled military site in Latvia that was closed down on 31 August 1998. Special mention should be made of NATO's Partnership for Peace (PfP) and the Euro-Atlantic Partnership Council. The PfP has given concrete form to the new relations between the Baltic Sea region and NATO. The increasing involvement of the Baltic states in WEU's politico-military consultative process is a parallel aspect of this process of integration in cooperative security.

On the diplomatic level, Russian policy towards the Baltic Sea region became gradually more explicit after February 1997. Several statements on Russia's relations with the Baltic states were presented. Elements of economic cooperation and confidence-building measures were added as positive incentives. At the same time, Russia also demonstrated its will to retain a zone of predominant influence in the Baltic Sea region. This aspect became more pronounced in declarations following NATO's Madrid summit in July 1997. However, the Russian effort to create a special zone in the Baltic Sea region was set back - at least for the time being - by the dismissive reactions of the other states in the area. The Russian confrontation with Latvia previously described has affected relations in the region more generally during 1998.

In a phase of tentative confrontation like this, one needs to assess the obstacles, or challenges, to cooperative security. One of these challenges is the weight of history and the possibility that memories incite lingering distrust. Another challenge is the uneven regional balance of power. A third challenge is the question of how to link regional arrangements to cooperative structures on a broader European level.

CHALLENGES TO THE REALIZATION OF COOPERATIVE SECURITY

Lingering distrust

Cooperative security presupposes a certain level of trust. If there has been violence or dominance exerted between great and small neighbouring states in the past, distrust found in the small states stems partly from fear that history will repeat itself and partly from the intimidating prospect of subjection. Moreover, moods of envy and revenge for past humiliations might exist among the small states' élites, in turn inspiring uneasiness on the other side. Elites of the big neighbour are often led by their own previous violence to suspect that a small neighbour may 'betray' them, allowing its territory to be used by a rival great power (the 'Cuba-crisis syndrome'). In short, trust is in large part a function of history.

History: its regional and national significance

In the minds of Russians and Balts, the significance of history today is linked to different time perspectives. To the Russians, the history relevant to their attitudes to Baltic affairs is probably the most immediate past - the time of the final break-up of the USSR. In this context the Estonians, Latvians and Lithuanians - who at first received important backing from Russians both in the Baltics and in the Russian Federation(16) - were subsequently perceived by many Russians to be changing into ruthless wreckers who allowed their initially commendable project to take an extremist, nationalistic and ultimately destructive course. In such a perspective, part of the guilt for the break-up of the Soviet Union is placed on the Baltic nations. Thus, the Russian view of recent history produces an emotional outlook on Baltic affairs, often amounting to outright bitterness, even among Russian analysts.(17)

The attitude among élites in Estonia, Latvia and Lithuania is of course entirely different, while equally emotional. First of all, the time perspective is different. In the minds of Estonians, Latvians and Lithuanians, the years 1939-40 still serve as the reference for today's policies - these years are markers for all that went wrong and all the injustice that is to be put right.

Such different perspectives are major obstacles to communication and the routine conduct of business. Minds are practically certain not to meet. When specifics come up, perspectives diverge even more. For example, continuing annual commemorations of Latvians killed while fighting in German Waffen SS units add to the impression both in Russia and elsewhere that Baltic sensibilities are out of tune with those in the rest of Europe.

Balts also expect Russians to assume responsibility for past misdeeds - the annexation of the Baltic states, the deportations of thousands of Balts, and above all the virtual decapitation of the three nations by the removal of political and cultural élites which this involved. But many Russians will not even admit that such events were misdeeds, much less atone for them. Gorbachev apologized for the 1968 invasion of Czechoslovakia and for Hungary 1956.(18) However, in post-Gorbachev Moscow the official mood is different, regardless of whether the subject is the annexation of the

Baltic states and other territories during World War II, or postwar Soviet policies in Central and Eastern Europe.

Then there is the Finnish case. Since the end of World War II the government of Finland has always behaved with great tact and discreet resilience *vis-à-vis* its eastern neighbour. In spite of common Western interpretations of Finnish policy as being submissive during the Cold War, the accomplishments of Finland's defence forces during 1939-44 and the national sacrifice involved must also be considered if their perspective on security is to be understood. There was also a sense of relief after the war that the Soviet attempt to subdue their country was not resumed and that the Stalinist, Eastern bloc was never extended to Finland.

During the Cold War there was a tendency among many North Europeans to perceive the Paasikivi-Kekkonen line as a postwar reconsideration of Finland's wartime policy and a belated acknowledgement of the Soviet cause as having been just, above all due to its anti-Nazi effort. Although these aspects may have a place in the larger picture, I believe it would be erroneous to see them as major factors in Finland's own policy.

The Finnish view seems rarely to have been properly understood in Moscow. Finland's postwar policy was for the most part interpreted in Moscow as an admission that the Finnish government, in rejecting Russian demands for territorial change in 1938-39, was wrong from the start. Russian historical memory (perhaps therefore) also usually overlooks the fact that the Soviet Union attacked Finland in November 1939. That Finland after 1944 consistently proclaimed - and sought the leeway to pursue - a policy of non-alignment was not acknowledged by the USSR until the late 1980s. Still, there is a memory in Russia of resistance from Finland, encountered in battle, which has left a definite respect, hardly felt in the same way by Russians for any of their other neighbours.[(19)] Thus, all told, the Finnish-Russian relationship is marked by a basic mutual respect. But whether this mutual Finnish-Russian respect extends to trust is a different matter and perhaps rather doubtful.

The long-term memories of Germany and her role in the two World Wars are another element in the complicated pattern of lingering distrust in the Baltic Sea region. The German government has appeared to take this factor consciously into account in its policymaking. On the other hand, Germany has been said to have other reasons for its caution than merely the fear of raising embarrassing memories: the requirement for a successful conclusion to NATO enlargement to include Poland, and the desire to accomplish this without ruffling Russian feathers, have been seen to require a low German profile in Baltic Sea regional affairs.

Despite the deep significance of historical experience, the factor of trust is not related merely to the past; it also hinges on the policies of the present undertaken by the parties concerned.

Recent and present Russian policy

Russia made a good name for itself in 1993 and 1994 by withdrawing its forces from the Baltic states. It has later seemed almost to regret this commendable move. Russian disagreement with the Western powers over Europe's future security structures in 1994-95 and the subsequent change of foreign ministers from Kozyrev to Primakov

reflected this new cooling of the climate. During 1997 a more comprehensive Russian policy in the Baltics - and a new Russian assertiveness, perhaps due to the push from the West for NATO expansion[20] - became visible with the 11 February policy statement. Its first point said:

> 'The joining by the Baltic countries of NATO would be a serious barrier between Russia and the Baltic countries. It would negatively affect the prospects of the formation of a long-term model of constructive cooperation in the region. On the other hand, the preservation of their non-bloc status could create the basis for concrete joint and our unilateral steps, capable of dispelling apprehensions, which still exist in the countries of Baltia, for their security.'[21]

While the fairly traditional security concerns in Russian policy clearly have top priority, one should not forget that Russia has an economic interest in improving its relations with the Baltic states, not least where transit trade is concerned, as also expressed in this Russian statement. Of course, the eagerness with which Moscow adopted punitive economic measures against Latvia in April 1998 gave a somewhat different impression. As far as trust is concerned, this anti-Latvian campaign, pursued with great vigour *vis-à-vis* Western powers, did little to heal relations between Russians and Balts.

Russian domestic politics

In assessing Russian foreign policy moves during the 1990s it is necessary to take domestic policy motives into account. The relationship between domestic and external motives is complex. External trust depends on how this complexity is interpreted by the policy-makers of neighbouring states. Thus, the level of external trust in Russia has a connection with both its foreign policy and its domestic politics.

The stability of the Russian political system as of autumn 1998 was disrupted by repeated changes of government and the onset of deep economic crisis. Continuing struggles between institutions are not necessarily destructive, and may even be a sign of good health in a governmental system that is still taking shape. Nevertheless, the increasing disorder has tried the patience of an already exhausted public, and may leave openings for a role to be played by extra-democratic groups. The military is not the least important environment nurturing some of the latter. The proposals for a major reform and downsizing of the military, together with delays in improvement of military living conditions, may strain the patience of some groups in the military beyond breaking point.[22] The politicization of the military currently under way in the 'Movement in support of the Russian army' and other *ad hoc* action groups in the military, may accentuate such trends. The good Russian tradition of anti-Bonapartism has likely weakened with every month of absent pay and every year of scaling back on quality as well as quantity. In any case, Aleksandr Lebed is waiting in the wings and is probably quite capable of taking on the challenge of a legitimate election for president.

The strength of the Communist Party is another factor of uncertainty which during 1998 has demonstrated its significance for Russian domestic stability. The party's influence, while probably increasing, may be mostly indirect and more due to the

analyses it has repeatedly made of the reform policies' failures than because of its own programme. The choice of Mr Primakov as Prime Minister underscores the indirect line of influence from the former Soviet regime and the remnants of its ideas still floating around in the wrecked USSR. The Communist Party embodies much of this, even though its role in the flow of influence may be more that of a conduit than that of a source. Nevertheless, in neighbouring countries these trends add to the sense of distrust felt in advance.

Recent and present Baltic policies

Once the ex-Soviet trops had left in August 1994, Estonia lost no time establishing its claim for lost territory on the border with Russia. This claim stirred a renewal of Russian resentment which may lead future historians to conclude that the Estonian border claims policy was counterproductive in a major way. Or so the Estonian Foreign Ministry may finally have concluded in November 1996, when it dropped its insistence on including a reference to the Tartu Treaty of 1920 in the border agreement.[(23)] The agreement was practically ready for signature from early 1997, with Russia demurring and waiting for the fun of seeing Estonia's 'border dispute' trip up their EU campaign. However, EU appears to have decided early on to disregard the Russian-Estonian border issue. In late 1997, Finnish Prime Minister Paavo Lipponen stated publicly that Finland would make sure the lack of agreement did not become a snag for Estonia's EU membership.

The border negotiations have been less agonising for Latvia, which has negotiated in quieter style. The area affected was smaller, and the adjustments demanded smaller still. All the same, even Latvia wanted the 1920 treaty (the Treaty of Riga, in this case) to be referred to in the preamble, as a way of bringing the origin of their border claim into the agreement. Once they dropped this demand, the agreement was to all intents and purposes ready. At the time of writing the agreement remains unsigned, but in the meantime diplomatic relations also deteriorated severely.

Only Lithuania, the last of the Baltic states to raise a border claim against Russia, succeded early on in completing an agreement, probably mainly because Russia wanted to single it out for a favour and thus split the Balts, as they had done so many times before. There was the precedent of the 1940 return to Lithuania of the Vilnius region from occupied Poland, the USSR's gift of power that Lithuania could not refuse. Lithuania has become somehow bound by that 'gift' ever since. Moscow plays on this factor even today in its bilateral diplomacy with Vilnius. The Russian-speaking minority in Lithuania is quite small, which also makes for more relaxed bilateral relations. In any case, the Lithuanian border claims were minute, mainly a matter of adjusting and upgrading the border from the Soviet standard of an administrative delimitation to that of an interstate border.

All told the border issues have provided a test of goodwill for Russia and each of the three Baltic states which (with but minor exceptions) has failed on all sides. Foot dragging on ratification adds further to lingering distrust.

In a more general perspective, the policies of Estonia, Latvia and Lithuania towards Russia since 1994 have largely been residually defined - their main goals have been EU membership and NATO membership. Official attitudes to Russia have followed

from that, and have to some extent probably been moderated by contact with key EU members and NATO members.

Recent and present Baltic domestic politics

The domestic politics of Estonia and Latvia throughout the 1990s have been marked by governmental instability, in contrast to Lithuania where a more settled political landscape has long been in evidence, partly due to the greater leeway given to Lithuanian politics during the Soviet years. Political parties continue to have a weak basis in the entire area. Moreover, these appear to be long-term trends. The traditions of party fragmentation and parliamentary domination of government were clearly in evidence during the interwar years. Renewed independence brought new levels of political strain, with apparent further repercussions in the form of political fragmentation.

The Russophone minorities, non-citizens residing in Latvia and Estonia, provide an even greater test of goodwill than borders, for all concerned. The issue has long since become politicized. There is little substance to Russian claims that the minorities are exceptional hardship cases or victims of human rights violations.(24) On the other hand, the charges that naturalization laws are applied with excessive rigour, and that language requirements are needlessly tough, find a sympathetic hearing in many European countries. Another thing is that the magnitude of the problem (in terms of sheer numbers) is not always appreciated. The slowdown of the naturalization process experienced especially in Latvia since 1996 has focused attention once more on the staggered system whereby only a specific category of applicants becomes eligible to apply for citizenship each year. In the spring of 1998 Latvia found itself under intense pressure, not merely from Russia but also from the international community, to reform its minority legislation.

Other Latvian developments include an unfortunate proposal in 1997 to tighten the language law by broadening its application to non-governmental areas. This set off a new round of reactions abroad. Other issues entered the picture to cloud the Latvian image further. In March 1998 a Russian-speaking pensioners' demonstration in downtown Riga, organized without the requisite permission from the police, blocked traffic and was broken up by police with batons.(25) As tension continued to rise over a sequence of further incidents in Latvia, the Russian government decided to react by adopting economic measures designed to force a change in Latvia's policy, *inter alia* by diverting Russian oil exports shipped through the Latvian port of Ventspils.(26)

Thus, in dealing with their former coloniser, Estonia and Latvia find themselves squeezed between Moscow's outrage on behalf of their 'countrymen abroad' and Western pressures for human rights observance now that the Balts are about to become part of the West. It is a contest the Baltic states will be hard put to win, especially in north-west Europe where human rights issues are favourite causes. Further tainting Baltic images are the legacies - especially in Latvia and Lithuania - of participation in the Holocaust and the persisting signs of indifference to those facts in these countries today, which are evident in the slow progress of efforts to prosecute those who may have been responsible.

Asymmetrical regional balance of power

Where marked regional power differentials exist, these have a way of becoming accentuated in cases of conflict. The 'regional great power', with its natural dominance, is a political challenge that must be coped with by the other states of the region. On the other hand, regional integration has been held to benefit from the existence of a leader, a state capable of taking on extra burdens of cooperation to help the process along and counteract the friction stemming from inequality. In this sense, a regional power differential can be an advantage for the progress of cooperation.

If power disparity may be merely an irritant in the case of smaller, regional differentials, it can become a real problem when the regional great power is also a world power. It is this kind of situation that obtains in the Baltic Sea region.[27]

The geopolitical aspect: closeness to the dominant power

In historical experience, less powerful neighbours of great powers tend - if no other great power is located nearby - to accommodate their own policies with those of their more powerful neighbour.[28] The degree of accommodation has varied considerably. The cases of Belgium, Czechoslovakia, Denmark, Estonia, Finland, Ireland, Latvia, Lithuania, the Netherlands, Norway and Romania are pertinent European examples that demonstrate the diverse conditions under which the problem appears. Complexity increases many times when states in such unequal relationships consider entering into cooperative arrangements with each other, whether for security or other purposes. Geographical contiguity accentuates the dilemma for the smaller state. The length of a shared border becomes a measure of its degree of exposure to inescapable influence by 'big brother'.

When a prospective regional cooperation partner is also disproportionately large and powerful, power disparity makes it natural for the stronger side to receive the better part of the bargain in disputes. The emotional component makes for volatility in the relationship. Predictable instability must be taken into account to understand how cooperative projects can be developed between unequal partners. In any case, the pattern of geographical proximity between a great power and smaller states inevitably raises the spectre of a sphere of influence.

Spheres of influence and spheres of interest

These terms are sometimes conflated and treated as synonyms, sometimes defined as conceptually distinct. A definition which treats them as synonymous says that a sphere of interest is:

'. . . an extended geographical area which a powerful state regards as of special concern to it because of its significance for its own security and welfare. As a consequence, states often arrogate to themselves special rights of supervision or hegemony in such areas, and resent and resist the influence of other major states there.'[29]

Hedley Bull explains the origins of the terms by reference to the colonial expansion of the European powers and distinguishes between spheres of interest, which used to

pertain to economic activities, and spheres of influence, which signifies the recognition by great powers of '. . . the fact of each other's preponderance in a particular area',[30] i.e., refraining from backing a smaller state within somebody else's sphere in a conflict involving the 'master' of that sphere.

We can now see that a problem posed by cooperative projects between a major power and its smaller neighbours is how to prevent such ventures from degenerating into spheres of influence, or reverting to that state, as the case may be. Nearly half the Baltic Sea region was a sphere of influence during the Cold War - does some of it still so remain?

The desire of Baltic Sea states to be affiliated with alliances or groupings not involving - and not approved by - Russia has become a major issue in the region. Formally speaking, this matter should not even be an issue, since neither Russia nor any other state in the region has officially denied the right of a sovereign state to choose its alliances and affiliations as it sees fit. However, there can be no doubt that the Russian government opposes the ambitions of Estonia, Latvia and Lithuania to become members of NATO. In 1997 it also warned Finland and Sweden against such a move (I. e., NATO membership).[31] In this connection, the reference to the Baltic states in the July 1997 NATO Madrid summit declaration appears to have been a spur to renewed Russian indignation. In his August speech to the Nordic Council conference on Nordic security in Helsinki, Russian Deputy Foreign Minister Alexander Avdeev stressed that:

> '. . . the preservation of the Baltic States [*sic*] non-bloc status, as well as the non-participation policy exercised by Finland and Sweden with regard to military alliances would lay a foundation for uni- and multilateral security-strengthening and confidence-building steps to be taken by the countries of this region.'[32]

Shortly thereafter Prime Minister Chernomyrdin made a similar statement at a historic gathering of Central and East European leaders in Vilnius (5 September 1997), which for the first time since the end of the Cold War brought together the heads of state of what used to be the Warsaw Pact. The Russian Prime Minister used the occasion to declare Russia 'the major donor of this vast region',[33] the expression 'donor' evidently being intended to convey the sense of Russia being the region's main security provider.[34] Like Avdeev, Chernomyrdin warned that any attempt to 'circumvent or even oppose' the Russian role was bound to fail.

The most significant implication of the Avdeev and Chernomyrdin statements was that the Finnish and Swedish governments were confronted with Russia's suggestion that in the future security arrangement of the region Finland and Sweden should remain non-aligned, eschewing membership of NATO.[35] According to some observers this was a test of public reaction, a stance from which Russia supposedly later withdrew. A possible indication to this effect was the lack of a specific reference to Finland and Sweden in Russia's two October letters to the Baltics. In a statement to the Nordic Council in Helsinki (11 November) Finnish Minister of Foreign Affairs Tarja Halonen emphasized that the Finnish government took special note of the absence of references to Finland and Sweden in the Russian communications about the guarantees.

Yet, there are signs which may support another conclusion, that the preference for a non-bloc zone remains Russia's policy in the region, even if it were not to succeed in the short term. One is the persisting dual tone of Moscow's diplomacy. At the Helsinki summit with President Clinton in March 1997, shortly after the tough tone of the February statement, softer signals were given. Towards the end of 1997 Russia's assertiveness became mixed with new, reassuring signals,[36] especially on the occasion of President Yeltsin's visit to Stockholm in early December, when force cuts of 40 per cent in the Russian deployments adjoining the Baltic and Finnish borders were promised. Generally, Russian diplomacy towards the Baltics has been one of hard punches followed by reassuring statements.[37]

Another sign that the Russian ambition for a non-bloc zone remains, is the continuing insistence on another solution for the Baltic states than the one they prefer themselves, as for instance in Mr Primakov's New Year statement at the end of 1997 and in Mr Chernomyrdin's statement at the CBSS 1998 summit in Riga.[38]

Was this Russian play for a 'non-bloc zone' symptomatic of a sphere-of-influence mindset, or was it not? Of course, NATO itself can hardly be painted as anything but a sphere of influence, and from this perspective the Russian reaction was understandable. On the other hand, the East European flight from Russian influence towards NATO may owe something to past Russian (Soviet) policies. And regardless of what we might think, Russia's neighbours demonstrate their analysis and their convictions every day, which in itself becomes a central element in the region's security politics.

In considering European zones and spheres one might also admit a question about the European Union - are we not even here faced with a sphere of influence, and a growing one at that? Again, the external perception might be such in some quarters, but reasoned consideration is likely to show that that conclusion is not well founded. The European Union is sufficiently dispersed in power, proven in numerous recent crisis situations, that the above definition does not apply. Furthermore, the European Commission may - at least in one interpretation - be said to have underlined this apolitical profile in the way it handled the three Baltic applications for membership, naming only one of the three Baltic states to participate in the next round of EU enlargement. The situation seems not to have been regarded in Brussels as a case of competing spheres of influence.

Still, sphere or not, the possibility of EU membership for the Baltic states is a distinct political factor in the situation now unfolding. A stamp of 'prospective non-member of the EU' placed on any of the three Baltic states would leave it politically more open to Russian influence. Latvia may already be such a case, despite the compromise decision to include all applicant states in preliminary membership talks taken by the European Council in December 1997.

Clearly, the mere fact that an attempt was made to have the area defined as a 'non-bloc zone' indicates the degree of difficulty in working out a mutually trustful relationship of cooperative security and the tenacity of sphere-of-influence thinking in Russian minds.

The problem of systemic anchorage

One of the most frequently repeated policy lines of the smaller states in the region is that the Baltic Sea region must not be isolated from the wider European security structures. This has become a standard position *vis-à-vis* any proposal to create so-called subregional arrangements to deal with the concerns of the narrower region, and has become a focal point for the Baltic states' continued insistence on their integration in the broader European and transatlantic security structures.[(39)] It reflects surviving strains of realist thinking in an approach which is otherwise strongly institutionalist, to put it in terms of international relations theory.[(40)]

Proposals of narrower regional security solutions have some tradition in Soviet diplomacy after it shed Stalin's earlier intense suspicion of them. Soviet acquiescence in Finland's joining the Nordic Council in 1956 inaugurated this new period in Soviet regional policy, following on the heels of the 1955 Austrian State Treaty and the general thaw evident in Soviet foreign policy at the time. Subsequently the Soviet government and the Polish government, even Finnish President Kekkonen, launched proposals in the 1960s and 1970s for regional security arrangements, prominently featuring the idea of a nuclear-free zone. These proposals were all rejected by the other Nordic countries, even though such notions had much sympathy on the political left.

The end of the Cold War changed the Finnish perspective. When nuclear-free zone proposals re-emerged in the new circumstances after 1989, Finland was among the first to reject them. A main argument was that the Baltic Sea region must not be detached from the other concerns which define Europe's security agenda. Small-state diplomacy in the region is concerned to prevent the idea that the Nordic and Baltic states can manage their security affairs on their own from taking hold in great power capitals.

The point of this reasoning is the thesis that the overarching power balance governs power relations even on the local or regional level. Is this reasoning tenable? Even if governments are betting on it, they may be wrong. During the Cold War, lines were drawn unambiguously in most parts of Europe. The superpowers signalled their intention to maintain their positions, if necessary with military force, and to refrain from challenging the positions of the adversary. This served to maintain stable relations in almost every corner of Europe.

However, when applied to post-Cold War conditions there is a flaw in the reasoning, at least to the extent it is assumed that the same power relations hold. What used to be called 'the hard, cold realities of power' - tied to military capabilities - no longer exist, at least not to the same extent. It is no longer obvious what those 'realities' are when the political will to use the capabilities still extant is questioned on a daily basis. Moreover, most situations in which the 'hard realities' are thought to be relevant are highly ambiguous in terms of the interests of external powers.

This in itself was a key reason for the melting of the Cold War blocs. New, more positive relations took over between the former main antagonists. However, the new situation brought new challenges. It is difficult to deny, for instance, that NATO's collective political will has been affected and in some connections probably

diminished in the new circumstances. When nuances of grey dominate where the picture could formerly be drawn in distinct colours, the political decisions underlying the actions of the Alliance are harder to produce and often equivocal.

The transition to a more diffuse political environment has entailed the heightened political significance of rhetoric. The use of rhetoric to express 'self-fulfilling prophesies' has gained unprecedented importance in the behavior and strategies of governments. Where formerly the credibility of promises was greater due to the clear-cut underlying East-West confrontation, today conviction must be produced by the uncertain practice of repeating policy statements like mantras, until perhaps their verity is in the end believed - even by those who do not want to believe them.

The upshot of all this is that when appeal is made today to the larger, overarching power structure, there is no corresponding assurance that there will be a response forthcoming from that structure to maintain a power balance on the local or regional level. In this sense, there are some slightly disturbing resemblances between the international system of the 1990s and that of the 1930s. A major difference, however, is the European Union and the implicit security often seen as a side effect of membership. Finnish and Swedish views in this regard are firm and have been lucidly expressed.(41) The Russian government, for its part, may be said to have demonstrated the conviction that EU is insignificant in security terms, not in so many words but by encouraging the Baltic states to seek membership of EU, while warning of dire consequences should they choose to join NATO.(42)

Another reason for the uncertainty of the 1990s has been strong concern in the West that NATO's eastward enlargement will have negative repercussions which could renew the old East-West confrontation. This idea is of course very much alive in Russia and has been exploited to the full in the Russian diplomatic campaign against NATO expansion. The Founding Act between Russia and NATO was designed to reassure Russia, but its effects have been less than convincing. While Russian élites may be genuinely worried by NATO's expansion, Russia has also had little incentive to show signs of being reassured, which has kept even Western political anxieties alive. Ultimately, this may also affect NATO's political resolve to maintain a role as systemic anchorage of power for regional security.

REMEDIAL ACTION: POLICIES WITHIN THE REGION

The problems described above may be seen as posing a puzzle. The policies of the past have contributed to its creation. Once recognized as a situation that requires remedy, the question becomes what policies have been worked out to deal with it - by actors both inside and outside the region.

Russia

Moscow has dealt with the situation by taking a major initiative *vis-à-vis* the Baltic states. The crowning event of Russia's Baltic diplomacy in 1997 was the offer of security guarantees to Lithuania, Latvia and Estonia, made in connection with Lithuanian President Brazauskas's visit to Moscow in October of that year. The offer came in the form of two letters, the first and shorter one - from President Yeltsin - delivered during the meetings, and the second mailed a few days later by the Russian Ministry of Foreign Affairs to the three Baltic states, as well as other governments in the region and the European Union.(43) The Yeltsin text says, *inter alia*:

'On Russia's side, we have already declared that we guarantee the security of the Baltic states. In developing this initiative, we propose that such guarantees should take the form of a unilateral undertaking by the Russian Federation, reinforced, probably, concerning international law, by the conclusion of an agreement of good-neighbourliness and mutual security guarantees between Russia and individual Baltic states or between Russia and the three Baltic states together.'

The letters express Russia's determination to promote good-neighbourliness and mutual confidence. They are open in form, inviting further discussion of a number of alternative ideas concerning (a) the contents of the guarantees and the participants considered, and (b) supplementary cooperative agreements in both the military and civilian spheres, and proposing that all of these elements together could be assembled in a 'Pact of Security and Regional Stability'. The letter from President Yeltsin addresses the three Baltic states specifically, but adds that other countries may want to join the agreements proposed, '. . .for example, the United States, Germany, France and other western countries'. It suggests in loose terms even the creation of a 'regional space of stability and security with participation of the North European countries'.

The letter from the Ministry of Foreign Affairs does not mention any other government by name, but addresses exclusively 'the [three] Baltic states'. At the end the Russian government declares itself ready to cooperate closely with all 'interested countries' to strengthen security on the entire European continent and in the Baltic region. No reference to the Nordic countries or the idea of a 'regional space' is made in this letter.

The three Baltic states turned down the proposals as far as the part about security guarantees was concerned. They did express their appreciation of the other part of the initiative, however. Presumably, therefore, while the remainder of Russia's proposals

were left in a state of suspense, they could return in future attempts to resume constructive relations. (The security guarantees are further discussed below.)

Nordic-Baltic cooperation

Nordic remedial action is framed within the Nordic-Baltic institutional arrangements. The pattern of international cooperation between the narrower groupings of the Nordic and Baltic states[(44)] is becoming increasingly relevant to the North European security situation. This is partly due to the growing significance of non-traditional security missions, partly to the new acceptance of foreign and security policy as subjects of Nordic cooperation, and partly to the increasing external pressure on the Nordic states to assume greater responsibility for regional security in the Baltic Sea area.

Ever since the establishment of the Nordic Council in 1953, foreign and security policy has been a taboo - a non-topic - in Nordic cooperation. The Soviet Union was overtly suspicious of this new Nordic arrangement, which it considered might become another anti-Russian bloc.[(45)] To avoid provoking further Soviet reactions, and as a Nordic compromise, the subjects of foreign and security policy were informally banned from the Council's work. In the more auspicious international atmosphere of 1956, Finland finally joined the Nordic Council, but the ban on debating foreign and security policy continued until 1990.[(46)]

The fundamental changes in East-West relations at the end of the Cold War were reflected in North European security. In 1991 Estonia, Latvia and Lithuania joined the community of sovereign states, rapidly gaining a great impact on Nordic cooperation. Institutionally, however, they remained apart.
At the end of the 1990s, the Nordic-Baltic region continues to be fundamentally divided in security terms into a multiplicity of subgroups whose activities are not well coordinated. At the most general level there are the two main subregions - the Nordic and the Baltic. On the Nordic side, Denmark, Iceland and Norway are NATO members while Finland and Sweden are militarily non-aligned. In WEU, the latter two (along with Denmark) have observer status as they are EU members, whereas Iceland and Norway as members of NATO have associate membership. On the Baltic side, Estonia, Latvia and Lithuania are Associate Members of EU, Associate Partners of WEU and campaign actively for EU and NATO membership. The three Baltic states plus Finland and Sweden are also members of the Euro-Atlantic Partnership Council.

Table 1. Nordic and Baltic membership of European Regional Institutions (as of October 1998)

	NATO	**EU**	**WEU**	**Nordic institutions**	**Baltic institutions**
Nordic:					
Denmark	Member	Member	Observer	Member	'5+3'
Finland	militarily non-	Member	Observer	Member	'5+3'

	aligned				
Iceland	Member	EEA	Associate Member	Member	'5+3'
Norway	Member	EEA	Associate Member	Member	'5+3'
Sweden	militarily non-aligned	Member	Observer	Member	'5+3'
Baltic:					
Estonia	seeks membership	candidate	Associate Partner	'5+3'	Member
Latvia	seeks membership	seeks membership	Associate Partner	'5+3'	Member
Lithuania	seeks membership	seeks membership	Associate Partner	'5+3'	Member

Notes:

- Nordic institutions are: Nordic Council, Nordic Council of Ministers, and the following ministerial meetings institutionalized exclusively outside the framework of the Nordic Council of Ministers: the Nordic Prime Ministers' Meetings, the Nordic Foreign Ministers' Meetings, the Nordic Defence Ministers' Meetings.

- Baltic institutions are: Baltic Assembly, Baltic Council of Ministers, Baltic Council (the latter equalling the two former in joint session).

- '5+3': institutionalized biannual meetings (separately) of prime ministers, foreign ministers and defence ministers of the five Nordic and three Baltic states, coordinated to take place immediately before the corresponding Nordic meetings. Additionally, there are meetings of the same cabinets/ministries at director-general level.

- EEA: European Economic Area, consisting of all EU members plus Iceland, Liechtenstein and Norway.

This variety of Nordic-Baltic commitments, policy conceptions and ambitions in the 1990s harks back to earlier decades of Nordic security. Its continuation yields a heterogeneous political structure in the region, which will not necessarily diminish the stability of security; in the best of circumstances it might even enhance and enrich it. Yet in the cooperative security environment of the 1990s, Nordic heterogeneity has also produced more friction and overt disagreements between the Nordic governments than before.(47) It is probable that this is a consequence of the strains of the new forms of active cooperation, not previously tested by the Nordics. It remains to be seen whether the ties of Nordic affinity are strong enough to bear the stresses of new approaches.

Among the five Nordic states these divisions are ameliorated by overlaps in the common EU membership of Denmark, Finland and Sweden, as well as in the common membership of all Nordic states in the Nordic Council (the parliamentary assembly) and the Nordic Council of Ministers. The Nordic states also have regular meetings twice a year of their prime ministers, foreign ministers and defence ministers. Between the Nordic and Baltic states further overlaps are furnished by a new pattern of cooperation introduced in 1996, the so-called '5+3' cooperation, which

involves prime ministers, foreign ministers, defence ministers, along with corresponding groups at senior civil servant level.

Beyond this, the end of the Cold War saw the emergence of two innovative institutional patterns in the North European region: the Council of Baltic Sea States and the Barents Euro-Arctic Council. The CBSS undertakes cooperative projects on a broad range of issues including the environment, energy, combatting crime, transportation, health, democratic development, humanitarian issues, tourism, education and culture. Security in the traditional sense is not explicitly part of the mandate of the CBSS, but it is not excluded either.(48) The CBSS summits, already referred to above, are a more recent feature, which Sweden initiated in 1996 in order to raise the profile of the CBSS's work.

The Barents Euro-Arctic Council brings together Russia and its three north-western neighbours Finland, Norway and Sweden, in cooperative projects for their northern border regions. Its innovative character lies in the fact that it establishes a framework for the international cooperation of provincial governments in international border regions. The provincial governments meet in a separate forum under the Barents agreement, the Regional Council.(49) The example set here may well serve the purposes of cooperative security even in relations between the Baltic states and their immediate neighbours.(50)

Like the Nordic states, the three Baltic states are also reciprocally linked by several institutions. After gaining independence in 1991, Estonia, Latvia and Lithuania soon established their own cooperative bodies, the Baltic Assembly (1991) and the Baltic Council of Ministers (1994)(51), which have been collaborating actively with their Nordic counterparts.
While the above-mentioned institutions are all in some way relevant to the security of the North European area, they are obviously not all equally important politically, nor do they have equal significance in terms of security policy. To the Nordics, the European Union and NATO today remain the two most salient cooperative bodies. The decision-making processes of the EU and NATO constitute inescapable terms of reference for the policy-making of their Nordic member states, and in a broader sense for all Nordic states. Their power stature also makes these two organizations targets of policy-promoting efforts on the part of their Nordic members when the latter need to gather wider support for their positions. But at the same time the influence of NATO and the EU on the Nordic region is limited by asymmetries in the Nordic memberships: two out of five Nordics are not members of NATO; two others out of the five are not members of the European Union. (Only Denmark has membership of both.)

If we rank institutions according to their political significance for the Nordic states, EU and NATO would be followed by the Nordic institutions themselves. Nordic cooperation is governed by the slightly curious yet somehow effective institutional set-up of the Helsinki Agreement of 1962.(52) It is a noteworthy fact that while foreign and security policy in the late 1990s is making its entry as the most dynamic new area of Nordic and Nordic-Baltic cooperation, the Helsinki Agreement explicitly mandates cooperation only in the fields of justice, culture, social affairs, economic affairs, transportation and the environment. Political consensus has led to an extension of policy practice beyond a strict interpretation of the Agreement.(53)

The Nordic Council of Ministers is limited to handling the cooperation of what used to be called the 'domestic affairs ministries'.[54] This restrictive principle has major consequences for the pattern of Nordic - and Nordic-Baltic - security cooperation. It means for instance that the regular biannual meetings of foreign and defence ministers are not part of the work of the Nordic Council of Ministers.[55] Much of the high profile work in Nordic cooperation, in other words, takes place in forums extraneous to the Nordic institutions proper.

Each of the forums mentioned operates or coordinates some assistance programmes with the Baltic states. Beyond this, individual Nordic countries also have bilateral assistance programmes with the Baltic states. It has been a point of common Nordic policy practice to make all of the bilateral Baltic assistance programmes part of wider bilateral assistance programmes which also cover north-west Russia and Poland.

The institutions on the Baltic side (the Baltic Assembly and the Baltic Council of Ministers) resemble the Nordic Council and the Nordic Council of Ministers, but defence and security issues are more actively promoted by the parliamentarians in the Baltic institutions than in the Nordic ones. On the other hand, the priority accorded to Baltic cooperation *per se* among the Baltic governments has probably been fairly modest, compared with the attention they have paid to cooperation between the Baltic and Nordic states.

On Nordic-Baltic defence cooperation (under the aegis of the Nordic and Baltic ministries of defence[56], there is additionally multilateral cooperation on three projects: BALTBAT (training a joint Baltic peacekeeping battalion), BALTRON (organizing a joint Baltic naval squadron for mine clearance and other 'low-intensity conflict' tasks)[57] and BALTNET (air surveillance for the three Baltic states), each of which has an international steering committee with military participation from a number of other Western countries in addition to the Nordic ones. A Baltic military staff college (BALTDEFCOL) has also been developed as yet another project with a Nordic-Baltic nucleus. Agreements formalizing the joint Baltic responsibility for BALTBAT and BALTRON were signed by the defence ministers of Estonia, Latvia and Lithuania on 10 December 1997.[58]

The existence of additional bilateral defence cooperation schemes beyond these multilateral ones makes the defence field particularly difficult to analyse.[59] For this reason, the task of coordinating bilateral and multilateral defence assistance to the Baltic states has been assigned to a coordination forum, the Baltic Security Assistance Group (BALTSEA), which by regularly reviewing all ongoing and new projects provides an incentive for the Baltic states better to coordinate and prioritize their requests for external defence assistance.

The overall Nordic coordination of activities at the Nordic and Nordic-Baltic level is the responsibility of the Nordic prime ministers, supplemented by the coordination of the parliamentary work carried out by the Presidium of the Nordic Council. All told, Nordic and Nordic-Baltic cooperation during the last few years has somewhat paradoxically become a growth area, but the growth has been more like that of a jungle than of a garden. A major Nordic institutional overhaul in 1995[60] has improved the general performance and has brought foreign and security policy into

the formal work of Nordic cooperation. Still, these reforms have not fully overcome the built-in inadequacies of the 1962 Helsinki Agreement.

The role of Nordic cooperation in the field of foreign and security policy is therefore likely to continue to be useful on the practical level of day-to-day policy-making, but to be occasionally confusing and ineffective at the higher politico-diplomatic level. This may be why the Nordic governments are also playing a simultaneous game at a higher diplomatic level which in analytical terms deserves the name *balancing alignments*, even if the term ('balance') is carefully avoided by the actors themselves.

A new Nordic balance?

Signs that a new type of Nordic 'balance' may be about to emerge were visible when the governments of Finland and Sweden stated that NATO membership was not currently their aim, and that they had counted on their EU membership having implicit security effects. It should be noted that the two governments have also made the reservation concerning this declaration of military non-alignment that they '. . . stand by their freedom to choose the contents and form of their connection with the political and military cooperation emerging in Europe.'[61] The significance of the combination of their non-alignment stance with this implied warning for the balance of relations in the Baltic Sea region should not be overlooked.

The notion of a balance has in most cases been shunned by Nordic policy-makers, who find it deterministic and apt to restrain their range of choice. However, to the extent that the thinking of other regional policy-makers continues to be made in the balance tradition, it cannot be ruled out that this may have significant policy implications. In such terms, the Baltic Sea region in 1998 gives some evidence that policy stances are being adopted with an eye to the actual or potential stances of others, in that existing pressures for NATO membership for Finland and Sweden have been met with their statements of military non-alignment and combined with their stated reservation of the right to change from non-alignment to alliance if the need were to arise. In this stance there may be both an implicit reaction to the eastward expansion of NATO and an effort to keep Russian influence in the area restrained, with the tacit warning that a lack of restraint could trigger a westward alignment on the part of Finland and/or Sweden.

Another aspect of the 1990s pattern of interrelated alignments is the argument that the explicit expression of Estonian, Latvian and Lithuanian desire for NATO membership was necessary in order for that possibility to be taken seriously by the leading powers, not least Russia. Until stated, it was merely a hypothesis and thus not regarded as a real option. The Baltic states may thus have achieved, with the endorsements by both EU and the United States of their right in principle to choose, a policy stance from which it requires a much more visible action to shake them, should anyone wish to do so.

Then again, this move on their part created additional pressures - or anticipation on Russia's part referred to above - that if the Baltic states were indeed to join NATO, singly or collectively, Finland and Sweden should refrain all the more from making the same move. And the anticipation is a precursor of tension possibly rising, due to

Russian negative reactions, to levels quite uncomfortable from a Finnish or Swedish perspective.

Such are the aspects of a new Nordic 'balance' which merit attention, but which also need to be seen in non-deterministic terms. It is important to make elements of balance visible to the extent one needs to perceive a looming confrontation. Yet the essence of 'balance thinking' is the assumption of a zero-sum (win/lose) game - a policy move is thought to be necessarily in the favour of some and the disadvantage of others. In this mental tradition, anticipation is nearly as powerful as the real thing. If it persists in Russia, this would mean that to preserve their option Estonia, Latvia and Lithuania would need to join NATO before, or at the latest simultaneously with, Finland and Sweden - with the consequences already suggested.

Speculation of this kind continues to guide regional policy in the short term. Thus, the Avdeev speech in Helsinki in August 1997 characteristically framed its discussion explicitly in the terms of the Nordic balance - old and 'new'. The stress on preserving the absence of alliances from the area led the Russian government to asking Sweden and Finland to promise to refrain from aligning themselves.

'Balance thinking' led logically to that Russian position. The main deficiency of such thinking, of course, is that it assumes that the positions and policies of the various parties are inherently incompatible.

REMEDIAL ACTION: EXTERNAL POLICIES AND INSTITUTIONS

Given the overview of the regional security situation as it has been reacted to within the region itself, how have the main external players responded to the challenges facing them? In geopolitical terms, the most important external players in the Baltic Sea region are the United States and the European Union, within which Germany's central role should not be overlooked.

United States policy

The United States's geopolitical position - combined with its capabilities - make 'counterbalancing' and 'extended deterrence' concepts of practical diplomatic relevance. The concepts refer to possible responses by a remote great power in favour of a threatened state. In this context, *counterbalancing* may be defined as any move by the remote great power to support the threatened state, from the most innocuous verbal declarations up to and including military measures. *Extended deterrence* is a specific type of counterbalancing, and refers to the use of explicit threats and military posturing on behalf of the threatened state, such as US policy in defence of Berlin during the Cold War. Counterbalancing is usually perceived as the problem posed by the Baltic states for United States policy.(62)

The research findings cited on extended deterrence are mixed and seem not to be easily translatable into policy practice.(63) This may be one reason why US policy in the Baltic Sea region has been marked by distinct reserve. Another reason may be what could be called 'the mirror image': evocation of cases like Cuba (1959 onwards), and Nicaragua, Panama and Grenada in the 1980s, is likely to ring virtual bells in the offices of US policy-makers, even if the latter seldom refer to such parallels. For example, the US government might not want to criticize Russian 'backyard' policy excessively, because the United States itself might want to have some political leeway in handling relations with its own neighbours.

Of course, the picture must be painted in more than one colour. The United States has been a mainstay of politico-diplomatic support for the Baltic states ever since the Cold War, and continues to play this role. Nevertheless, it has long been evident that the US government sets limits as to how far it is willing to go in support of the security of the Baltic states. NATO membership has been deferred. The Baltic Charter has been agreed between the three Baltic states and the United States as a substitute, but this is a political document which does not involve a security guarantee, only the possibility of consultation in crises.

This equivocating combination of US support and US reserve has been visible since the Bush administration. At the same time, research exploring the options for a US Baltic policy has been going on at RAND since the early 1990s.(64) A more active phase in US Baltic policy stance was signalled in 1996, coinciding with the recruitment of RAND researcher Ronald Asmus at the State Department to work on Nordic-Baltic issues.

Behind the scenes, the US government applied some pressure on the Nordics to assume more responsibility for the Baltics. To express the new logic, the US State Department renamed its Nordic Desk the 'Nordic-Baltic' Desk. But the Nordic countries have not, either individually or collectively, been willing even to consider security guarantees for Estonia, Latvia and Lithuania. The debate between the United States and the Nordics has, moreover, been cluttered by misunderstandings, in particular as the United States apparently has not asked the Nordic countries to offer security guarantees to the Baltics, but merely to strengthen their efforts to integrate Estonia, Latvia and Lithuania into the pattern of regional security cooperation.

In late 1997, the State Department redoubled its efforts on the northern front by launching what it called the 'Nordic Initiative', to accelerate the integration of the Baltic states in the West, strengthen North European cooperation with north-west Russia, and reinforce the ties between the United States and the Nordic countries so as to enable them to play a more sustained part in international relations around the Baltic Sea.(65) The Baltic Charter was developed as part of this new US policy profile.

In this connection, neither Germany, as a Baltic Sea state, nor any other EU great power, has defined its own or common EU interests in the area sufficiently clearly to mark out a European political agenda for the future of the region.

The European Union's policy

Beginning at the time the European Community first considered the membership applications of Sweden and Finland and discussed the issue of neutrality in the EC context (1990-91), EC/EU has had several significant experiences, though usually without making public statements about them, of what North European security is about. Through the Balladur Plan and the Stability Pact negotiations in 1994, EU has - at least morally - been able to take credit for persuading applicant states to deal with outstanding issues dividing them. The European Union has repeatedly expressed its overall stance on all of these security themes by stressing its faith in the prospects for cooperation and developing closer ties to the east, including Russia. Moreover, in the bilateral EU-Russia relationship, the subject of security has been covered in the dialogue undertaken regularly since 1993, which was succeeded on 1 December 1997 by the more institutionalized arrangement under the long delayed Partnership and Cooperation Agreement. An Action Plan for Russia was adopted by the EU Council of Ministers in 1996, covering also the subjects of European security and foreign policy matters.(66)

EU involvement in the Baltic Sea region started in earnest when the question of membership of Finland and Sweden was settled in 1994. Soon Europe Agreements between Estonia, Latvia and Lithuania and the European Union were signed (on 14 June 1995). At an early stage, preceding their actual membership, Finland and Sweden had, in concert with Denmark, begun pushing the EU Commission for a more comprehensive Baltic policy. The EU Council responded in May 1995 by calling for a Commission report on the 'current state of and perspectives for cooperation in the Baltic Sea region'. The report was presented in November 1995, providing an overview of aid and cooperation activities in the region. It promised a follow-up in the shape of 'a long-term based Baltic Sea Region initiative.' This was subsequently presented at the Visby Summit of the Council of Baltic Sea States in May 1996. It

outlined measures of support for democracy and political stability, economic development, regional cooperation and measures to strengthen the role of the CBSS.[67] This work has proceeded further following the second CBSS summit, held in Riga in January 1998.

These documents contain an impressive list of specific measures. However, EU policy-making in this area is mainly a bottom-up affair. It must be remembered that the Baltic Sea region is complicated for the European Union to deal with, because of the presence within it of states with vastly different kinds of status: EU member states, candidate member states, non-members aspiring for membership and non-members not aspiring for membership. In this context the differentiation of EU policy has a certain logic to it.

The Common Foreign and Security Policy (CFSP) is yet another policy element which enters the picture, embracing as it does EU's policy for Russia and the CIS. In this respect the CFSP is not clearly defined, as major member states like Germany and France are able to launch bilateral and trilateral initiatives with Russia outside the regular CFSP framework. The so-called 'second trilateral summit' in Moscow in March 1998 was an example of just how such improvisation can have unfortunate implications for regional states - Poland and the Baltic states - which were not present, an example even more unfortunate in the light of historical precedents. In this case, a Russian policy of intimidating Latvia was reinforced by EU, a performance even repeated by EU within a very short time span.[68]

The Amsterdam Treaty of 1997[69] gives reason for hope that this situation may change as progress is made in the working out of concrete policies in the CFSP. The security aspect of EU goes beyond its link with the Western European Union, and flows in part from the various foreign activities of the European Commission and overall aspects of the CFSP which are still in the making. It was already present in the pre-existing arrangement which required members of WEU to be EU members (Petersberg Declaration, 1992). There is also the implicit overlapping of treaty responsibilities in the Brussels Treaty of 1948 and the Washington Treaty of 1949, which has led to the US government issuing a statement requiring that WEU members also be NATO members, and implying that being barred from NATO membership entails being barred from WEU membership. These inter-organizational linkages are not fully spelled out, and are not deterministic, but are sufficiently clear to be politically relevant to the security of any member or aspiring member of the European Union.

The claim is often heard that the three Baltic states cannot become members of WEU as long as they are prevented from becoming members of NATO. But considering that the Madrid summit statement was not directly negative concerning the candidatures of Estonia, Latvia and Lithuania for NATO membership, it is not self-evident that membership of WEU would be barred to them. Estonia, Latvia and Lithuania have been Associate Partners of WEU since 1995. In seeking EU membership they are also (potentially) aspiring to WEU membership.[70]

In this connection, note should be taken of the Finnish initiative of 1997 to promote what it calls 'The Northern Dimension of the CFSP'. In his opening address to the

conference on this subject in November 1997, Jaakko Blomberg, Under-Secretary of State in the Finnish Ministry of Foreign Affairs, said:

'Looking back to the assessments made by the Finnish Government during the accession process, two aspects of the northern dimension stand out. On the one hand, Finland - together with Sweden, and reinforcing the Danish contribution - was to bring into the Union Nordic political and social values and Nordic models of policy-making and conflict resolution. On the other, with Finland's accession, the Union was to acquire a common border with Russia, which Finland pledged to keep secure as well as to make into a gateway for supportive cooperation with the new and democratic neighbour.'(71)

The Finnish government is actively pursuing this line in preparation for its upcoming presidency of EU - the last EU presidency of the twentieth century, in autumn 1999.

WEU

WEU is not very well connected to the Baltic Sea region. The Nordic and Baltic states are weakly represented as far as membership goes. Norway and Iceland, as NATO members, are Associate Members of WEU. Denmark (NATO and EU member), Finland and Sweden (EU members) are Observers. Estonia, Latvia and Lithuania are Associate Partners. To all of them, the link to WEU is secondary to their connection to NATO. Still, WEU has explored many of the relevant North European issues in its report on security and military cooperation in the Baltic Sea area, referred to elsewhere.(72)

The Petersberg Declaration was adopted in Bonn on 19 June 1992 by the WEU Council of Ministers. The Declaration enumerates what were to be new tasks for WEU from then on, related to conflict prevention and peacekeeping, further specified as humanitarian and rescue tasks, peacekeeping tasks, and tasks of combat forces in crisis management, including peacemaking.(73) The concept of Combined Joint Task Forces (CJTF) was important to facilitating WEU's policy planning and defining its relationship to NATO.(74)

In assessing WEU's potential role it should not be overlooked that its status and future prospects are uncertain. The delicate simultaneous processes of NATO enlargement, EU enlargement and EU deepening in the field of the Common Foreign and Security Policy leave WEU at the tip of a slender branch of the tree of European integration which may be unable to carry much more weight. The Amsterdam Treaty has brought important functional/operational clarification, yet political fog still hangs over crucial issues.

Against this background, with both the US and European governments continuing to stress the significance of a cooperative foundation for international security and taking a broad view of what it is about, the notion of soft security is a main vehicle. Even in this realm of the basic philosophy of current policy, however, ambiguity reigns.

SOFT SECURITY: A POLITICAL CONCEPT A LA MODE

'Soft security' is not a serious academic concept; it is, rather, a politically current notion in the late 1990s just as it was early in the decade. Still, as a politically popular idea - not least in Northern Europe - it is of considerable importance. Buzan, who has given a first-rate survey of the topic, does so without once mentioning 'soft security'.[(75)] Buzan distinguishes three schools of thought: Traditional Security Studies, Critical Security Studies, and the Copenhagen School, the latter being closest to 'soft security'.

The origins of the term 'soft security' itself are hard to pin down. It may have been inspired by impulses from three directions. First, the term 'soft power', gaining currency due to the 1989 book by Joseph Nye[(76)] and the 'soft power resources' he said characterize the conduct of the United States in world affairs. Second, there was the widening of the security concept, accelerated by the end of the Cold War.[(77)] Thirdly, the emphasis on 'hard security guarantees' in the Central and East European security debates of the early 1990s brought the almost inevitable companion concept of 'soft guarantees'.

Thus, on the one hand we are concerned with a notion of the nature of the problem, the kinds of *threats or challenges to security* which are to be faced; on the other hand it involves an argument about the kinds of *instruments* to use in seeking to resolve the problem of insecurity. Both are found under the wide conceptual umbrella of soft security.

In the debate, soft security has taken on political meanings beyond those of mere analysis. At least four diverging versions of the notion currently seem to coexist in Northern Europe. A first dividing line separates those who emphasize a need for continuity between hard and soft security (i.e., seeing them as closely linked) from those emphasizing a need for discontinuity (i.e., seeing them as alternatives). Each of these in turn encompasses two opposing positions, as we shall see.

Soft security linked to military security

The beginnings of soft security were associated with the position that security as a matter of public policy had until then been dominated by the military; now the time had come to broaden the horizon by linking the old, hard military tasks with the softer ones of civilian security concerns, bringing care for the environment, welfare and human rights to the fore in the process.[(78)] As the Cold War came to an end and the Soviet Union dissolved, Nordic politicians felt such ideas provided an appropriate framework within which to reformulate an Eastern policy for their countries. The ideas were clearly identified with the political left, but they found a strong resonance across the Nordic political spectrum. Hence, the notion of a broad security concept encompassing non-military tasks was adopted as the philosophy to guide the new security policy experiments of the Nordic Council and Nordic Council of Ministers from the 1990s on. The reasoning of the radical left was to use the ideas of soft

security to harness the military to tasks with civilian aspects and thus to restrain its role.

But many within the military profession itself saw this linkage of old (hard) and new (soft) tasks as the way forward for the military of the future, to adjust to the new circumstances by accepting new responsibilities which might give the profession renewed support among politicians, who were just then gearing up to slash military budgets for 'the peace dividend.' Thus was born an uneasy alliance of the political left and military reformers.

Soft security separated from military security

The main alternative position has been to keep hard and soft security tasks as separate assignments. Again, there are opposing groups that take the same standpoint. Among the social democrats of Northern Europe there is a vocal segment who are wary of 'creeping militarization' of the soft security tasks. The impulse is not merely the traditional scepticism of the military found among socialists, but also the conviction that in order to create a broad foundation for contacts with Russia it is crucial to confine the military side to as small a role as possible, since the Russian military more likely than not will continue to think along old lines in the security field.

Among the military themselves in the Nordic countries there is obviously also a strong representation of the old guard who fear that such new, 'non-essential' missions will detract from the ability to deliver on the continuing core mission. Once again, then, we see a convergence of views between groups with very different motives.

EU, soft security and the Petersberg tasks

If integration implies security, then security may in this conception be seen as a spectrum ranging from hard security to soft. This corresponds to the connection between WEU and EU.

Apparently, though the hard options are fully within the WEU mandate, WEU has staked its future on providing a particular range of instruments for specific kinds of softer security threats, i.e., instruments relevant to crisis management and peacekeeping, as stated in the Petersberg Declaration. The launching of the Petersberg tasks in 1992 was an effort to secure a new role for WEU; firstly, by enabling WEU to be more relevant to the security challenges of the 1990s; secondly, by strengthening the ties between EU and WEU, according to the Maastricht Treaty; thirdly, by appeasing the resistance in some EU countries (and candidate members) to giving WEU a more specific role within the broader field of security affairs - whether with a view to preserving NATO's leadership in that regard or due to their own policy of military non-alignment. It can be argued that a firmer institutional mooring for the implementation of Petersberg tasks was promoted in the 1996 proposal by the Finnish and Swedish governments to the Intergovernmental Conference, and worked into the Amsterdam Treaty of 1997, thus dispelling the notion that the so-called neutral new members of EU would constitute an obstacle to the promotion of CFSP and a common defence policy.[79]

In view of the foregoing analysis of the divided views on soft security, the success of the Petersberg principles appears uncertain, inasmuch as the range of legitimate options is limited to the soft ones in the views of some, while seen as covering all the hard options as well by others. In short, there may still be a political struggle ahead for WEU on this point.

INSTITUTIONS AS INSTRUMENTS OF STABILITY AND COOPERATIVE SECURITY

To summarize the analysis, the region is hovering between fledgling cooperative security and persisting elements of geopolitics. New cooperative structures such as the CBSS and the Barents Council are struggling and do survive, but their relationships to institutions at the European level remain unrefined. The security role of the Nordic institutions is as yet merely at an incipient stage and its prospects are at best uncertain. Security in the classical sense has not as yet found an institutional home in the region. The idea of a sphere of influence continues to have a central place in Russian thinking on security policy. The commitment of the countries in the region to cooperative security arrangements specific to the region remain hesitant. And finally, NATO and WEU are holding back, though their motives may differ. Thus, linking security in the Baltic Sea region to the broader European and transatlantic structures remains an unfulfilled task.

One approach to dealing with this has been offered by the Russian proposals of guarantees. Others are connected to existing organizational structures. These approaches will be considered in the concluding discussion.

There are four organizational families whose functions may promote cooperative security and stability in the region and secure a link to the more general security structures of the transatlantic region: (1) NATO's Euro-Atlantic Partnership Council, along with the bilateral PfP arrangements, (2) the OSCE, (3) the European Union and WEU, and (4) the Nordic and Nordic-Baltic institutions. NATO's EAPC and PfP provide a crucial link to the overarching power structure, in terms of political consultation and practical cooperation. OSCE covers the conflict-prevention role, for which its reputation in the Baltic Sea region is well established in terms of minorities, human rights and institution building. It will also continue to have a role - though it is difficult to say how large - as an organization of reference and legitimation for the regional peacekeeping and conflict prevention operations of other institutions like NATO and WEU.

EU provides political stability through its formulas of cooperation in the wide-ranging areas of the economy, social and home affairs. WEU itself holds some promise for the development of cooperative security in the Baltic Sea region, as we shall see.

Let us consider first whether a stabilizing function, in this pattern of multiple organizational responsibilities, might be served by security guarantees being extended to Estonia, Latvia and Lithuania.

Security guarantees

The Russian approach of October 1997 was to suggest a system of guarantees, no doubt inspired at least in part by recurring Baltic references to their need for security guarantees from the West. Yeltsin's proposals were soon rejected by Estonia, Latvia and Lithuania as far as the security-guarantee aspect was concerned.[80] The conventional wisdom seems to be that this was the 'only possible answer' in the

circumstances, but reports indicate that an internal debate did take place in Estonia, Latvia and Lithuania - as well as in key Western foreign ministries. In any case, it may be worthwhile considering what the guarantee proposal might have implied.

Consider the case of a unilateral Russian guarantee, one of the alternatives suggested by President Yeltsin. Since the letter has no further indication as to what this might mean, we shall have to consider some alternatives. One version might be a 'positive' guarantee, i.e., a promise to offer unspecified ('suitable') assistance to maintain Estonian, Latvian and/or Lithuanian sovereignty and integrity in the event of threat or actual attack. A counter-argument to such an idea would be the answer to the question: 'Who but Russia would be likely to get involved in serious conflict with the Baltic states?' Still, it is not altogether unthinkable that trouble could arise from other sources in the area. Such a guarantee would in any case end up with Russia monopolizing the role of problem-solver for the Baltic states, precluding other states from mediating or intervening.

Version two might be a 'negative guarantee', a promise of non-aggression. It may be particularly this version that the three Baltic states had in mind when they turned down Mr Yeltsin's invitation, judging from their comments at the time. Undoubtedly, member states of the United Nations and OSCE are already bound to refrain from aggression.

Then there is a third interpretation, a multilateral, positive guarantee in which Russia is one of the guarantors, in fact specifically suggested in the letter by President Yeltsin. Such a solution has its advantages. It might prevent any one guarantor from exerting unilateral pressure. It could also make it more likely that proposed solutions would take all parties involved into account. On the other hand, this formula might make it more difficult to advance proposals that would strengthen the weaker side in the conflict. Provided the United States was willing to participate, such a multilateral guarantee might enhance mutual confidence in the area and thus contribute to stabilization. When uncertainty is as considerable as it still seemed to be in 1997-98, one should not exclude the potentially reassuring effect of such declarations. It would obviously not compare (nor could it) with the old NATO guarantee enjoyed by present NATO members before 1990, even though Article 5 of the Washington Treaty does not provide an automatic insurance.

Indeed, since 1990, the scope of Article 5 has become increasingly dependent on political circumstances, as well as on the political efforts that each ally undertakes to tie the Alliance to itself. Furthermore, in practical terms the difference between membership and non-membership (i.e., partnership) of NATO is gradually becoming smaller, which is also the declared goal for NATO. Taking into account that for Estonia, Latvia and Lithuania NATO membership may be hard to achieve in the foreseeable future, this trend could be in their favour.

In this perspective, it cannot be discounted that a multilateral, positive guarantee for Estonia, Latvia and Lithuania by the United States or NATO - yet without NATO membership - could have a stabilizing effect. Moscow has signalled that it is open to such guarantees by the United States or NATO. Still, the issue may not at this time be politically ripe for NATO to consider. The shadow of Yalta is a long one - and maybe rightfully so. In the interim, the alternative for the Baltic states has been to accept the

Baltic Charter and its promises of crisis consultation, military assistance and a backing for Baltic states' NATO membership.

NATO, EAPC and OSCE

In many respects, NATO and OSCE have become competitors aspiring to the status of representing a legitimated transatlantic power structure. For historical reasons, Russia prefers to work through OSCE, which was originally established on a Soviet initiative and retains Russia as a full and equal member on a par with the United States. A combination of history, CSCE principles and procedural aspects assures Russia in OSCE the leading status within European security cooperation to which it feels entitled. At the same time, OSCE continues to have a prominent place in the security policies of the non-aligned states of Europe. Russia has sought further to assure the political future of OSCE by making its institutions more flexible, proposing to add a 'Security Council' with a status roughly analogous to that of the United Nations, but without finding a positive response among Western governments.(81)

In practical cooperation terms, the Partnership for Peace and the Euro-Atlantic Partnership Council, under the aegis of NATO, have provided a similar but alternative kind of framework, in which the successful *rapprochement* and peaceful cooperation of defence forces provide an integrative impulse for a circle of member countries nearly as wide as OSCE itself. The non-aligned states have played active roles in the opening phase of the work of EAPC. Still, it remains to be seen what role EAPC will be able to perform in politico-diplomatic terms. Its advantage is that it has the PfP network of bilateral relationships as its linkage to the 'ground level' of regional and subregional security politics, providing a functioning, pragmatic and fairly dynamic working environment. What EAPC lacks, in comparison to OSCE, is a broader legitimacy. For this reason, it has had to struggle for a significant role in European security which - given its youth - it may still be able to achieve.

OSCE suffers from a lack of enthusiasm on the part of the United States, whose policy is merely supportive, given the reluctance of Washington to become involved in multilateral frameworks.(82) Thus, although both organizations work well in their pragmatic functions, both are struggling to make their marks in high politics, hampered as they are by a lack of adequate diplomatic support from the leading powers. However, in the spring of 1998 the governments of Finland and Sweden sought to draw on their own pivotal positions, *inter alia*, to tie both EAPC and OSCE more closely into the efforts of stabilizing the Baltic Sea region.(83) In this connection, Finland and Sweden are spearheading an effort which must of necessity be undertaken on a broad basis by the European Union as a whole, assisted by WEU. Their work may be further facilitated by an enhancement of Nordic-Baltic cooperative links.

Nordic-Baltic integration

Nordic-Baltic cooperation is a functioning cooperative network which should be utilized to its full potential to integrate Estonia, Latvia and Lithuania as closely as possible into the rest of north-western Europe. To this end, the Nordic countries should reconsider their rejection of the Baltic states' inquiries about membership of the Nordic institutions. In the long wait for EU membership, and facing the even

longer road to NATO membership, a formalization and expansion of the very active *de facto* Nordic-Baltic ('5+3') cooperation would seem but a small step to take.

There would be several stabilizing advantages to such a Nordic-Baltic *rapprochement*.On the one hand, the emphasis on social development in the Nordic countries could be imported more easily into Estonia, Latvia and Lithuania, thus accelerating their societal integration and the social reconciliation which especially Estonia and Latvia need at home. This in turn would make them less vulnerable to the present Russian campaigns on behalf of minorities' 'human rights'. Moreover, the integration of the Baltic states in a Nordic-Baltic community would give them a much more clearly defined Western profile, augmenting their policies of integrating in European and transatlantic structures. Therefore, becoming more solidly embedded in Nordic cooperation would promote their candidacy for membership of the broader European and transatlantic structures.

There would be language problems, clearly, but the Nordic institutions have already had to deal with that in their present format. There would be institutional growth and not least bureaucratic growth, at a cost that would have to be borne chiefly by the old Nordic members. Yet, one may well ask, who is better able than the Nordics to take on such a task? The adoption of the Baltic states as new, fully-fledged members of the Nordic institutions under the 1962 Helsinki Agreement would be a fitting contribution on the part of the Nordic countries to the stabilization of their 'near abroad', and the cost would be very small compared with the gains of integration. At the same time it would provide a stepping stone for a broader European integration of the Baltics in the European Union.

EU and WEU

EU has made conscientious efforts to follow up on the initiatives of Denmark, Finland and Sweden since the early 1990s to prioritize the needs of the Baltic Sea region. The European Commission's participation in the CBSS summits and other activities testify to this commitment. However, it is still essential that the regional role of the European Union be placed on an even more solid political basis. The developing diplomacy between Russia and the West concerning north European security requires the full attention of major European actors. The commitment of EU's leading powers continues to be largely confined to Germany, at least as it appears to the public. Hence, the broader backing of France and the United Kingdom should be reconfirmed in appropriate ways in order to sustain the credibility of the 'Northern Dimension' of the CFSP.

The Western European Union may have a significant supportive role to play here on the operational side because of its preparation for multinational missions at lower-scale Petersberg type of tasks. Its limited military capabilities and still tentative political clout make it a less objectionable partner than NATO would be in such a sensitive area.(84) WEU could therefore have a higher degree of acceptability to Russia in a conflict prevention contingency in the region.(85) Its actual role and effectiveness will nevertheless depend on the extent to which, as a supplementary development, Nordic-Baltic integration provides further social and political stabilization. Intrinsically, EU can supplement, not substitute, local initiatives, though in this case

the three Nordic EU members clearly serve as links between the levels, evidenced for instance in Finland's push for 'the Northern Dimension'.

As already pointed out, the interface between WEU and northern Europe is still rather patchy. WEU's role in the Baltic Sea region needs to be explicitly expressed in terms of its EU connection. It could therefore be anchored to the EU membership of four Baltic Sea states: Denmark, Finland, Germany and Sweden, as well as to the candidature of Estonia and Poland. Given that as of 1998 only Germany is a full WEU member within the region, particular responsibility would seem to devolve on the Federal Republic.

Indeed, WEU has potentially useful functions to perform which would be relevant in all European regions. In this context, WEU crisis management exercises may profitably take into account some of the special contextual characteristics with which Petersberg type tasks would need to deal in a region of this general type - aspects which are also found in, for instance, the Black Sea region: the presence of ethnic groups and associated conflicts, the need to operate in, above and across a closed sea with particular physical characteristics, the presence of ex-Soviet military units in transitional situations, etc. In fact, crisis management exercises could already be held, with the involvement of all twenty-eight WEU countries.

Obviously, the stabilizing function that WEU could institutionally perform in such contexts could only be realised in an inter-organizational combination embracing first of all EU and NATO. This would imply EU membership as soon as possible for all applicant states in the region, a careful consideration of the consequences of EU enlargement for Russia and Ukraine, and at the same time an active network of PfP connections to NATO. It is only within this setting, with its inherent political constraints and advantages, that a more concrete elaboration of Petersberg-type tasks for WEU can emerge.

CONCLUSION

Cooperative security in the Baltic Sea region is served by an abundance of institutions whose activities are poorly coordinated. None of them seems prepared to take upon itself a comprehensive role in this field. A political initiative is needed to bring their diverse responsibilities and partial mandates together. The conscious joining of responsibilities for functional and geographical areas as well as 'vertical' levels - from the subnational and subregional to the regional level, from county to continental level - is clearly the way ahead for Baltic Sea regional stability and security. A sketch of an alternative future is provided by Russia's intimidation of Latvia in 1998. The joint Finnish-Swedish 'Non-paper on Cooperative Security for the Baltic Sea Region' usefully points out the direction in which to go.[86] In this regard the European Union will hopefully back up this initiative and - along with the United States and Russia - assume the responsibilities that fall to each of them, so that the gains in Baltic stability and security of recent years may not be allowed to erode.

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1. The author gratefully acknowledges the support of the Institute for Security Studies of the Western European Union, where he spent the autumn of 1997 as Senior Visiting Fellow, researching and writing the present report. The work is also part of a project funded by the Norwegian Ministry of Defence. Constructive comments from European and American participants in a 'Task Force' meeting on 15 December 1997 on the first draft of the paper, as well as from my colleagues at the WEU Institute, have been helpful in giving final shape to the report. Thanks are also due to Alyson K. Bailes and the Secretariat of WEU, Chris Donnelly at NATO Headquarters, Baard B. Knudsen of the Norwegian NATO Delegation and Berglind Asgeirsdottir and Jan Dietz of the Secretariat of the Nordic Council in Copenhagen for their kind assistance. Special thanks go to WEU Institute Director Guido Lenzi and Stephan De Spiegeleire for their keen follow-up in the final stage.

2. The term 'Baltic Sea region' here refers to all littoral states of that sea. Belarus and Norway will often also be considered within the same purview, where appropriate. The term 'Nordic-Baltic region' will be used to designate the five Nordic states (Denmark, Finland, Iceland, Norway, Sweden) plus the three Baltic states.

3. For a useful collection of analyses of this period, see Peter van Ham (ed.), 'The Baltic States: Security and Defence After Independence', *Chaillot Paper* 19 (Paris: Institute for Security Studies of Western European Union, June 1995). See also Atis Lejins and Zaneta Ozolina (eds.), *Small States in a Turbulent Environment: The Baltic Perspective*. (Riga: Latvian Institute of International Affairs, 1997); Ingemar Dörfer, *The Nordic Nations in the New Western Security Regime*. (Washington, DC: The Woodrow Wilson Center Press, 1997); Axel Krohn (ed.), *The Baltic Sea Region. National and International Security Perspectives* (Baden-Baden: Nomos Verlag, 1996) and Pertti Joenniemi (ed.), *Neo-Nationalism or Regionality. The Restructuring of Political Space Around the Baltic Rim* (Copenhagen: Nordiska Institutet för Regionalpolitisk Forskning, 1997). For a broader geographical perspective see Ola Tunander, Pavel Baev and Victoria Ingrid Einagel (eds.), *Geopolitics in Post-Wall Europe. Security, Territory and Identity* (London: Sage, 1997).

4. *The Baltic Charter. A Charter of Partnership Among the United States of America and the Republic of Estonia, Republic of Latvia, and Republic of Lithuania*, Washington, DC, 16 January 1998.

5. The Petersberg Declaration was adopted in Bonn on 19 June 1992 by the WEU Council of Ministers. It specifies new types of military and diplomatic-military tasks for which the WEU member states may decide to use their resources, e.g., crisis management, peacekeeping and peacemaking.

6. Karl W. Deutsch et al., *Political Community and the North Atlantic Area: International Organization in the Light of Historical Experience* (Princeton, NJ: Princeton University Press, 1957), p. 5.

7. Interests are whatever is to an actor's advantage or benefit - subjectively or objectively. Incentives are prospects of immediate or short-term benefit.

8. i.e., EU as such, as well as EU canalising the capabilities of its members.

9. Since 1990 Iceland has pursued a little-noticed activist policy, probably stimulated by historical analogies, of championing the Baltic states against Russia.

10. For a survey, see Charles L. Glaser, 'The Security Dilemma Revisited', *World Politics*, vol. 50, no. 1, October 1997, pp. 171-201.

11. Council on External and Defence Policy, 'Russia and the Baltics (Analytic Report)'. Work Group Coordinators: I.Y. Yurgens, S.A. Karaganov (mimeo), Moscow, 3 December 1997. Translated from Russian.

12. The Soviet Union undisputably annexed Estonia, Latvia and Lithuania in 1940, pursuant to the secret annexe to the Molotov-Ribbentrop Pact of 23 August 1939 and subsequent adjustments agreed with Germany in the autumn of 1939. In early 1998 members of the Russian State Duma took offence at remarks by the Russian ambassador to Estonia, Aleksei Glukhov, in an Estonian interview, to the effect that the Baltic states had been illegally annexed to the Soviet Union in 1940. Deputy Foreign Minister Avdeev declared in a letter to the Duma on 8 January 1998 that in the view of the Russian government there had been nothing contrary to international law in the way the Baltic states were brought into the USSR in 1940, and that it could not be termed an 'annexation'. *RFE/RLNewsline* 20, 22 and 23 January 1998.

13. See also Pavel Baev, *The Russian Army in a Time of Troubles* (London: Sage, 1996).

14. According to an assessment by the Norwegian Ministry of Defence in early 1998. A delay until 1999 was authorized by the CFE Joint Consultative Group in May 1996.

15. Finland and Sweden, the two former 'neutrals' in the Nordic group, adjusted their declared security policies when they became members of the European Union. Following this revision, their security policies (which are similar, though not identical) are usually referred to in short by the phrase 'military non-alignment', a term Sweden introduced in the early 1990s to replace its traditional policy formulation of non-alignment aimed at neutrality in the event of war. One key implication of the change is that while neutrality in war is still a key option, the alternative of entering an alliance is not excluded.

16. Boris Yeltsin himself made an important visit to the Baltic states at the height of the dramatic events of January 1991 to show his support for them - and mark his distance from Gorbachev, who was still in office.

17. Impressions from the author's interviews with Russian colleagues, decision-makers and political élites, especially during 1994-97.

18. The Soviet government apologized for the Czechoslovakia invasion in December 1989, separately and in a joint statement with the other Warsaw Pact governments that took part in the invasion. Gorbachev also apologised in October 1991 for the Soviet quelling of the 1956 Hungarian uprising. See Mark Kramer, 'New Evidence on Soviet

Decision-Making and the 1956 Polish and Hungarian Crises', *Cold War International History Project Electronic Bulletin*, Bulletin 8-9, Winter 1996-97. I am indebted to Stephan De Spiegeleire for this reference.

19. Based on statements by Soviet World War II generals, as quoted by Harry Järv, 'Sval svensk attityd till vår utrikespolitiska linje.' *Hufvudstadsbladet*, 2 January 1998.

20. On the origins of NATO's expansion policy, see Jonathan Eyal, 'NATO's Enlargement: Anatomy of a Decision', *International Affairs*, vol. 73, no. 4, 1997, pp. 695-719. Eyal emphasizes that 'Russian politicians who are now fond of asking why the east Europeans demanded NATO membership would do well to recall that the impetus was provided by the destruction of the Moscow parliament, the increasingly frequent and public rows between President Yeltsin and the West and the rise of Zhirinovsky.' (p. 701).

21. *Statement by the Press Office of the President of the Russian Federation, 11 February 1997, Concerning Russia's Long-Term Policy Approved by the President Towards the Baltic Countries.*

22. Assessment made by Yuri Fedorov, 'L'armée russe aujourd'hui', lecture at CERI, Paris, 25 November 1997.

23. Estonia had previously, as early as December 1994, withdrawn its demands to have the old 1920 border restored and pronounced itself ready to accept the Soviet-era border, with minor revisions, as the new interstate border between the two countries.

24. According to international supervisory bodies including the UN, the Council of Europe and the OSCE. See also Krister Wahlbeck, 'The Situation of the Russians in Estonia and Latvia', Promemoria, (mimeo) Utrikesdepartementet, Stockholm, 2 July 1997.

25. The demonstrators were protesting against utility prices. Some Latvian newspapers criticized the police for using excessive force. Russian verbal reactions were strong; Moscow's Mayor Luzhkov talked of 'genocide'. See daily reports in *RFE/RL Newsline* during the first weeks of March 1998. See also the commentary by Nils Muiznieks, 'A Season for Extremism', *The Baltic Times*, 2-8 April 1998, which puts the rising Russo-Latvian tensions in a wider context of escalating pressure on the non-citizen groups by Latvia's political right, especially the Fatherland and Freedom Party which headed the governing coalition at the time.

26. *International Herald Tribune*, 9 April 1998. The effects may have hurt Russia itself as much as they did Latvia. According to *Fearnley's* and *Petroleum Intelligence* the volume of Russian oil exports flowing through the Baltic Sea in November 1997 was 18 per cent of total Russian oil exports, and varied between 13 and 18 per cent throughout 1997. Oil to western destinations from Russia is also exported by tankers from Black Sea ports (40 per cent in November 1997) and through the Druzhba pipeline (42 per cent) to Poland, the Czech Republic, Slovakia, Hungary and Germany.

27. The world power status of Russia may well be questioned. However, given its unquestionable credentials as a nuclear power, it still seems valid to retain the label.

28. This subject has been dealt with by, *inter alia*, Annette B. Fox, *The Power of Small States. Diplomacy in World War II.* (Chicago: University of Chicago Press, 1959); Trygve Mathisen, *The Functions of Small States in the Strategies of the Great Powers* (Oslo: Universitetsforlaget, 1971); Hans Mouritzen, *Finlandization. Towards a General Theory of Adaptive Politics* (Aldershot: Avebury, 1988); Olav F. Knudsen, *Sharing Borders With a Great Power: An Examination of Small State Predicaments* (Oslo: NUPI Report, no. 159, Norwegian Institute of International Affairs, May 1992). The literature on 'bandwagoning' alliance shifts is also relevant here. See especially Stephen M. Walt, *The Origins of Alliances*. (Ithaca, NY: Cornell University Press, 1987).

29. Laurence Martin, 'Sphere of Interest,' *Microsoft® Encarta® 96 Encyclopedia*, 1993-1995, Microsoft Corporation. See also Hedley Bull, *The Anarchical Society* (London: Macmillan, 1977), esp. pp. 219-25, and Paul Keal, *Unspoken Rules and Superpower Dominance* (New York: St Martin's Press, 1983).

30. Bull, op. cit., pp. 220-1.

31. Deputy Foreign Minister Alexander A. Avdeev at the Conference on Security in the Nordic Countries and Adjacent Areas organised by the Nordic Council, Helsinki, 26 August 1997.

32. Ibid, p. 6.

33. The term 'vast region' is used in both speeches, yet the setting for the two speaking engagements was quite different. The Avdeev speech was made at a conference discussing 'the Nordic region and neighbouring areas', clearly referring to north-west Russia and the wider Baltic Sea region. Mr Chernomyrdin's speech was made in a context where a much larger region was considered: 'the Baltic-Black Sea region'. Presumably, the term 'vast region' in the translation should be read as 'wider region', which could make sense in both cases. Otherwise, Chernomyrdin causes considerable ambiguity by also speaking consistently in unspecified terms about 'the Baltic region', which might be construed either as the entire Baltic Sea region or merely as its east-south-eastern shores.

34. Avdeev had said (pp. 5-6) that 'If a "security donors" club in this whole vast region is to be established, this cannot be achieved without Russia.' Chernomyrdin thus stepped up the emphasis on Russia's leading role. The context of these statements was the paragraph in the Madrid Declaration which recognized '. . . the progress achieved towards greater stability and cooperation by the states in the Baltic region which are also aspiring members.' See *Madrid Declaration on Euro-Atlantic Security and Cooperation.* Issued by the Heads of State and Government Participating in the Meeting of the North Atlantic Council in Madrid on 8 July 1997. Reprinted in *NATO Review*, July-August 1997.

35. Some have disputed the element of 'frozen non-alignment' in this interpretation. However, the statement was made at least twice, by different speakers, in quick

succession. That this Russian position was more than merely a mirage is also explicitly stated at a later date in an article in *Hufvudstadsbladet* (Helsinki), 9 November 1997, p. 6. Whether the Russian suggestion was also the subject of correspondence between the governments concerned (Russia, Finland, Sweden), is claimed by some, but not officially confirmed by the Foreign Ministries in Helsinki or Stockholm.

36. Different interpretations are possible. Even the naval confidence-building measures which were proposed in October 1997, while broadly positive in immediate appearance, might affect the strategic situation in the region asymmetrically in Russia's favour, depending on how they are conceived. (This proposal was made as part of the October 1997 package presented to the Baltic states, in the Russian Ministry of Foreign Affairs' letter to the Baltic states.) Asymmetric effects may be to Russia's advantage, e.g. if regional naval confidence-building measures include a ban on naval activities by states external to the Baltic Sea. More generally, CBMs exemplify incentives, and may imply the kinds of incentives needed for cooperative security. For a critical perspective on CBMs, see Marie-France Desjardins, 'Rethinking Confidence-Building Measures: Obstacles to Agreement and the Risks of Overselling the Process,' *Adelphi Paper* 307, December 1996.

37. See Paul Goble, 'One Country, Two Foreign Policies', *RFE/RL Newsline* vol. 1, no. 188, Part I, 5 January 1998.

38. 22-23 January 1998.

39. Olav F. Knudsen and Iver B. Neumann, *Subregional Security Cooperation in the Baltic Sea Area: An Exploratory Study*, NUPI Report, no. 189 (Oslo: Norwegian Institute of International Affairs, March 1995).

40. Realist thinking and the debates it stirred in the 1980s and 1990s are found *inter alia* in Kenneth Waltz, *Theory of International Politics* (Reading, MA: Addison Wesley, 1979); Robert O. Keohane (ed.), *Neorealism and its Critics* (New York: Columbia University Press, 1986); David A. Baldwin (ed.), *Neorealism and Neoliberalism. The Contemporary Debate* (New York: Columbia University Press, 1993). See also the special issue of *Security Studies* ('Roots of Realism'), vol. 5, no. 2, Winter 1995.

41. Notably in President Ahtisaari's speech of 18 December 1996 and in the article by Tarja Halonen and Lena Hjelm-Wallén, Foreign Ministers of Finland and Sweden, *International Herald Tribune*, 15 March 1997. It should be noted that the two governments have also made the reservation in this connection that they '… stand by their freedom to choose the contents and form of their connection with the political and military cooperation emerging in Europe.' (ibid.)

42. On these occasions WEU was not referred to by the Russian speakers. Russian Foreign Ministry spokesman Gennady Tarasov was quoted as saying that, while Russia opposed NATO membership for the Baltic states, Moscow '. . . not only does not oppose but would support the entry of Baltic countries into the European Union', *RFE/RLNewsline*, vol. 1, no. 74, Part I, 16 July 1997, quoting an ITAR-TASS report

on 15 July. There may obviously be other interpretations of the distinction between NATO and EU made by Russia at this particular juncture.

43. First letter (from the Russian President): *'Declaration by Boris Yeltsin, President of the Russian Federation, on security guarantees for the Baltic states and confidence-building measures in relations between them and Russia'*. Second letter (from the Russian Ministry of Foreign Affairs): *'Russian proposals concerning the "Regional security and stability pact" for the Baltic Sea region.'* (Both letters, undated, translated from the Russian.)

44. i.e., where neither Russia nor other Baltic Sea states take part.

45. On the development of Soviet-Nordic relations in this period, centring on Finland, see Roy Allison, *Finland's Relations with the Soviet Union 1944-84* (London: Macmillan/St Antony's College, 1985); also Max Jakobson, *Finnish Neutrality. A Study of Finnish Foreign Policy Since the Second World War* (London: Hugh Evelyn Ltd., 1968). Broader Nordic perspectives are covered in Geir Lundestad, *America, Scandinavia, and the Cold War 1945-1949* (Oslo: Universitetsforlaget, 1980) and Olav Riste (ed.) *Western Security: The Formative Years. European and Atlantic Defense 1947-1953* (Oslo: Universitetsforlaget, 1985).

46. But the Nordic Council session as late as 1997 was the first to deal *formally* with foreign and security policy, following a decision in 1995 of an extraordinary session of the Nordic Council to reform the institutional machinery. (Doc. A1117 (P)).

47. Some examples: (a) During 1996 and 1997 protracted disagreements occurred over defence cooperation with the Baltics, mainly between Denmark and Norway. (b) A clash took place between Finland and Sweden in 1996 over consultation arrangements for financial assistance to the Baltics. (c) In the autumn of 1997 Finland and Sweden fell out publicly over the handling of the Baltic EU membership applications (Denmark agreeing with Sweden), which affected the climate of cooperation between Finland and Sweden for several months into 1998. *Comment*: There is a pattern to these frictions. Self-styled role conceptions are often significant among the Nordics, even if clashes are likely to be limited in time and saliency: Sweden, clearly the largest in population and GDP, considers itself a natural leader in many respects. Denmark, with several decades as an EU member (the two other Nordics are novices), considers itself a natural leader in many EU contexts. Finland has unparalleled experience in dealing with Moscow and expects to have a special voice in matters between Russia and EU.

48. Some member states would like to see a change in the direction of more security issues, though others remain sceptical. No concrete proposals for a change in this regard have been put forward thus far.

49. The European Union participates in the Barents Euro-Arctic Council as an observer, along with, *inter alia*, the United States and Japan.

50. As was pointed out (quite pedagogically) at the Nordic-Baltic Foreign Ministers' Meeting in Bergen in 1997. *The Fifth Nordic and Baltic Foreign Ministers' Meeting*

in Bergen, 3 and 4 September 1997, Chairman's Summary (Oslo: Ministry of Foreign Affairs, 4 September 1997.)

51. When the two meet jointly (once a year from 1996), they form the Baltic Council. See Atis Lejins, 'The Quest for Baltic Unity: Chimera or Reality?', in Atis Lejins and Zaneta Ozolina (eds.), *Small States in a Turbulent Environment: The Baltic Perspective* (Riga: Latvian Institute of International Affairs, 1997), pp. 162-4.

52. The Agreement of Cooperation Between Denmark, Finland, Iceland, Norway and Sweden, signed at Helsinki, 23 March 1962. The agreement has been revised a number of times, most recently in 1995.

53. The Nordic Council is an assembly of parliamentarians delegated by the national parliaments of member states, with political parties represented in proportion to their strength at home, and with ministers taking part in the proceedings (without a vote) in order to explain policy and answer questions. The Nordic Council's decisions are mostly made in the form of recommendations to the Council of Ministers. The Nordic Council of Ministers (NCM) consists of the relevant ministers (except the prime ministers, foreign ministers and defence ministers) in the five member states. The NCM makes its decisions on the basis of unanimity. Its work is formally coordinated by the regular biannual meetings of the Nordic prime ministers.

54. . . . but which in recent decades - because of expanding internationalisation - have often come to be called 'the functional affairs ministries'. See, for instance, Maurice A. East, 'The Organizational Impact of Interdependence on Foreign-Policy Making: The Case of Norway', in C. W. Kegley and P. McGowan (eds.), *The Political Economy of Foreign Policy Behavior*, vol. 6, Sage International Yearbook of Foreign Policy Studies (Beverly Hills, CA: Sage, 1981).

55. The reason being that the Nordic institutional set-up under the Helsinki Agreement does not cover the cooperation of the foreign affairs or defence ministers. The role of the Nordic institutions was adjusted - pared down - in 1995 to give room for the increasing Nordic role of EU after Finland and Sweden 'went to Brussels.'

56. It is part of the pattern of the evolving Nordic policy that Nordic-Baltic defence cooperation, bringing together Nordic assistance providers and Baltic assistance receivers, is rarely exclusively Nordic on the side of assistance providers. The preferred practice is to involve multilateral assistance from a wider circle of Western states, evidenced by the three projects mentioned here (BALTBAT, BALTRON, BALTNET), in which France, Germany, the Netherlands and the United Kingdom take part.

57. A project stirred in its early phases by a WEU Assembly initiative, see Document 1494, 'Security and Military Co-Operation in the Baltic Sea Area', Report submitted on behalf of the Defence Committee by Mr Marten, Rapporteur, 16 November 1995.

58. *Newsfile Lithuania Weekly*, Issue 332, Lithuanian Ministry of Foreign Affairs, Information and Press Department, 9-15 December 1997. The agreement to establish a Baltic Defence College (BALTDEFCOL) in Tartu, Estonia, was signed on 8 December, 1997 by representatives of the Defence Ministries of the Baltic states, the

Nordic states and France, Germany, Poland, Switzerland, the United Kingdom and the United States.

59. In a supporting function to the defence assistance there is also the International Defence Advisory Group ('the Johnson Group', chaired by Gary Johnson) with NATO and Nordic representation, which since 1994 has been giving advice on security and defence policy to the appropriate authorities of Estonia, Latvia and Lithuania. (See for instance *The Baltic Times*, 30 April-6 May 1998, p. 3.)

60. The reform embraced the following measures: issues of Nordic cooperation, previously wide-ranging and served by numerous committees, were compressed to only three areas (and committees) labelled European affairs, Nordic affairs and 'neighbourhood affairs' - the latter referring to the new cooperation with the Baltic states, north-west Russia and Poland. The budget was drastically cut and the secretariat for the Nordic Council, which had led an independent existence in Stockholm, was moved to Copenhagen to be collocated with the secretariat of the Nordic Council of Ministers. The structure of political cooperation inside the Council itself was also reorganized, in that the former nationally based party groups were removed, delegates now being assigned to one of four new Nordic-wide groups (social democrats, conservatives, centre group, or left socialists).

61. Tarja Halonen and Lena Hjelm-Wallén, op. cit., 15 March 1997.

62. Extended deterrence has been studied by, *inter alia*, Paul Huth and Bruce Russett, 'What Makes Deterrence Work? Cases from 1900 to 1980', *World Politics*, vol. 36, no. 4, 1984, pp. 496-526; Paul Huth, 'Extended Deterrence and the Outbreak of War', *American Political Science Review* vol. 82, 1988, pp. 423-42; Erich Weede, 'Extended Deterrence by Superpower Alliance', *Journal of Conflict Resolution*, vol. 27, June 1983, pp. 231-54; and Samuel S.G. Wu, 'To Attack or Not to Attack', *Journal of Conflict Resolution*, vol. 34, September 1990, pp. 531-52. Surveys of the literature and summaries of the reasoning are found in Christopher H. Achen and Duncan Snidal, 'Rational Deterrence Theory and Comparative Case Studies', *World Politics*, vol. 41, 1989, pp. 143-69 and in Lawrence Freedman, 'The Evolution and Future of Extended Deterrence' *Adelphi Papers* 236 (London: International Institute for Strategic Studies, 1989).

63. Wu, 1990, p. 534. Wu himself finds that 'Defender efforts to deter attackers were . . . effective two-thirds of the time (14/21). Thus we can see that the policy of EID [extended immediate deterrence] was fairly effective at deterring attacks, but it encouraged the expansion of bilateral disputes into multilateral wars when it failed.' (p. 546) For a study of crisis decision-making practices in a Baltic Sea setting during the Cold War, see Eric Stern and Bengt Sundelius, 'Managing Asymmetrical Crisis: Sweden, the USSR, and U-137', *International Studies Quarterly*, vol. 36, 1992, pp.213-39.

64. See Ronald D. Asmus and Robert C. Nurick, 'NATO Enlargement and the Baltic States,' *Survival*, vol. 38, no. 2 (Summer 1996), pp. 121-42.

65. Presentation by Ron Asmus, the US State Department, 6 November 1997, in conference proceedings from the second Annual Stockholm Conference on Baltic Sea

Security and Cooperation, 'Towards an Inclusive Security Structure in the Baltic Sea Region.' Edited by Joseph P. Kruzich and Anna Fahraeus (Stockholm: The Embassy of the United States of America, the Swedish Institute of International Affairs and the Stockholm Peace Research Institute, December 1997), pp. 41-5.

66. A detailed assessment is provided in Dmitriy Danilov and Stephan De Spiegeleire, 'Russia and Western Europe: Towards a New Security Relationship?' *Chaillot Paper* 31 (Paris: Institute for Security Studies of Western European Union, 1998).

67. See EU documents: 'Orientation for a Union Approach towards the Baltic Sea Region,' Communication from the Commission to the Council, 25 October 1994; adopted by the Council as 'Council Conclusions on the European Union policy *vis-à-vis* the Baltic Sea Region' (DS 268 Rev. 1; May 1995). Also EU Commission, 'Report on the Current State of and Perspectives for Cooperation in the Baltic Sea Region,' Brussels, 29 November 1995 (COM (95) 609 final); and 'Initiative for the Baltic Sea Region,' Communication from the Commission, Brussels, 10 April 1996. See also Thomas Christensen, 'European Integration and Nordic Security: The Role of the European Union in the Baltic Sea Region', in *Visions of European Security - Focal Point Sweden and Northern Europe* (Stockholm: Olof Palme International Center, 1996), pp. 278-95.

68. The summit of Jacques Chirac, Helmut Kohl and Boris Yeltsin took place on 26 March 1998. Here, the leaders of the major powers - two of which had conspired to despoil the Baltic region sixty years earlier - were reported by the press to have publicly and without reservation rebuked the Latvian government, which was not present to explain or defend its policies, even for non-governmental political activities occurring on its territory. Italian Foreign Minister Lamberto Dini, visiting Moscow shortly thereafter, echoed the criticism of Latvia. In contrast, the Nordic Foreign Ministers' Meeting in April 1998 sharply reproved the Russian government's choice of tactics. German Foreign Minister Klaus Kinkel also augmented the impression given by his Chancellor by declaring on 17 April that the Russian pressure tactics had to stop (*Baltic Times*, 23-29 April 1998). EU subsequently took a much clearer stand in August 1998, sharply criticizing the Russian policy of informal sanctions *vis-à-vis* Latvia.

69. Treaty Of Amsterdam Amending The Treaty On European Union, The Treaties Establishing The European Communities And Certain Related Acts, signed at Amsterdam on 19 June 1997.

70. For a discussion of these points, see 'WEU's Place in European Security and Integration', presentation to the LIIA/KAS seminar in Riga, 6 December 1997, by Alyson J.K. Bailes, Political Director, WEU (Brussels: WEU Secretariat).

71. Jaakko Blomberg, 'Opening Address', Conference on the Northern Dimension of the CFSP, Helsinki, 7-8 November, 1997 (delivered on November 7).

72. See footnote 57 above.

73. Although the Petersberg tasks are usually said to prioritize the lower end of the military spectrum, in principle they cover the entire range of that spectrum. See also

Philip H. Gordon, 'Does the WEU Have a Role?', *Washington Quarterly*, vol. 20, no. 1, Winter 1997, pp. 125-40.

74. The combined joint task force (CJTF) concept (as developed consecutively at Brussels in January 1994, Berlin in June 1996 and Madrid in July 1997) is essentially a flexible headquarters concept which connects a menu of specific military tasks (for various combinations of national military establishments) to different organizational options. CJTF thus allows adjustment to shifting needs for national force compositions, according to the circumstances. It also embraces the important partnership ties between individual Baltic Sea states and NATO.

75. Barry Buzan, 'Rethinking Security After the Cold War,' *Cooperation and Conflict*, vol. 32, no. 1, March 1997, pp. 5-28.

76. Joseph S. Nye, Jr., *Bound to Lead: The Changing Nature of American Power* (New York: Basic Books, Inc., 1990).

77. But note that the *Dictionary of Alternative Defence*, compiled by Bjørn Møller (Boulder, CO: Lynne Rienner, 1995), does not contain any reference to the term 'soft security' and mentions cooperative security only as a synonym for 'common security'.

78. See the survey in Buzan, note 75.

79. For an analytical comment, see Alyson Bailes, 'Europe's Defence Challenge', *Foreign Affairs*, Jan-Feb 1997, vol. 76, no. 1, p. 17.

80. Other elements in the proposals were specifically not rejected by the Baltic states, and in the case of some such elements were designated interesting for further dialogue.

81. Western governments are divided. Some object to the great powers' monopolizing authority. Others do not want to see OSCE succeed any more than it has. At the time of writing, the Russian and other proposals of 'security models' are still pending before OSCE.

82. Still, it is worth noting that on the occasion of the 1997 crisis in Albania the United States expressed a political preference for OSCE rather than EU.

83. The governments of Finland and Sweden, 'Non-paper on Cooperative Security for the Baltic Sea Region', dated 17 April 1998; published 6 May 1998.

84. See Philip H. Gordon, 'Does the WEU Have a Role?', op. cit. in note 73.

85. There is an obvious downside to this argument, namely that the essence of acceptability to Russia could be that WEU is deemed to be weak.

86. See note 83.