# Regional Cooperation in the High North and the Low North: Similar and Challenged?

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Despite the turmoil and ever growing impact of global financial crisis in 2008, both the Baltic Sea region (BSR) and the Arctic region (AR) are receiving more attention than usual. This paper draws upon two experiences of regional cooperation in the Northern hemisphere. The first experience is that of regional cooperation in the BSR. Although from the Arctic point of view the BSR may not be sufficiently "Northern" and perhaps seem to have an altogether different agenda, there are similarities between the BSR and AR that are worth exploring. The second experience is that of the Arctic cooperation that, although less visible in those European countries that are below Finland, Sweden and Norway, has become much more visible in recent years. The aim of this paper is to outline a number of similarities between the BSR and AR and examine some of the challenges to regional cooperation in the North.

This paper is divided in two parts. In the first part similarities between cooperation in the BSR and in the AR will be outlined. Two approaches to regional cooperation are combined. First, broad principles on which cooperation is built, are analyzed. This is necessary in order to find out from what processes regional cooperation stems and what its main driving forces are. Second, the author takes up the organizational approach that offers the possibility to analyze how regional cooperation is structured with the help of intergovernmental organizations. The organizations that are analyzed in this paper are the Council of the Baltic States (CBSS) for the BSR and the Arctic Council (AC) for the AR. The second part of the paper addresses the issue of challenges that both regions are facing. It is possible that cooperation in both regions being an outgrowth of the

immediate post-Cold War era desecuritization trend may turn out to be inadequate and ill-prepared to deal with current challenges.

#### Similarities between the BSR and Arctic cooperation

Although the BSR has a very rich history of interaction (both conflict and cooperation) throughout the centuries between people who live in this region, this paper takes the fall of the Iron Curtain as the starting point for analysis because it was the time when new possibilities emerged and when new institutions were formed that are still around. Arctic, although very different from the BSR in many ways, was also "frozen" during the Cold War era. Both AR and BSR due to the bipolar and hostile structure of power in the international system could not develop into coherent regional subsystems, and therefore an obvious starting point for the discussion on both examples of regional cooperation would be the end of the Cold War. The importance of this profound geopolitical event has been widely acknowledged therefore it would suffice to mention in this context that the end of the Cold War gave rise to cooperation activism in both regional settings.

#### Similar points of departure

In the context of the BSR the Copenhagen declaration of 1992 that gave birth to the CBSS is considered as an event of foremost importance, but it took another four years for the CBSS to become institutionalized. Surprisingly, the Arctic cooperation started even earlier than the Baltic Sea cooperation. There are several events that are of crucial importance for the Arctic cooperation. First, there was Mikhail Gorbachev's speech in Murmansk in 1987 which made it possible for the eight Arctic countries to strive for closer cooperation. It is a reflection of the fact that the Soviet Union was ready to experiment both internally (perestroika, glasnost, new thinking etc.) and externally (opening up, tolerating protest movements in the Soviet bloc countries, talks with the United States regarding reduction in strategic missiles and nuclear weapons etc.). Although the Arctic cooperation started earlier than Baltic Sea cooperation, the latter was more successful in terms of developing into a regional intergovernmental organization because the CBSS was founded earlier than the AC.

Although there are some remarkable similarities between initiation of regional cooperation after the Cold War between the BSR and Arctic region, it should also be taken into account that with regard to cooperation in the BSR the fall of the Iron Curtain meant return to normality and revival of previous cooperation efforts, while in the Arctic cooperation has not been vibrant before the Cold War therefore it had to be built from scratch. Oran Young names several reasons (in addition to the impact of the Cold War) for that including "the dominance of core/periphery relations, and the influence of an externally-generated and romanticized vision of the Arctic world".<sup>1</sup> In sum, although the fall of the Iron Curtain was an important event that made it possible for regional cooperation to take off, despite similarities, the cases of the BSR and the Arctic are also somewhat different.

#### Similar issues and agendas

The process that was started by Mikhail Gorbachev in Murmansk resulted in the Rovaniemi meeting in 1991 that gave birth to the Arctic Environmental Protection Strategy (AEPS). The initiative's main goals were, first, to "monitor the levels of, and assess the effects of, anthropogenic pollutants in all components of the Arctic environment" and, second, "protection of the Marine environment in the Arctic, to take preventive and other measures directly or through competent international organizations regarding marine pollution in the Arctic irrespective of origin".<sup>2</sup>This was an important initiative, but, in fact, Arctic environmental concerns have an interesting component: Arctic military environmental cooperation. This issue has been widely discussed and has many important aspects, but, basically, necessity to address military aspects of environmental issues stems from the fact that, as Steven G. Sawhill writes, "for three

<sup>&</sup>lt;sup>1</sup> Young, O.R. The Structure of Arctic Cooperation: Solving Problems/Seizing Opportunities. A paper prepared at the request of Finland in preparation for the fourth conference of Parliamentarians of the Arctic Region, Rovaniemi, 27-29 August 2000, and the Finnish chairmanship of the Arctic Council during the period 2000-2002.

<sup>&</sup>lt;sup>2</sup> Arctic Environmental Protection Strategy. Rovaniemi, Finland, 14 June 1991. <u>http://arctic-council.org/filearchive/artic\_environment.pdf</u> Last accessed on 06.01.2009.

decades the former Soviet Union has been disposing of radioactive wastes into the Arctic Ocean and seas adjacent to the Russian Far East".<sup>3</sup>

It is beyond doubt that environmental concerns were present also in the BSR because, for example, roots of the HELCOM date back to the Cold War era in the 1970s. Environmental concerns were present in independence movements of the three Baltic states, as the Soviet Union's policies were perceived as harmful to environment. Kaliningrad, Russia's exclave that used to be Soviet Union's military outpost in Europe was perceived as one of the most polluted places in the BSR. A trend can be observed that environment was a very important part of the dialogue from the very beginning in both regions. In fact, it seems that environmental issues have been used in order to initiate closer dialogue between the involved parties, and only later regional intergovernmental organizations have been put in place. Regional cooperation started in both regions in a similar way by using the environmental issues as a stepping stone for furthering regional cooperation. Establishment of regional intergovernmental organizations was the next step therefore it is useful to look at the two regional organizations – the CBSS and the AC – in order to find our about similarities and disparities between their agendas.

The Arctic Council was established with the Ottawa Declaration in 1996 "as a high level intergovernmental forum to provide a means for promoting cooperation, coordination and interaction among the Arctic States, with the involvement of the Arctic Indigenous communities and other Arctic inhabitants on common Arctic issues, in particular issues of sustainable development and environmental protection in the Arctic."<sup>4</sup> It is thus possible to divide the evolution of Arctic cooperation into several stages. Since the beginning of regional cooperation in the High North the AC has retained its focus on environmental issues. One only needs to take a quick overview of the AC's working groups to understand to what extent Arctic cooperation is driven by environmental

<sup>&</sup>lt;sup>3</sup> Sawhill, S.G. Cleaning-up the Arctic's Cold War Legacy: Nuclear Waste and Arctic Military Environmental Cooperation. Cooperation and Conflict, 35:5, 2000. P. 5.

<sup>&</sup>lt;sup>4</sup> Declaration on the Establishment of the Arctic Council. Ottawa, 18 September 1996. <u>http://arctic-council.org/filearchive/Declaration%20on%20the%20Establishment%20of%20the%20Arctic%20Council-1..pdf</u> Last accessed on 05.01.2009.

concerns (see information box on AC's working groups). And this is hardly surprising because, as Marcus Haward and Julia Jabour describe it, Arctic cooperation started with Mikhail Gorbachev's explicit support for Arctic research council and later didn't go far beyond environmental issues and concerns for the well-being of local communities.<sup>5</sup> All six AC's working groups are explicitly focused upon environmental issues.<sup>6</sup> In fact, military issues have been almost absent in the BSR and Arctic cooperation. Moreover, it was explicitly mentioned in the Declaration on the Establishment of the AC that issues of military security would be left outside the scope of this organization.<sup>7</sup>

<sup>&</sup>lt;sup>5</sup> Haward, M., Jabour, J. Science and Politics in the Polar Regions. Paper presented at International Studies Association Conference, Chicago 28 February – 3 March 2007.

<sup>&</sup>lt;sup>6</sup> However, this doesn't mean that the Arctic cooperation is exclusively environment-oriented because other themes such as education, transport, agriculture and others are also present on the Arctic agenda. The above conclusion regarding the AC's focus on environment only reflects the fact that the AC's working groups are almost exclusively environment-oriented.

<sup>&</sup>lt;sup>7</sup> Declaration on the Establishment of the Arctic Council. Signed by the representatives of the Arctic States in Ottawa on the 19th of September, 1996. http://arctic-

council.org/filearchive/Declaration%20on%20the%20Establishment%20of%20the%20Arctic%20Council-1.pdf Last accessed on 27.06.2008.

## Arctic Council's working groups

<u>The Arctic Contaminants Action Programme</u>. "The goal of ACAP continues to be to reduce emissions of pollutants into the environment in order to reduce the identified pollution risks." <u>http://acap.arctic-council.org/</u>

Arctic Monitoring and Assessment Programme Working Group. "AMAP's current objective is "providing reliable and sufficient information on the status of, and threats to, the Arctic environment, and providing scientific advice on actions to be taken in order to support Arctic governments in their efforts to take remedial and preventive actions relating to contaminants"." <u>http://arctic-council.org/working\_group/amap</u>

<u>Conservation of Arctic Flora and Fauna</u>. "CAFF's mandate is to address the conservation of Arctic biodiversity, and communicate the findings to the governments and residents of the Arctic, helping to promote practices which ensure sustainability of the Arctic's living resources." <u>http://arctic-council.org/working\_group/caff</u>

Emergency Prevention, Preparedness and Response Working Group. "The mandate of the EPPR Working Group is to deal with the prevention, preparedness and response to environmental emergencies in the Arctic."

http://arctic-council.org/working\_group/eppr

<u>Protection of the Arctic Marine Environment Working Group</u>. "PAME's Working Group activities are directed towards protection of the Arctic marine environment." <u>http://arctic-council.org/working\_group/pame</u>

The Working Group on Sustainable Development. "The objective of the SDWG is to protect and enhance the economies, culture and health of the inhabitants of the Arctic, in an environmentally sustainable manner."

http://arctic-council.org/working\_group/sdwg

The CBSS was established in 1992 as a joint German-Danish initiative aimed at promoting stability and security in the BSR. Security was to be achieved by bringing together former allies and enemies. The end of the Cold War and the break-up of Soviet Union were seen as a historic opportunity to discard the old type of relationship and start anew. The record of the CBSS in terms of issues and priorities is mixed. Although Baltic Sea cooperation started with environmental issues, it has become much more diverse over time, as the CBSS has incorporated a wide array of issues as its priorities over time (see information box on CBSS's initial priorities and those of 2008).

### CBSS working groups and priorities

In 1992 the ministers agreed that particular attention should be paid to the following areas of cooperation:

- 1. Assistance to new democratic institutions.
- 2. Economic and technological assistance and cooperation.
- 3. Humanitarian matters and health.
- 4. Protection of the environment and energy.
- 5. Cooperation in the field of culture, education, tourism and information.
- 6. Transport and communication.<sup>8</sup>

Over the years the CBSS had a system of rotating presidencies that were set for one year. Each presidency was given the right to come up with its own priorities therefore priorities changed on a yearly basis. Priorities were redefined in 2008 when the CBSS reforms resulted in agreement on long-term priorities for this organization. These priorities include:

1. Environment; this section may also include climate change issues.

<sup>&</sup>lt;sup>8</sup> 1992 CBSS 1<sup>st</sup> Ministerial Session – Copenhagen Declaration.

http://www.cbss.st/documents/foundingdocs/dbaFile751.html Last accessed on 03.01.2009.

- 2. Economic development; this section includes various issues starting from innovation and competitiveness and ending with customs cooperation and other issues related to economic development.
- 3. Energy; there are several issues in this section including energy security and its impact on environment, energy efficiency and support for renewable energy.
- 4. Education and culture; such issues as developing scientific networks, student and academic mobility, cultural heritage and working towards developing regional identity fall under this heading.
- 5. Civil security and the human dimension; this is a wide section of priorities, and issues starting with trafficking in human beings and ending with consumer protection and promoting people-to-people contacts are included here.<sup>9</sup>

To some extent priorities of the CBSS are also reflected in the institutional structure of the organization. There are working groups on economic cooperation, democratic institutions, and nuclear and radiation safety. Additionally, a body for dealing with organized crime has been established, and there are committees, high-level cooperation networks and working groups developed to deal with various issues.<sup>10</sup>

The necessity to adopt long-term priorities has also been apparent in the AC where the Norwegian presidency (2006-2008) in close cooperation with the upcoming Danish and Swedish presidencies had proposed several long-term priorities for 2006-2012: climate change; integrated management of resources; the International Polar Year 2007-2008

<sup>&</sup>lt;sup>9</sup> Declaration on the reform of the Council of the Baltic Sea States. CBSS Ministers' Deputies' meeting. Riga, 3 June 2008.

http://www.cbss.st/summits/riga2008/chairmansconclusions/declarationonthereformofthecbss\_riga3june20\_08.pdf Last accessed on 03.01.2009.

<sup>&</sup>lt;sup>10</sup> Full picture of organizational structure can be accessed on CBSS website: <u>http://www.cbss.st/structure/organigramfullsize.jpg</u> Last accessed on 03.01.2009.

(IPY); indigenous peoples and local living conditions; management issues.<sup>11</sup> It seems that both organizations have come to a conclusion that it is essential to have long-term priorities instead of limited short term goals.

Both the AC and the CBSS share similarities as intergovernmental organizations with limited decision-making authority, limited resources and little regulatory content. It means that the AC and the CBSS do not have large resources of their own to plan and implement expensive large scale projects. Both organizations cannot regulate behavior of their members, and because of the fact that decisions have to be agreed-upon by all member states, decision-making process can only result in the lowest common denominator. Oran Young has argued (with regard to the AC) that these deficiencies can be partly overcome by clever usage of the comparative advantage of the particular organization,<sup>12</sup> but nevertheless it cannot escape being weak and non-binding form of multilateralism.

It may seem as if environmental issues are at the core of Arctic cooperation, while environment is not as salient in the workings of the CBSS. It is hard to deny that environmental issues play different roles in both regions, but environment has played a substantial role in the BSR both at the outset of regional cooperation and lately when it has served as the main motivator for revitalizing regional cooperation in the Baltic Sea area. One only needs to take a look at, for example, the EU Council conclusions of December 2007 where deteriorating state of the Baltic Sea was mentioned as the sole purpose for developing the Baltic Sea strategy<sup>13</sup> or the Baltic Intergoup's suggestion to develop the EU strategy for the BSR in 2005<sup>14</sup> to see that environment is certainly seen as

<sup>&</sup>lt;sup>11</sup> Common objectives and priorities for the Norwegian, Danish and Swedish chairmanships of the Arctic Council (2006-2012). <u>http://arctic-council.org/article/2007/11/common priorities</u> Last accessed on 29.06.2008.

<sup>&</sup>lt;sup>12</sup> Young, O.R. The Structure of Arctic Cooperation: Solving Problems/Seizing Opportunities. A paper prepared at the request of Finland in preparation for the fourth conference of Parliamentarians of the Arctic Region, Rovaniemi, 27-29 August 2000, and the Finnish chairmanship of the Arctic Council during the period 2000-2002.

<sup>&</sup>lt;sup>13</sup> Presidency Conclusions. Brussels European Council, 14 December 2007. P. 17.

http://www.consilium.europa.eu/ueDocs/cms\_Data/docs/pressData/en/ec/97669.pdf Last accessed on 05.01.2009.

<sup>&</sup>lt;sup>14</sup> Europe's Strategy for the Baltic Sea Region. "Baltic Europe" Intergroup, 2005.

the main purpose for revitalizing cooperation in the Baltic Sea area. Of course, the main issues on environmental concern for both areas are quite different, as marine environment of the Baltic Sea is quite different from the concerns regarding large Arctic areas<sup>15</sup> (both land and sea), but environmental issues are crucial for both regions.

However, there are also important differences between these two organizations that can be explained by taking into account peculiarities of the regions under discussion. The differences in cooperation agendas (and regional organizations of those regions) are largely the result of demographic and climate conditions of the Baltic Sea and Arctic regions. Arctic areas are sparsely populated. Only 4 million people live in the circumpolar North. Taking into account the number of people and the size of the region, it is evident that there is less room for other types of regional cooperation other than environment because of the great distances and small numbers of people.

#### Subregional cooperation

Another example of similarity between the BSR and Arctic cooperation is the character of regional organizations in these areas. It has been noted that both the CBSS and the AC are merely umbrella organizations in these regions, and there are many other organizations dealing with similar issues. One only needs to take a look at the list of partner organizations of the CBSS and the AC to understand the scope of cross-border regional activism in these areas. With regard to the AC it has been even argued by a Russian researcher Tamara Semenova that the AC has been but one of the many environmental and cooperation organizations that were dealing with Arctic issues and already existed at the time when the AC was created.<sup>16</sup> Thus, although the CBSS and the AC are intergovernmental organizations, they are part of a larger setting of cooperation organizations. Both organizations may be the focal point of regional cooperation, but it is

<sup>&</sup>lt;sup>15</sup> Arctic areas comprise one sixth of the total landmass of the earth.

<sup>&</sup>lt;sup>16</sup> "...the AC was not a monopoly in the substantial field of activity – it has been surrounded by many environmental and cooperation organizations that already existed at the global, regional and national levels. Some of them were able to successfully compete with the AC either by higher level of specialization or by more influential international agencies or by available resources." Semenova, T. "Indigenous Organizations as Participants to the Arctic Council". Paper presented at the annual meeting of the International Studies Association, Hilton Hawaiian Village, Honolulu, Hawaii, 05, 2005.

http://www.allacademic.com/meta/p69388 index.html Last accessed on 27.06.2008.

only possible due to the fact that their work is supplemented by a wide array of subregional organizations.

The eight Arctic countries work in close relation with indigenous peoples' organizations (IPOs). This means that in the Arctic IPOs have an important role to play, and it is reflected in their ability to influence agenda, their representation and adding indigenous perspectives to issues under discussion. The number of IPOs acting as permanent participants (PPs) cannot be larger that seven (thus being smaller than the number of Arctic countries), but otherwise IPOs are full-fledged members of the AC having a possibility to participate in decision-making process, and this is a major distinction from the BSR cooperation.<sup>17</sup> It may seem that presence of approximately thirty groups of indigenous peoples who speak several dozens of languages in the AR and absence of indigenous peoples and their cooperation networks in the BSR would be a major difference between the two regions, but it is a lot more complicated than that. In fact, both regions share a tendency towards building subregional networks. Although the composition and priorities of regional organizations may differ between the BSR and AR, they share inclination towards building regional networks. There is a great number of regional organizations that cover various aspects of regional cooperation in the BSR, but there are also many regional organizations in the AR. Taking into account the fact that the AR has characteristics that make cooperation on regional scale sometimes difficult to muster, achievements are remarkable. Carina Keskitalo writes that there are organizations such as environmental NGOs and scientific organizations with an interest in the Arctic that are invited as observers to the AC.<sup>18</sup> All in all, subregional cooperation in the Arctic partly has taken the form of cooperation among indigenous peoples' organizations while in the BSR subregional cooperation is more diverse covering a large number of issues. However, both regions are similar in a sense that subregional cooperation networks are quite active and developed.

<sup>&</sup>lt;sup>17</sup> Tamara Semenova has written that IPOs have even managed to add their perspectives to the widely accepted concept of sustainable development. Semenova, T. "Sustainable Development in the Arctic: Indigenous Visions". Paper presented at the annual meeting of the International Studies Association 48th Annual Convention, Hilton Chicago, Chicago, IL, USA.

http://www.allacademic.com/meta/p179158\_index.html Last accessed on 28.06.2008.

<sup>&</sup>lt;sup>18</sup> Keskitalo, C. International Region-Building. Development of the Arctin as an International Region. Cooperation and Conflict, 42:2, 2007.

#### Participating countries and policy initiatives

When comparing the BSR and the AR cases, it should be noted that at least partly the countries participating in both regional cooperation frameworks are the same because Russia, Finland, Sweden and Norway are part both of the Arctic and Baltic regions. Although Iceland clearly doesn't belong to the BSR, it is a member of the CBSS, and, of course, it is a member of Arctic cooperation. It should be emphasized that some of these countries have been quite active both in the BSR and in the Arctic, but, as more opportunities for economic activities open up in the Arctic region, countries such as Norway and Russia may be tempted to shift their focus towards the High North.<sup>19</sup>

Although both regions recently have experienced significant activism, the record is mixed. For example, Sweden has placed the BSR on the top of its EU presidency agenda for 2009, while Norway a few years ago declared High North as its foreign policy top priority.<sup>20</sup> Russia has been quite assertive in realizing potential of the Arctic region. As the Arctic melts, it is becoming easier to access resources in this region. It is estimated that approximately 25% of the world's oil and gas reserves are located in the Arctic therefore countries with an access to the Arctic Ocean may be more interested in this region rather than the BSR. Norway and Russia are good examples of this tendency. Russia's participation in the BSR has been characterized by Russian experts during informal conversations as an extension of the principle of being afraid of not being at the table where issues are discussed. Russia has interests in the BSR, but those are far less important than potential offered by the AR. It is so at least partly because the BSR is seen as a settled region, while the AR is still in flux, and its importance has not been fully realized yet. So, to some degree there is competition between the two regions.

Apart from the possibility that such country layout can create tensions between the two regional cooperation settings, it is also the case that both the BSR and the Arctic have

<sup>&</sup>lt;sup>19</sup> Phillips, L. Europe's Arctic Adventure – The New Cold Rush for Resources. EU Observer, 07.11.2008. http://euobserver.com/9/27035/ Last accessed on 07.01.2009.

<sup>&</sup>lt;sup>20</sup> Programme of the Norwegian chairmanship of the Arctic Council 2006-2008. <u>http://arctic-council.org/article/2007/11/norwegian programme</u> Last accessed on 27.06.2008.

been affected by the same policy initiatives, for example, the Northern Dimension (ND) policy that was initiated at the end of the 1990s by Finland. Initially the ND was intended for a very broad geographic area covering part of the Baltic Sea, the EU-Russia relations and part of the Arctic region, but later its centre of gravity moved Northwards, especially after 2006 when it became a common policy of the EU, Russia, Norway and Iceland. Ironically, the ND has moved Northwards, thus reflecting the geopolitical, economic and environmental importance of the AR.

What are the implications to be derived from similarities between the BSR and the Arctic regions? The abovementioned similarities have been noted in the AC and the CBSS because in both AC's Salekhard declaration (2006) and in CBSS's Riga Declaration (2008) it has been noted that both organizations should follow each others work and keep in close contact. It is clear that there is potential for both regions to learn from each others experience, but at the same time there are important differences between the two regions, and elements of competition are also evident.

#### Challenges to regional cooperation in the North

The last 15 years have witnessed quite successful Baltic Sea and Arctic cooperation, but that doesn't mean that the future is bright. It was argued in the previous chapter that both regions have been quite successful and similar, but what would be the main challenges for further successful regional cooperation? In the attempt to answer this question lies the principal distinction between the two regions. It is argued in this chapter that challenges to the Arctic cooperation are more severe than for cooperation around the Baltic Sea. There are two reasons for that. First, changing climate is much more acute in the Arctic, and it provokes change far beyond purely environmental indicators. Second, there is the threat of resecuritization of interstate relations in the Arctic, while there is little reason to believe that something similar can happen in the BSR.

#### Climate change and its consequences in the Arctic and the BSR

It has already been mentioned that a lot more attention has been paid to the BSR and the AR recently. The reasons, however, are different. The BSR cooperation is challenged by the problem of deteriorating state of the Baltic Sea (which is mostly stressed by the Nordic countries) and the problem of regional cohesion (that is addressed by the three Baltic states and Poland). But, apart from that, there are few serious problems that have to be addressed. Of course, soft security, competitiveness and energy issues are high on the agenda, and the BSR has been recognized as having its own special needs that should be addressed through designing a separate strategy for this region (the European Commission has been assigned for this task). However, it has to be noted that there is little potential for tensions on a regional scale. It is not exactly business as usual in the BSR, but the conflict potential has been limited this far, and environmental problems of the region are mostly caused by specific characteristics of the Baltic Sea and agricultural and industrial activities on its shores.

The case of the Arctic cooperation is different. Tamara Semenova has written that "the mission of the AC is promoting sustainable development and environmental protection in the Arctic region".<sup>21</sup> The AC and other organizations with a particular interest in Arctic regions have been very successful in promoting interest in Arctic issues, helping the IPOs to be heard and accumulating knowledge about linkages between Arctic climate and global climate changes. However, environmental cooperation in the AR has been happening simultaneously with acceleration of the climate change process. It is well-known that climate change happens faster in the Arctic than at the equator. And it has happened faster than ever in recent years. Processes that were predicted to happen sometime in the second half of the 21<sup>st</sup> century are already taking place. Although this can have catastrophic consequences for the Earth's climate, it opens up economic possibilities in the North.

<sup>&</sup>lt;sup>21</sup> Semenova,T. "Indigenous Organizations as Participants to the Arctic Council". Paper presented at the annual meeting of the International Studies Association, Hilton Hawaiian Village, Honolulu, Hawaii, Mar 05, 2005. <u>http://www.allacademic.com/meta/p69388\_index.html</u> Last accessed on 27.06.2008.

Thawing permafrost may be releasing huge amounts of methane (a greenhouse gas that is some 20 times more powerful than carbon dioxide), and melting ice cover over the Arctic Ocean may increase absorption of heat, but it also means better conditions for mining and extraction of oil and gas. The expected impact of the global warming process is opening new possibilities for mining and extraction of oil and gas.<sup>22</sup> Areas that were almost inaccessible before are probably going to be accessible in future, and this involves necessity to improve joint management of Arctic resources. Melting ice sheets may open up new shipping routes thus allowing shipping companies to find faster ways of delivering their cargo. And this is only part of the story because there are many more opportunities for economic activity and wealth creation that may open up with better access to the North and changing weather conditions in this region.

All this may have catastrophic consequences for the Arctic environment. Old ecosystems may change, some of the species may become extinct, and new species may arrive with consequences that are difficult to predict. Given all this, one might predict that local population would be very much against intensive use of local resources, but this is hardly so. The explanation for this is that Northern regions in practically all circumpolar countries have been underdeveloped. It was the third world of developed countries. Given the fact that more economic activity means more jobs and more money, it is hardly a surprise that local populations are hesitant, to say the least, about rejecting exploration of local natural resources.<sup>23</sup> One cannot deny that indigenous peoples' ways of life that have been largely left intact for centuries may suffer from climate change and being exposed to the modern world, but this is only part of the whole picture.

Whatever the consequences for the environment, there is little doubt that an increase of economic activity in the Arctic region is to be expected. In fact, this may lead to an increase in regional cooperation because a more vibrant and interdependent Arctic would

<sup>&</sup>lt;sup>22</sup> Arctic Oil and Gas 2007. Arctic Monitoring and Assessment Programme, Oslo 2007.

<sup>&</sup>lt;sup>23</sup> In fact, Leigh Phillips writes that much of the local population in Arctic towns such as Kirkenes, are in favor of striking a balance between intensified economic activity and environmental concerns. The most striking citation comes from Jonas Karlsbakk who works at the Barents Council Secretariat and who is cited as having said during an interview: "If it warms up a bit, it won't hurt anyone". Phillips, L. Europe's Arctic Adventure – Little Murmansk. EU Observer, 10.11.2008. http://euobserver.com/9/27036

probably need a better system of governance both on regional and subregional levels. That would include not only better resource management, but probably also governance in terms of transport, health, civil security, marine security, maritime safety, etc. That would be good for the region. It would also add to its visibility and extend its influence far beyond Arctic's immediate neighborhood. There is, however, a caveat. Common management of resources and strengthened regional cooperation would only be possible if countries represented in the AC can work together and are not in a state of acute disagreement. In short, cooperation can flourish if scramble for resources is avoided therefore issues of desecuritization and resecuritization have to be discussed in order to assess the potential of Arctic cooperation.

#### Desecuritization or resecuritization in the Arctic?

Finnish scholar Lassi Heininen has argued that geopolitics may have a serious impact on Arctic cooperation and that the effect of exclusion of hard security and military issues from regional cooperation is yet to be seen.<sup>24</sup> Basically, it means that cooperation is much more difficult to achieve in the sphere of low politics when actors' main concerns are in the sphere of high politics and military security. Hostilities have to be avoided in order for regional cooperation to flourish. Issues of soft security, economic development and environmental protection may dominate in the absence of stronger security concerns, but when such concerns arise, the latter are bound to take the upper hand. In other words, securitization of interstate relations within the given region has to be avoided, and this is especially relevant for issues of hard security.

Great efforts were undertaken in the BSR already from the very first year of regional cooperation to avoid securitization of interstate relations in this region. Practically, all issues of hard security were avoided at all costs. Even the following NATO enlargement was seen as a process hardly related to the regional cooperation. In the meanwhile, Russia's economic meltdown contributed to demilitarization of Kaliningrad enclave that used to be Soviet Union's military outpost. In fact, regional organizations in the BSR

<sup>&</sup>lt;sup>24</sup> Heininen, L. Circumpolar International Relations and Geopolitics. Arctic Human Development Report, 2004.

were built upon constructivist assumption that state relations can be redefined and that old realities can be substituted with new ones. The aim of regional cooperation was to redefine the region and to talk it into existence as a security community that simply exists and doesn't need to be propped up with the help of regional intergovernmental organizations and common security concerns.<sup>25</sup> It seemed possible to draw a circle on a map, define it as a region, and it would, indeed, become a region. This method was applied to the BSR, and it seemed to work. Even today the BSR is a largely desecuritized area. The group of scholars that contributed to these developments is well-known and includes Iver Neumann, Ole Waever, Christopher Browning, Pertti Joenniemi and others.<sup>26</sup> One can argue whether desecuritization has worked and to what extent, but it is quite certain that desecuritization has helped to avoid violent conflicts and that no conflict to disturb the peaceful environment of the BSR is in sight.

Arctic regional cooperation seemed to follow the same track. After Mikhail Gorbachev's Murmansk speech that partly redefined superpower relations in the North, security became more and more frequently understood in terms of environmental security and security of indigenous peoples' lifestyles that had to be protected. Kristian Atland writes that Mikhail Gorbachev's 1987 initiative has to a great extent contributed to desecuritization of the Arctic.<sup>27</sup> Military security was dressed up in environmental disguise as military environmental security, thus pointing out that presence of military in the Arctic was harmful and unnecessary. Desecuritization was working. However, this is changing. The Arctic is being redefined in terms of security. It has been securitized as a place where in the long run environmental processes at work threaten survival of coastal

<sup>&</sup>lt;sup>25</sup> Pertti Joenniemi and Christopher Browning re arguing that cooperation in the BSR has been largely understood in terms of security after the end of the Cold War, but they are also defending the view that regionality beyond security is possible and that the aim of regional cooperation is to build a security community that goes beyond security. Joenniemi, P., Browning, C. Regionality Beyond Security? The Baltic Sea Region after Enlargement. Cooperation and Conflict, 39:3, 2004.

<sup>&</sup>lt;sup>26</sup> Ola Tunander points to some of the authors that have taken part in the process of redefining the North as a place of opportunities, although she is herself in favor of interpreting international relations in the Northern Europe as geopolitics of the weak, thus characterizing the role played by the Nordic countries in this region after the Cold War. Tunander, O. Geopolitics of the North: *Geopolitic* of the Weak. A Post-Cold War Return to Rudolf Kjellen. Cooperation and Conflict, 43:2, 2008.

<sup>&</sup>lt;sup>27</sup> At the same time Atland argues that desecuritization is not an irreversible process. Atland, K. Mikhail Gorbachev, the Murmansk Initiative, and the Desecuritization of Interstate Relations in the Arctic. Cooperation and Conflict, 43:3, 2008.

regions all over the world. The Arctic is also securitized because of its wealth in natural resources. As these resources are becoming more expensive and scarce, the Arctic and its resources become resecuritized, as the logic – no security is possible without secure access to natural resources – takes the upper hand. States begin to look at the Arctic differently. This region has become more important both for countries having access to the Arctic (because of the natural resources) and all other countries of the world (because of the climate change). This, in turn, leads to resecuritization, and sometimes hard security concerns are also evident.

There are signs that resecuritization is already happening, and Leigh Phillips characterizes two outlooks on this process. First, there is a very positive feeling of regional security in the North, summarized by Russian Foreign minister Sergey Lavrov, who has said that "The further North you get, the better east-west relations get".<sup>28</sup> However, there is a growing unease about how far resecutization in the Arctic would go. Second, there are concerns about military posturing of the Arctic countries in this region. Russia has upgraded its military presence in the Arctic. Norway has also improved its military infrastructure in the High North. Sweden and Finland have concerns about the possibility of further militarization of the Arctic, and NATO expressed concerns over Russia's military presence in the region.<sup>29</sup> It is yet to be seen how far the current resecuritization of the Arctic would go. It is possible that the Arctic countries would go on provoking one another's security concerns, but turning the current trends into a new "normality" (or balance) and then stopping is also an option. Regional organizations would become worthier under such circumstances, but they would also become less effective in terms of promoting cooperation.

A resecuritization process is reinforced by uncertainty that derives partly from the fact that borders between some of the Arctic countries have not been settled and also from the fact that it is unclear what shape the joint regime of resource management in the Arctic would take. Some of the Arctic areas are still disputed, and sovereignty issues are high on

 <sup>&</sup>lt;sup>28</sup> Quoted in Phillips, L. Europe's Arctic Adventure – 'It Was the Red Army that Liberated the North, You Know'. EU Observer, 11.11.2008. <u>http://euobserver.com/880/27037</u> Last accessed on 09.01.2009.
<sup>29</sup> Ibid.

the agenda. This may have three effects. First, it may delay extraction of resources. Second, it may generate conflicts among the Arctic countries. Third, it may alienate indigenous people as many of them see intensified economic activity in the Arctic regions as detrimental to their traditional lifestyles and local vulnerable ecosystems. In other words, negative consequences of resecuritization can take the shape of economic costs and conflicts between states (also, between states and their indigenous populations).

What influence is the joint effect of global warming and increased importance of natural resources going to have on Arctic cooperation? Most likely, this trend is going to have a dual effect on Arctic cooperation because it enforces opposite trends simultaneously. First, it pulls countries together because effects of global warming require coordinated response in terms of activities aimed at mitigating global warming and adapting to its consequences. This type of impact is likely to strengthen regional cooperation. As a consequence, the scope of cooperation can become broader. Second, it pulls countries apart because improved opportunities for accessing natural resources in Arctic areas create considerable conflict potential. There are different views on the possibility of considerable deterioration of relations among the Arctic countries. There have been some positive signs recently with regard to the Norwegian-Russian maritime border, but it is likely that there will not be an easy settlement over disputed border areas that are known to hold substantial oil and gas reserves. It is still to be seen whether these conflicts will significantly affect the functioning of the AC and lead to changes in the structure of the Arctic cooperation, but further resecuritization of the Arctic may lead to less regional cooperation.

#### Conclusions

This paper has addressed two issues. First, the issue of similarities between two cases of regional cooperation – the Arctic region and the Baltic Sea region – was investigated. It was ascertained that there are both regions are similar in a number of ways. Both of them are creatures of the post-Cold War era. Patterns of subregional cooperation are quite similar. Issues that both organizations – the AC and the CBSS – address are also comparable. Although the AC places a greater emphasis on cooperation in the sphere of environment, differences can be explained by the size and internal composition of both regions. There are other similarities between the AR and the BSR in terms of composition of both organizations and policy initiatives aimed at these regions. It was established that both regions have good reasons for cooperation and competition. Cooperation is fostered because of the similarities, which means that both regions have something to learn from each other. Competition is facilitated by the fact that there are countries that are included in both regions, and countries can either prioritize or deemphasize their importance. This far Norway and Russia have had a greater interest in the AR rather than in the BSR. Both regions are also competing for the EU's attention, but this can be avoided by devising a separate initiative towards each region separately rather than to repeat the mistake that was made by trying to reconcile both regions within the same Northern Dimension policy.

Having concluded that both regions share similarities in many ways, it still turns out that challenges that the AR and the BSR face today are very different. While there is little concern over the possibility that resecuritization may occur in the BSR, it is a viable option in the Arctic. With climate change acting as an initiator of the problem, the Arctic has become more accessible in recent years. Such issues as securitization of access to natural resources that is happening worldwide and uncertainties about the final shape of the common resource management in the Arctic enhance the problem of resecuritization. It may have several detrimental effects for regional cooperation in the Arctic. First, relations between the Arctic countries may become strained, and this may lead to increased military posture in the region. Second, it may lead to worsening relations between state governments and indigenous populations if indigenous populations are not

invited as stakeholders to negotiations on regime for natural resource management in the Arctic. Canada offers positive examples on how indigenous populations can be involved and play an important role as owners and stakeholders of natural resource management. Third, the relevance of the AC itself can be questioned if its composition proves to be inadequate for discussing the new – natural resource-related – agenda. The AC was created in a desecuritized environment mostly for dealing with environmental issues, and this organization may turn out to be inadequate under the new circumstances. Also, there can be a discrepancy between the two agendas. The AC is well-prepared to deal with environmental issues, but those are natural resources and their management that is on everyone's mind. It is yet to be seen whether these two agendas can be reconciled and used both to facilitate regional cooperation and avoid resecuritization of the Arctic.