Second Theme:
Innovation in Northern Governance

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Building on Opportunities

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Inuit in the region called Nunavik have been able to build on the many opportunities presented to them over the past 25 years - in a model way that has led to a great deal of progress. While gains still remain to be made, their step-by-step approach to governance has improved living conditions and opened new possibilities for the future.

Nunavik is in the Canadian province of Quebec. It stretches from the 55th parallel to the northern tip of Quebec and from Labrador over to Hudson Bay in the West. Nunavik covers approximately 550,000 square kilometers - an area the size of France. Nunavik is primarily above the tree line, and it is part of the Arctic world by virtue of its geography, climate, culture, language and people.

There are no road connections between the 14 communities or between Nunavik and southern Quebec. The communities are 1500 to 2500 kilometers from Montreal by air. Nunavik's coastline is 2500 kilometers long. This coastal area is home to beluga, walrus, seals and polar bears.

The region’s river system has a huge hydroelectric potential, equivalent to 25 per cent of the annual production capacity of Quebec. With its thousands of lakes and rivers, Nunavik also has major freshwater supplies and a rich fishery. One of the largest herds of migrating caribou in the world is in Nunavik - nearly one million strong. The land is also rich in large mineral deposits of nickel, zinc, iron, gold, copper, lead, and lithium.

Nunavik’s total population includes approximately 10,000 permanent residents. As of April 1st, 2001, 90 percent of the population was Inuit and the Inuit language, Inuttitut, is still spoken by almost everyone.

Inuit live in 14 communities along the Ungava Bay, Hudson Strait and Hudson Bay coast. Nunavik’s largest community is Kuujjuaq, which has a population of around 2000. The smallest village, Aupaluk, has a population of around 160.

All communities have schools, clinics or hospitals, an airport, and at least one store. All have arenas or other recreational infrastructure. But there is little private home ownership. Most homes are owned and maintained by a social housing bureau. Most homes are new and were built after the late 1970’s.

There is no aqueduct system in Nunavik. Water is delivered by truck from the Water Treatment Plant to every house. Sewage is collected by truck from the house septic tank. Power is supplied by diesel-fed generators because Nunavik is not connected to Quebec’s power grid to the south.

Nunavik's population grows by 2.6 per cent each year and this means Nunavik grows by a number equivalent to the population of a "Kuujjuaq" every seven years.

That's Nunavik today - a modern Arctic region with many potentially rich resources. But not long ago the situation was quite different. Even 50 years ago the population was still nomadic. Many Inuit who are adults today were born in igloos and as they were growing-up they lived off the land with their parents. It was only in the 1960's that Inuit started to settle in villages around the trading posts. Traditionally, Inuit lived off the land, using dog teams for transportation and hunting.

The killing of sled dogs in the 1950's and 60's by local authorities - which is only now being documented - made the traditional lifestyle impossible and encouraged Inuit to become more dependent on government services for their survival.

Against the background of this difficult situation, until the mid-1970's, the Canadian and Quebec governments were also competing for control of Nunavik. Even in the tiniest settlements there was a federal school run by Canada and a provincial school run by Quebec, a federal nursing station and provincial nursing station; there was a federal agent called the northern administrator and a Quebec northern agent.

Inuit had absolutely no input into how government programs and services were delivered to our people or in decision making. Inuit could not aspire to being employed in a senior capacity. The governments told Inuit how they would conduct affairs in the northern communities.

At the same time, the needs of Inuit were becoming more urgent. There was little in the way of infrastructure, houses, airports, etc. The traditional economy, the unstable sale of furs, in particular seal skins, was a main source of revenue for many Inuit. Going to school was still difficult for most young Inuit, and infectious diseases such as measles, polio and tuberculosis affected many people and killed hundreds.

To move from this state of affairs to the present didn't happen overnight. Change started to speed up after the signing of our major land claim agreement in 1975. Inuit in Nunavik started to exercise control over their public affairs through non-ethnic regional organizations.

These new organizations were created after the signing of the James Bay and Northern Quebec Agreement (JBNQA) in 1975 - Canada's first major land claim agreement. This land claim agreement was signed by the Inuit of Nunavik, the Crees of James Bay, the federal government, the Quebec Government and Hydro-Quebec.

At the beginning of the 1970's, Quebec announced that it would build a major hydro-electric development in the James Bay area. This development would affect both the Crees and the Inuit of Quebec. The project would affect two main rivers of Nunavik, the Great Whale River and the Caniapiscau. Since this project began, the relationship between the Inuit of Nunavik and the governments of Canada and Quebec has never been the same.

The Crees and Inuit took Quebec to court in trying to stop the project. With the involvement of elders and with the help of translators, Cree and Inuit leaders spent months in Montreal in order to show that what Quebec was doing was wrong and that the rights of the Inuit and those of the Crees would have to be recognized and dealt with.

These leaders succeeded in obtaining an injunction, and an order by Judge Albert Malouf stopping the project for a period of one week. The government had no choice but to negotiate with native leaders. Negotiations went on for a period of two years until, in 1974, the Inuit and the Crees reached an agreement in principle. In November 1975, Inuit signed the James Bay and Northern Quebec Agreement.

With its signing, the Inuit received $90 million in compensation in exchange for their rights over certain lands. The JBNQA also created the Kativik Regional Government and other regional organizations, including a health board and a school board.

It accelerated development in Nunavik and led to 14 Northern villages, and a transformation in the region's lifestyle - with new houses, jobs, and schools, as well as improvements in health and education and a new relationship with Quebec.

Twenty years after the signing of the JBNQA, Zebedee Nungak, one of the signatories of that landmark agreement said: "All of us regarded it as a step that is not an end in itself, a step in the right direction that will launch Inuit in the villages and in the region an ability that we never had before to run our own institutions, to try to improve our living conditions, and to have more control, have the control we never had when the federal and the provincial governments were running their services."

Following the signing of this agreement, the federal government transferred all of its regional assets to Quebec. Inuit then became part of the discussion:

- Quebec would have to honor its obligations in the field of municipal affairs, housing, education and health.
- All new development of natural resources would, from then on, be subject to a rigorous environmental review process.

Looking backwards shows how, overall, the Inuit managed to make this land claim work for the benefit of the region.

In 1988, the Inuit had another opportunity to improve our situation when Hydro-Quebec, Quebec's power corporation, wanted to divert the Caniapiscau river, a project that would affect the community of Kuujjuaq. The residents of Kuujjuaq, and Inuit living throughout the region, received additional compensation money in exchange for letting this project move ahead. This money allowed the development corporation to purchase the airline First Air, now the second largest airline in Canada in terms of distances covered.

In 1995, the development of a nickel mine in Nunavik allowed more control over the region's resource development. An agreement with the mine's developers guaranteed employment for Inuit, economic spin-offs, and a share of revenues.

From 1975 on, Inuit never missed a chance to ensure that the development of resources would also benefit the region's original residents.

The Kativik Regional Government (KRG) manages Nunavik's regional affairs through some 40 agreements with the federal and provincial governments in the fields of law enforcement, transportation, employment, childcare services, renewable resources, environment, land use planning, income security, municipal affairs, civil security, and economic development. Its staff of 350 is 72 per cent Inuit.

At the beginning of the 1990's, the KRG started to shape up as a real government. Using a step by step approach, the KRG has been building up its credibility as a government that takes care of its citizens.

The KRG's relationship with Quebec has been characterized by a general transfer of the management and delivery of programs and services from Quebec to the KRG. The KRG runs the police force, airports, daycare centres, and parks. The KRG decides what training programs will benefit people in the region and administers income security and hunter support programs.

Each of these agreements brings more politicians to the region. As a result, the KRG has been able to develop close ties with the Quebec government at the political level. Personal links have also developed and there's a new, stronger appreciation for the region and what its residents want.

Next on the agenda is the development of regional self-government for Nunavik. One of the stepping stones to this is a new agreement recently signed with Quebec, the Sanarrutik Agreement. This deal gives Inuit new tools to build with that will lead to new jobs and other forms of economic development.

The total value of the deal is close to one billion dollars - in return, Inuit in Nunavik open the possibility of hydroelectric development on some of our waterways. Projects will have to be viable, environmentally sound, and agreed to by the community.

In the event of any hydroelectric project, there will also be revenue sharing between the developers and Nunavik Inuit. This will be based on the level of electrical production. Additionally, Inuit-owned companies and Inuit workers will have priority for contracts and employment.

Negotiations on self-government are also set to start between Nunavik, Quebec and Canada. Our form of self-government would create a new, third order of government in Canada, as Nunavik would not be a separate territory, but an autonomous jurisdiction within the province of Quebec.

The Nunavik Commission drafted recommendations for the shape and form of the regional self-government that Inuit in Nunavik hope to see within five years. It will be a public government, have the power to make decisions concerning its own finances and, perhaps most importantly, it will respect the culture and language of the Inuit.

Nunavik still has challenges (as can be seen from the following list):

- Its residents are young - 60 per cent are under the age of 25.
- The region needs better access to education. After high school, students must leave for Montreal for college and university.
- Better living conditions are needed. Life expectancy for men is 62.4 years in Nunavik compared to 74.2 years in Quebec. Life expectancy for women is 69.3 years in Nunavik compared to 81.3 years in Quebec.
- The cost of living is high. The cost of living is more than 60 per cent higher in Nunavik, which has a very negative impact on the operations of local communities and on the cost of all merchandise, foods, etc.
- Nunavik needs more jobs. More and more people from southern Quebec are working in the region. Inuit occupy 27.1 per cent of all regular full-time jobs. In the KRG, 72 per cent of jobs are filled by Inuit.
- Nunavik still doesn’t have any representation in the Parliament of Canada or in Quebec’s National Assembly.

Despite these remaining challenges, Inuit in Nunavik have progressed immensely. They learned to negotiate by working with two levels of government that were competing with each other. They shared their land and resources, pressing forward at local, regional, provincial, national and international levels to protect their rights and develop their society, and they developed a relationship based on mutual respect with governments, building on every opportunity that was given to them.

The Northern Dimension of the European Union as a Dynamic Model for Managing Near Abroad Policies

Jeroen Dubois

Finland and Sweden joined the European Union (EU) in 1995. In respect to their numbers of inhabitants, one can scarcely consider these nations as large Member States, but it goes without saying that both occupy a particular geographical position. The enlargement to the North involved an extension of EU policies, just as the earlier accession of Southern Member States had, indicating that the EU attached more importance to the Mediterranean Sea region. Finland shares, as EU Member State, the longest border with Russia. The EU had and has, just like Finland, an interest in keeping stability in Northern Europe and in maintaining a functional relationship with Russia. The Northern Dimension of the EU, as it exists now, has evolved from a Finnish, to an EU, foreign policy. The Northern Dimension can be considered, therefore, as a thread within Finland's new foreign policy towards the EU, or as ”a new mantra or the flagship of Finland's EU policy”, as it was described by Lassi Heininen.[1] Since the Luxembourg European Council, the Northern Dimension has led a life of its own from one European Council to another, until it finally took its place on the agenda of the European Commission. The EU has thus created a master plan for Northern Europe, which involves no special funding.

Evolution of a Policy Framework

Former cooperation between the European Communities and Northern Europe was, for the most part, economic cooperation with the European Free Trade Association (EFTA) and in the framework of the European Economic Area (EEA). But another occasion for cooperation with Northern Europe was the accession of Denmark. Denmark also brought Greenland closer to Europe. At that time, Greenland, as Danish territory, became part of the European Economic Community (EEC). For the first time, the EEC reached far above the Arctic Circle. Nevertheless, the people of Greenland, by referendum, decided to withdraw their autonomous region from the EEC; the treaty that makes an exception for Greenland came into force in 1985. That was, temporarily, the end of the EU's geographic connection with the Arctic region. In spite of the ”absence” of the European Community in Northern Europe, a turning point was reached as a result of the events in the 1989-1991 period. Unlike the Scandinavian states, the Baltic states, which were in transition, could not be granted EU membership; but processes of regional integration and cooperation arose in the Baltic Sea region, even before their independence, which created a kind of Baltic identity. In fact, many international and non-governmental organizations were born in the 1980's and 1990's "in the name of the Baltic world", according to Marko Lehti [2]. Some of the most important of these regional organizations are the Baltic Marine Environment Protection Commission-Helsinki Commission, the Council of the Baltic Sea States (CBSS), and the Council of the Barents Euro-Arctic Region (BEAC).

The Commission needed more experience and knowledge about Northern Europe. One of the reasons behind that need was the changing course of Russia's foreign policy in relation to the Baltic states. The Swedish Prime Minister Carl Bildt put it into words in an article in Foreign Affairs in 1994: "More than any other part of the former Soviet empire, Russia's policies toward the Baltic countries will be the litmus test of its new direction [. . .] the European Union's attitude toward the Baltic states will be a gauge of its ability to pursue the integration process while also establishing a working relationship with Russia."[3] In that respect, the accession of the Baltic states to the EU and relations with Russia could not be seen separately. The fact is that the foreign policy of Russia changed to a policy that was more unilateral, and more oriented towards the near abroad, after the resignation of the liberal westernizer Andrei Kozyrev as Minister of Foreign Affairs in 1991.[4] Afraid of the new Russian security concept, afraid of 'Finlandization', and afraid of the Russian military presence in the Baltic Sea region, the Baltic states became more oriented to Western Europe and the North Atlantic Treaty Organization (NATO). The relations between Russia and the Baltic states involved also security concerns for the EU; even the fact that Russia does not have the money to keep its military equipment in a good state of repair is a serious security concern.[5]

The first policy proposals (from EU institutions) concerning the Northern dimension came into being once the EU was enlarged by the accession of the two Scandinavian states. One of the proposals was the Baltic Sea Region Initiative, presented by the Commission at the CBSS summit in Visby (Sweden) in 1996.[6] A first proposal explicitly relating to the Northern dimension as region came from the Committee of the Regions in the same year.[7] Another impetus was the Dublin European Council, where regional approaches were appreciated and where the Commission was called to present more reports on regional initiatives, similar to the Baltic Sea Region Initiative.[8] The immediate impetus was, in fact, the Finnish Northern Dimension Initiative. The Finnish Prime Minister Paavo Lipponen stated during the *Barents Region Today* conference in 1997 in Rovaniemi, Finland: "With the accession of Finland and Sweden, the European Union now extends from the Mediterranean to just a few kilometres from the Barents Sea. The Union has thus acquired a natural "northern dimension". My thesis this morning is: we need a policy for this dimension, too."[9]

It is conspicuous that Lipponen made an immediate comparison to Southern Europe. That, together with his wish to bring a Mediterranean conference to Helsinki (Finland),[10] illustrates his belief that cooperation and good relations with Southern Member States could determine the success of the Northern Dimension. The greater Nordic enthusiasm was for the Barcelona Process, the fuller the cooperation might be for the Northern Dimension. In any case, Finland succeeded as a good pupil, showing itself to be a defender of Community interests, hoping that such reciprocity would become a standard for all EU Member States.[11] The governments and heads of states of other EU Member States heard Lipponen's proposal. It was placed on the agenda of the Luxembourg European Council. The European Council requested the Commission to present an interim report about this during the next meeting in Cardiff (United Kingdom).[12] It should be noted that the Luxembourg European Council and the date of commencement of the Partnership and Cooperation Agreement (PCA) with Russia almost coincided.

The Cardiff European Council repeated the request for the presentation of an interim report.[13] The Commission presented its interim report to the Vienna European Council. The Presidency Conclusions of the Vienna European Council included, for the first time, a separate heading for the "Northern Dimension".[14] From that time, the Northern Dimension has been EU policy, and not merely Finnish policy, and thus the EU, and no longer Finland alone, has been responsible for the Northern Dimension. This means that Finland, as a small Member State, succeeded in getting the EU to adopt a policy.[15] In the interim report, entitled ”A Northern Dimension for the Policies of the Union”, the Northern Dimension was considered a framework policy which would generate added value, based on existing programmes. The interim report is, in fact, quite vague. Hanna Ojanen even stated: ”This is the reverse of the concept of ’added value’: while the initiative should add something to the Union in order to be attractive, the Union, in turn, acts or changes its functioning only where it can provide added value.”[16]

In 1999, the European Parliament approved a resolution based on the Commission’s interim report. The European Parliament suggested that more attention be given to civil society, and to indigenous minorities and autonomous entities. The reference in the resolution to indigenous minorities and autonomous entities is taken, almost word for word, from Lipponen’s speech in Rovaniemi, two years earlier. (Only the more politically correct ”Inuit” replaces the word ”Eskimo”.[17]) This is worthy of note because no other institution had addressed that issue before. The Council of the European Union was the next EU institution involved. The Vienna European Council asked the Council to determine guidelines for its implementation, based on the Commission’s interim report. In its conclusions, the Council determined the geographic scope of the Northern Dimension: from Iceland in the West across to Northwestern Russia, including Kaliningrad in the east. This is the same area as proposed by Lipponen, but with an extra mention of the Kaliningrad oblast. In fact, the conclusions of the Council still speak for themselves, without saying anything really new: cooperation with the BEAC and the CBSS is suggested, but contacts with the Arctic Council were merely, according to the Council, under consideration. [18] The European summit in Cologne (Germany) was an important meeting in the field of external relations. Much attention was paid to the Common Foreign and Security Policy (CFSP), Javier Solana Madariaga was appointed Secretary-General, the common European security and defence policy was discussed, and the Finnish President, Martti Ahtisaari, announced the end of the war in Kosovo. The European Council considered the conclusions of the Council as a foundation for enhancing the EU’s profile in the region. The most important achievement in Cologne was the Common Strategy on Russia, which came in response to the 1998 economic and political crisis in Russia.[19] It was, additionally, an attempt to react more effectively.

The first Foreign Ministers’ Conference on the Northern Dimension was an important meeting. All Ministers of Foreign Affairs of the EU Member States and the partner countries were invited, but the host country, Finland, was the only Member State whose Minister was in attendance. That must have been a disappointment for Finland which, hoping for some reciprocity, has always shown interest in, for instance, a Mediterranean conference. All parties were invited to present and discuss position papers. The Conclusions of the Chair were more detailed than prior EU documents had been,[20] and the Commission presented a first inventory of current activities. The most important innovation of the conference was the introduction of an ”Arctic Window”, which was a geographic enlargement of the Northern Dimension scope. This was remarkable because of its expansion of Arctic cooperation. The moving force behind the Arctic Window was Greenland; Jonathan Motzfeldt, the Prime Minister of the autonomous territory, saw three fields of cooperation: environment, sustainable development and Arctic know-how. Thus Greenland, which had a tradition of Arctic cooperation, again became involved in EU cooperation through the Northern Dimension. [21]

There was, however, something more. Lipponen had already, in 1997, devoted a great deal of attention to Arctic cooperation. But EU institutions had avoided those matters in the beginning, mostly because of the nature of the Arctic Council. It was established in 1996, with Canada, Russia and the United States of America among the member states, but without the EU as participant (unlike the BEAC and the CBSS, where the EU is represented by the Commission). In my view, the combination of American membership in the Arctic Council and the possible involvement of the Arctic Council in the Northern Dimension seemed to cause resentment in Russia. There has been a new Arctic-American connection since the intervention of Greenland during that conference; however the Arctic Council was not yet mentioned. The Arctic Council was not mentioned again until the Commission published its *Action Plan for the Northern Dimension in the External and Cross-border Policies of the European Union 2000-2003*, possibly because Russia would not be involved in the Commission's internal decision-making process. Russia, however, turned out to be an important partner during the conference.

The Action Plan, which was accepted by the Feira European Council in 2000, constitutes the position of the Commission and is the reference point for measures in the framework of the Northern Dimension during the 2000-2003 period.[22] Besides an introduction, it contains a section that describes the aforementioned documents, the challenges, and the judicial, institutional and financial framework. Another section consists of an overview of the situation by sector, objectives, and prospects.[23] Energy and nuclear safety are two of the most important sectors in the Action Plan; a number of other sectors are also related to energy supply. (The EU is, especially, examining possible energy resources outside Russia because of increasing dependence on Russian energy. Until some months ago the Barents Sea was free of offshore projects. But in 2002, the Norwegian parliament approved a decision to obtain natural gas from the Snøhvit field in the Barents Sea, though the fish industry and environmental organizations are not happy with that.[24] The Norwegian environmental organization, the Bellona Foundation, has complained to the EFTA Surveillance Authority, but so far without success.[25]) At first sight, the Action Plan is in agreement with previous documents of the involved bodies. There are, however, some shifts in emphasis. The most important difference can be found in the role attached to regional organizations.[26] The Arctic Council is mentioned again (it was not in the Conclusions of the Chair of the conference), on the same level apparently as the CBSS and the BEAC. Additionally, the appreciation of regional organizations is, in general, decreased.[27] Earlier, the conference "emphasised the role of existing regional bodies [...] Regional bodies have a specific role as instruments identifying and implementing joint Northern Dimension priorities",[28] but according to the Action Plan, regional organizations "may" assume a significant role only "in consultation with the Council of the EU in identifying common interests of the Northern Dimension region".[29] That difference seems to indicate, again, that the Commission prefers that Northern Dimension policies be implemented by the EU alone, and not in cooperation with outside partner countries (like Russia), or regional organizations.[30] The identification and implementation of common interests had already been delegated to regional organizations by the conference, but, later, the Action Plan maintained that common interests have still to be determined. The two implications (re-introduction of the Arctic Council, and decreased appreciation for regional organizations in general) could possibly be blamed on the difference between a unilateral approach (Action Plan) and a multilateral approach (conference): Partner countries' interests are taken less into account within a solely EU decision-making process without the direct involvement of other actors, as would be the case with a conference.

A follow-up conference on the Northern Dimension was held in Luxembourg in 2001, during the Swedish EU Presidency. There were more Ministers of Foreign Affairs present than had been at the first conference held in Helsinki.[31] The Presidency proposed an agenda based on actions and questions about the future implementation of the Northern Dimension.[32] The first action was the meeting in Helsinki in March 2001 on infrastructure and environment investments, which was an initiative of the Nordic Investment Bank (NIB). The aim was to strengthen cooperation between international financial institutions and the Commission to increase the efficacy of investments by the establishment of a "Northern Dimension Environmental Partnership (NDEP)".[33] The NDEP was established in 2001 and is financed by its own "Support Fund", launched on July 9, 2002. The NDEP Support Fund is the first financial instrument especially and exclusively dedicated to the Northern Dimension. The Commission pledged EUR 50 million. Other initial contributors were Russia, Denmark, Finland, the Netherlands, Norway and Sweden (primarily Nordic states); they each pledged EUR 10 million.[34] Other countries followed. It is notable that the NDEP initiative came from the NIB, and not from an EU body.

Some other examples of actions were the Multilateral Nuclear Environmental Programme for the Russian Federation, the Commission's communication ”The EU and Kaliningrad” and the Northern Dimension Action Plan. The participating parties agreed at the Luxembourg meeting to continue work in the priority areas within the Northern Dimension, but that the Phare, Tacis and INTERREG procedures should be streamlined to increase efficiency and inter-operability. They also agreed with the NDEP proposal, and with suggestions to organize the follow-up on different levels, and on ”Northern Dimension Fora”.[35] The Gothenburg European Council has approved the Full Report on the Northern Dimension Policies with the elaboration of the follow-up procedures, and supported the launch of the NDEP. From the end of 2002, Annual Progress Reports would be edited.[36] That means that the first progress report, as well as the guidelines for a new action plan for the 2003-2006 period, will be discussed in Denmark which has the EU Presidency during the second half of 2002. Denmark also announced that the next ministerial conference would be held in Greenland in August of this year, with special attention to Arctic issues. It should be noted, by the way, that in presenting the programme of the Danish Presidency in June 2002, the Northern Dimension was for the first time announced ”as part of a new overall strategy towards the EU's neighbours to the east,” since the new action plan will apply to an enlarged EU, with new neighbours like the Ukraine and Belarus.[37]

Europe versus America

Meanwhile, there also exist other ”Northern Dimensions”. The United States and Canada have similar concepts. The Northern Europe Initiative (NEI) was launched by the United States in 1997 as a unilateral policy framework. The NEI was given a legal basis when the then President, Bill Clinton signed the Cross Border Cooperation and Environmental Safety in Northern Europe Act of 2000.[38] The Northern Dimension of Canada's Foreign Policy (NDFP), which was inspired by its European counterpart with regard to its name in English (though not in French),[39] was launched in 2000. The geographical scope of the NDFP is larger than the scope of the Northern Dimension.[40] In that respect, the NEI is more similar to the Northern Dimension, though the NEI is directed not only towards the countries of Northern Europe but also towards the surrounding seas and other bodies, whereas only states belong within the scope of the Northern Dimension. Both the United States and the EU have similar objectives in the Baltic states and in Northwest Russia, but the United States emphasizes the Trans-Atlantic alliance.41 That means that hard security matters still play a role in Northern Europe, as Jennifer Novack indicates: ”Although the ND focuses on soft rather than hard security, security guarantees are not fully irrelevant. Furthermore, North American and particularly US involvement may be enough to unsettle the Russians sufficiently to make them less willing partners. In particular, Russia might fear developments that would lead to NATO enlargement to the Baltic states.”[42] The EU's Northern Dimension approach was inspired rather by functionalistic ideas. The realist school sees soft security affairs, for example, as low policy. That difference can also be seen in the ideas behind the NEI as compared with those behind the Northern Dimension. In spite of their similarities, national interests are clearly emphasized more in the NEI than in the Northern Dimension. Moreover, security is defined primarily as military (hard) security as can be seen from plans to get the Baltic states into NATO. The NEI intends more an affirmation or enlargement of their zone of influence rather than the mere creation of interdependence.

There are overlaps between the Northern Dimension and the NDFP, too, especially since the Arctic window enlargement of the Northern Dimension. An important difference between the NDFP and the NEI is the fact that the NDFP is partly directed towards regions within Northern Canada. This may be logical since Canada is largely situated in the North; strictly speaking, however, the NDFP is a part of Canada's foreign policy (under the jurisdiction of the Department of Foreign Affairs and International Trade). The NEI is, unlike the NDFP, not directed towards North America, not even Alaska. The Northern Dimension is not considered to be exclusively a part of the EU's foreign policy (the CFSP) for several reasons. The Northern Dimension is closely connected to the enlargement of the EU (as was mentioned in the June, 2002 presentation of the Danish EU Presidency, cf note 37). Projects that are currently being realized in Poland and in the Baltic states will become internal matters once these states are part of the EU. Another reason is that external relations are still, for the most part, competencies of the EU Member States. In addition, Northern Dimension policies cannot be exclusively external policies since domestic and foreign affairs become, in general, more and more the same: traditional home affairs like, for example, agriculture and the environment become more and more cross-border affairs because of the effects of globalization. Also, most legal and financial instruments for the Northern Dimension are not true CFSP instruments, but come from the first pillar of the EU. That means that they are European Community, rather than EU, instruments. Another contrast with the NDFP is the ”no extra costs” character of the Northern Dimension. The Canadian government has allocated CAD 2 million per year, until 2004/2005, for NDFP expenses. The financial instruments allocated by the EU are mainly existing funds: Tacis, Phare, the Instrument for Structural Policies for Pre-Accession, the Special Accession Programme for Agriculture and Rural Development, INTERREG, and loans from the European Investment Bank (EIB).[43]

North versus South

Another comparative analysis can be made of the Northern Dimension vis-à-vis the Barcelona Process. Both the Northern Dimension and its Mediterranean counterpart are EU policy frameworks, the one for Northern, and the other for Southern, Europe. The Barcelona Process is a basis for the Euro-Mediterranean Partnership. It was established in 1995, in Barcelona (Spain), at the Euro-Mediterranean Conference of Foreign Ministers. Participants were the fifteen EU Member States, together with twelve Mediterranean Partners (Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, the Palestinian Authority, Syria, Tunisia and Turkey). The Barcelona Process comprises three objectives - political, economic and social reforms - to be realized by means of bilateral and multilateral relations; it was followed-up by the Euro-Mediterranean Committee for the Barcelona Process, and by Euro-Mediterranean conferences.[44]

To some extent, the Barcelona Process can be considered as a prototype for the Northern Dimension. Both are based on bilateral and multilateral networks; additionally, the European Council has approved Common Strategies on both Russia and the Mediterranean region. Another important similarity was the EU's need to develop a policy framework for both regions with two major common motives: energy supply and security. It might therefore be assumed that the EU has some kind of hidden agenda behind these matters. There are, however, some significant differences. First, it can be argued that not all the partner states in the Barcelona Process are even European countries, but this geographic discussion about the definition of ”Europe” according to the Treaty on the European Union is both inconclusive and irrelevant here. More important is the different nature of the ”social borders” between the EU and the partner states. Both the Mediterranean Sea and the Finnish-Russian border mark the boundary between rich and poor societies. The partner states in the North and in the South aspire to leave the periphery. But while Poland and the Baltic states are succeeding, as candidate Member States, in leaving the periphery, many North African and Middle Eastern states cannot yet even aspire to do so.

Political reforms, security and stability are also different in the South as compared to the North. The Mediterranean region is still a rather unstable region, with many quiescent as well as open conflicts, a very high degree of militarization, little regional (security) integration and tendencies to extreme fundamentalism.[45] The situation in the North is very different. There are no open conflicts in the North, but, as in the Mediterranean, there is some militarization, especially in Northwest Russia and Kaliningrad. The Baltic Sea region, unlike the Mediterranean region, is also very integrated in regional organizations. Security in the North is viewed more as soft security, while in the South it would be, rather, hard security. Social reforms in many Mediterranean partner countries are actually paralyzed because of the conflict in the Middle East. Welfare is more developed in the Northern than in the Southern partner states and, together with the pre-accession strategy and the implementation of the acquis communautaire, seems to have more positive effects on the democracies in Poland and the Baltic states. We can see some similarities in the follow-up processes (in the form of multilateral ministerial meetings) for the Barcelona Process and for the Northern Dimension; on the bilateral side we must distinguish the kind of agreements used - the PCA with Russia and the recent association agreements in the North - from the association agreements in the South which are often much older, and whose aim was more trade-related. The establishment of a free trade area is an aim in both cases, but in the South it is an integral part of the objectives of the Barcelona Process. This is not the case in the North, where free trade (with the EEA member states now, and with Russia in the future) is simply a given for the future, and has less to do with the objectives of the Northern Dimension.

There is also a big financial difference. Phare, Tacis and INTERREG are three important instruments ”in the framework of” the Northern Dimension, while MEDA is the most important financial instrument for the Barcelona Process. The EU finances programmes using MEDA in the Mediterranean partner countries, while using existing instruments for the North which are, at the same time, not exclusively related to the Northern Dimension. A major player on both sides is the EIB. The EIB is accompanied in the North by two other important international financial institutions that do not operate in the South: the NIB, and the European Bank for Reconstruction and Development. The NIB is almost the home bank for the Northern Dimension; it is, however, not an EU institution. The importance of the NIB was shown, for instance, by the proposed establishment of the NDEP Support Fund. There is no specific corresponding Mediterranean financial institution involved in the Barcelona Process. The difference between the financial treatment of the North as compared to the South was openly expressed recently at the March 2002 Council meeting during the Spanish Presidency. The Spanish Ecofin Council President proposed the establishment of a Euro-Mediterranean development bank, but Spain was surprised when the Northern EU Member States asked for a better division of EIB credits between Northern and Southern Europe. In the end, there was no consensus on the establishment of a separate bank for the Mediterranean region; only a ”Euro-Mediterranean Investment Facility”[46] inside the EIB seemed be possible. This discussion may be an indication of growing political tensions between Northern and Southern Member States. One can deduce from it that there is no longer any real reciprocity between politicians of the two dimensions.

Conclusion

It is difficult at first sight to find the specific added value of the Northern Dimension. Ojanen asked: ”Would, e.g., environmental cooperation between the authorities of the countries in the region be somehow different if we did not have the concept of the Northern Dimension?” Her answer: ”Hardly. It might be difficult to see the difference in practice. The Northern Dimension seems more a label attached to various issues than anything else.”[47] The Northern Dimension is often evaluated on its content, but I think its added value could perhaps be found in the structure of the policy. The difference between internal and external policies fades between the three pillars. This implies, necessarily, some problems: there are many involved bodies inside the EU (the Commission with different Directorates-General, the Council, the European Council, the Presidency, ...) and, moreover, their competencies differ according to the pillar with which they are associated. A high degree of interdependence between the involved actors and bodies is necessary for the Northern Dimension to have any chance of succeeding, but its efficiency decreases because of that very complexity. The Northern Dimension comprises mainly external policy, but the CFSP has almost no impact in practice. It is sometimes even difficult to speak about a ”common” foreign and security policy in the EU context. This is a problem not only for EU foreign policy but also for the whole pillar structure. And thus this is also a problem for the Northern Dimension which, paradoxically, has the capacity to surmount that handicap in a creative way: We can see an example of its success if we look at its financial instruments. No extra costs are allowed for, but new funds like the NDEP Support Fund can be created.

The actual policies of the EU towards the near abroad have much to do with the philosophy behind the EU’s external and security policy. According to the Commission, the added value of the Northern Dimension can be found in strengthening positive interdependence. This means that the EU believes in the problem solving effects or the effects of stability and good neighbour relations that come from increasing positive interdependence between the states. On that view, the Northern Dimension is an example of how the EU manages globalization issues. The comparative analysis of the Northern Dimension and the Barcelona Process has proven that the concept of the Northern Dimension is not really new. So, on the one hand, the Northern Dimension does not redefine the EU’s external and security policy towards near abroad issues but uses, instead, an existing formula or model. Both the Northern Dimension and the Barcelona Process could be used as examples for other near abroad policies: we can imagine, for example, that something similar will be created for the Black Sea region; the creation of the Black Sea Economic Cooperation is perhaps already an impulse in that direction. In any case, that formula or model is a typical example of the European diplomatic approach. On the other hand, the Northern Dimension is an attempt to create a strategy, and a way to proceed, within the difficult EU decision-making structure and in a difficult international constellation. It is perhaps too early now to make any judgement about the Northern Dimension, but it seems to be an ambitious project in a complex setting. Is any policy better than the goals it sets itself?

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Whose Governance? Challenging the Dominant Northern Dimension Discourse

Hiski Haukkala

The Northern Dimension of the European Union's policies[1] can be seen as a product of the European Union's (EU) enlargement in many respects. Firstly, and rather self-evidently, it is precisely because of the previous enlargement in 1995, when Finland and Sweden joined the Union, that the EU acquired its 'northern dimension': the EU established its presence in the region and acquired a new form of direct physical contact with Russia in the form of the 1300-kilometer Fenno-Russian border: a border that represents, alongside the US-Mexican border, one of the greatest drops in living standards.

But this is a rather self-evident, and even somewhat shallow, argument. To take it a step further, the EU enlargement can be seen as the origin of the initiative in another sense as well, as the Finnish initiative in September 1997 was at least partly motivated by concerns related to the next forthcoming round of enlargement: Finland, as well as other issues pertaining to the North, were seen as facing a certain marginalization in the post-enlargement EU and it was therefore deemed necessary to secure the place of these issues on the EU's agenda well in advance of the enlargement; hence the initiative for a Northern Dimension.[2]

Thus the Northern Dimension was seen, in a sense, as an antidote to the expected growth in harmful plurality of the Union: a window of opportunity in securing the recent and hard-fought gains in the EU's awareness concerning the specific *problematique* of the North, in general, and the northwestern parts of Russia, in particular.

If we accept this interpretation of the underlying motives behind the initiative, then we must fear that the Northern Dimension is, in the coming months, indeed facing its biggest challenge. It seems certain that the Copenhagen European Council in December 2002 will invite ten new members into the Union and that, consequently, the EU's gaze will shift from the North to the East and to the South.

This is, however, only partially true. It is true that many of the most innovative features of the initiative risk being sidelined because of enlargement. One such feature is the role of the so-called partner countries that have been allowed - at least in principle - to take part in the internal policy formulation of the European Union. After enlargement the ND will have only three partners, Iceland, Norway and Russia, of which two will have more privileged avenues for their dealings with the Union, especially in the context of the European Economic Area agreement.[3]

This will result in a situation where the Northern Dimension will become centered almost entirely on Russia, a trend that has, however, been visible from the start. Paradoxically, this could bode well for the future prospects of the initiative, as it is the flock of newcomers, countries like the Baltic states and Poland - while not forgetting the others either - that have, firstly, a clear self-interest in the development of EU-Russian relations and, secondly, a lot of history and experience, although tragic, in dealing with Russia. Finally, they will also bring a marked increase in the mutual exposure already mentioned above, as they will practically double the current EU-Russian border, creating an opening and a demand for an increase in cross-border interregional cooperation. These trends could very well result in a strengthened push for the, at times, ailing ND.

So, there are both reinforcing as well as damping dynamics at play in connection with the current enlargement. In addition, and regardless of what lies in stock for the initiative's future development, it is nevertheless safe to assume that the ND has already secured its place on the EU's agenda, if for no other reason than bureaucratic inertia in the Commission: it is far harder to terminate existing projects, policies and offices in the EU than it is to start new ones!

But the issue of whether the Northern Dimension as an EU policy lives or dies, or succeeds or fails, may not be the most relevant question we should be looking into today. Perhaps one should look into the content of the initiative instead, in order to find out whose interests are dominating the agenda, i.e. whose governance is actually being implemented through the initiative in northern Europe.

Whose Governance?

The question of who controls the agenda concerning the Northern Dimension is a central one. In a sense Sylvi Jane Husebye already raised this important point in the first NRF when she asked the question 'who defines and implements the Northern Dimension?'[4] In her account, the Northern Dimension 'belonged to the EU' and only EU member states could effectively influence the development of it.[5] In his contribution, Tómas Ingi Olrich reinforced this interpretation by painting a rather bleak picture of the situation, arguing that the North is, and will continue to be, marginal in both geographical and geopolitical terms.[6]

This is indeed largely the case. Being an EU policy, the ND is part and parcel of the internal policy-making of the European Union where member states are engaged in constant competition and bargaining for a spot on the EU's highly competitive agenda.[7] This means that the content and future prospects of the Northern Dimension are largely decided on an *intergovernmental* level within the EU machinery. This results therefore, bearing in mind the severe difficulties that ethnic and national minorities often have in influencing their own respective national agendas, in a situation where the ND agenda is, in fact, out of reach for many of those who are either (adversely) affected by its policies or would like to have an active role in shaping its content.

In addition, partner countries, especially Russia, have been marginalized in the process. To be fair, this is partly due to the fact that Russia has been unwilling and/or unable to make an active contribution to the financing of the projects. This trend could, however, be changing as the improved financial situation of the Russian federal centre has allowed Moscow to participate more actively in the funding of the ND. The most prominent example of this so far has been the Northern Dimension Environmental Partnership (NDEP) pledging conference in July 2002, where Russia, together with other donors, claimed a 10 million euro stake in the fund.[8]

Challenging the Dominant Discourse: the Need for New Innovations

Despite the rather hard assessment of the initiative laid out above, the future of the Northern Dimension is still wide open. This is partly due to the very nature of the initiative, as the Finns, together with a few other proponents of the concept, have been unable or unwilling to make a too rigid definition of its content. Although this has often resulted in growing frustration in respect to the ineffectiveness of the initiative, one can also view the situation in a more favorable light. This vagueness, or open-endedness, of the Northern Dimension can also be seen as something that should be preserved rather than overcome by frenetic bureaucratic development of the initiative. This is so for two main reasons. Firstly, it is quite certain that the current as well as the post-enlargement power constellations within the European Union are unlikely to allow for a highly elaborated and lavishly funded Northern Dimension: the emerging ’northeastern bloc’ within the Union will not be powerful or prosperous enough to have the ND it would like to have. Leaving the ND’s destiny open for the time may thus serve its future needs and development goals very well.

Secondly, the open nature of the initiative creates an opening at the sub-regional and local level where numerous actors have already taken the initiative into their own hands, seeking to give their own interpretation to the ND. Therefore, rather than being a clear-cut policy or programme, the ’northern dimension’ can be perceived as an empty container that people can use for their own needs, ’filling’ it with their own interpretations of the subject. In this respect, the NRF can be seen as one of these attempts at reclaiming subjectivity in the northern fringe of Europe.

Indeed, it is in this wider interpretation of the concept that the prospects of ’northern governance without government’[9] can perhaps best be realized. By ceasing to concentrate all energies on the EU’s policy initiative, and by looking for other forums instead, it is possible to use the ’northern dimension’ for positive empowerment and emancipation in the North. This does not mean that the policies of the centre should be entirely abandoned - as that can often be done only at one’s own peril - but rather, that they should be complemented by seeking new solutions and by proposing alternatives to the existing policies. The ND should be seen as something larger than EU funds and cooperation schemes. And, in fact, the currently prevailing bureaucratic discourse which represents it as something that can, and should, be directed from Brussels should best be abandoned. Instead, the ND is being construed and implemented every day on the local level where old questions of sovereignty and divisive hard borders are already giving way to more open interpretations of the subject.[10] This does, however, require that the open approach envisaged above is preserved, and that the innovations in northern governance that are to be discussed here today are put to good use.

Notes

[1] Hereafter Northern Dimension, or ND. When written in capital letters the term refers to the specific policy of the Union; if written otherwise, it refers to a more general understanding of the term.

[2] Cf. Hanna Ojanen, ’How to Customize Your Union: Finland and the ”Northern Dimension of the EU”’, in *Northern Dimensions 1999 - Yearbook of Finnish Foreign Policy* (Helsinki: Finnish Institute of International Affairs, 1999).

[3] The membership of Iceland and Norway in the EU is not out of the question either. During recent months the debate in Iceland has been gathering increasing momentum, and it is very likely that if Iceland should start seriously considering EU membership then the Norwegians might feel compelled to follow suit.

[4] Sylvi Jane Husebye, ’Implementation of the European Union’s Northern Dimension - The Arctic Area’, in *North Meets North - Proceedings of the First Northern Research Forum*, p. 113.

[5] Ibid., p. 116.

[6] Tómas Ingi Olrich, ’*Implementation of a Northern Dimension*’, in *North Meets North - Proceedings of the First Northern Research Forum*, p. 119.

[7] Hiski Haukkala, ’Succeeding without Success? The Northern Dimension of the European Union’, in *Northern Dimensions 2001 - Yearbook of Finnish Foreign Policy* (Helsinki: Finnish Institute of International Affairs, 2001).

[8] The largest donor was the European Commission with 50 million euros. Also, Denmark, Finland, the Netherlands, Norway, Russia and Sweden all pledged 10 million euros for the fund, with promises of future assistance coming from France and the United Kingdom. *Helsingin Sanomat*, 9 July 2002.

[9] See James N. Rosenau and Ernst-Otto Czempiel, eds., Governance *without Government: Order and Change in World Politics* (Cambridge and New York: Cambridge University Press, 1992).

[10] There is an interesting debate going on on the subject; Pertti Joenniemi, especially, has made many inroads into the topic, using the Northern Dimension as a case in point. Cf. Pertti Joenniemi, 'The Northern Dimension: Allegiance or Revolt?', in Lassi Heininen and Gunnar Lassinantti, eds., *Security in the European North: From 'Hard' to 'Soft'* (Rovaniemi: Arctic Centre, University of Lapland and The Olof Palme International Center, 1999). See also Pertti Joenniemi and Marko Lehti, 'The Nordic and the Northern: Torn Apart but Meeting Again?', in Marko Lehti and David Smith, eds., *Post-Cold War Identity Politics: Northern and Baltic Experiences* (London: Frank Cass, forthcoming 2003).

Changing Strategies of Environmental Co-operation between Finland and Russia

Nina Häyrynen

Since the early 1980's, transboundary environmental problems originating from the Soviet Union and Russia have received a lot of public and political attention in Finland. Discussion has centered around the effects of pollution from the Kola peninsula (especially in the late 1980's), the safety of Russian nuclear power plants, and, lately, mainly around the pollution of the Baltic Sea. For the past 15 years environmental co-operation with Russia has formed an important part of Finnish foreign policy towards Russia. Good results have been achieved, in particular, in relation to the development of the water sector in St. Petersburg.

From the official beginning of Finnish-Russian environmental cooperation in 1985, Finland has deployed different means at different times to contribute to environmental protection in Russia. Because of the economic depression following the collapse of the Soviet Union in 1991, an essential element of the Finnish bilateral strategy has been environmental assistance given mainly to joint investment projects. Nowadays, the focus of the Finnish environmental co-operation policy is more on multilateral than bilateral activities and projects because of Finnish membership in the European Union and in other regional bodies, and because of the vast scale of environmental problems that need to be tackled. Finland has also been influential in persuading other European countries to give financial and technical assistance to environmental protection projects in Central and Eastern Europe.

Considerable political changes in Russia, as well as political procedures developed within the European Union and in Europe in general, have naturally had a strong impact on Finnish-Russian environmental co-operation. In addition, the way in which environmental problems and policies are defined and tackled nationally and internationally has undergone changes during this period. These developments explain the changing strategies of Finnish-Russian environmental co-operation.

Based on my ongoing doctoral research and interviews1 with Finnish environmental authorities this paper describes, firstly, the development of Finnish-Russian environmental co-operation, and, secondly, how the use of different strategies in the Finnish-Russian environmental co-operation at different times may be explained by different political changes and developments.

Environmental Co-operation between Finland and the Soviet Union

During the 1970's and early 1980's, environmental issues gained considerable political priority in the national policies of most Western countries. Environmental administration started to develop, and in Finland, for example, the Ministry of the Environment was established in 1983. Besides national policy development, environmental issues were also raised to the international political agenda, the first step being the United Nation's Conference on the Human Environment, in Stockholm in 1972. Finland was among the first countries to propose international solutions to transboundary pollution problems. Furthermore, she was the first to start serious environmental co-operation with the Soviet Union and its successor state, Russia. (e.g. OECD 1997).

While Western European countries can be considered forerunners in environmental politics and policy, in the Soviet Union, as well as elsewhere in Central and Eastern Europe, environmental problems were at the very bottom of political agendas. In the 1970's and 1980's, there was some environmental co-operation between Finland and the Soviet Union, but it was concentrated mainly on the exchange of scientific and technical knowledge in the framework of the Finnish-Soviet Commission for Scientific and Technical Co-operation. (Interview, 2002.) This committee had working groups in several disciplines in not only the natural sciences, but also in the social sciences and humanities (Kivinen & Sutela 1999, 13).

In the Soviet Union, environmental problems assumed greater political importance only with the beginning of Mikhail Gorbachev's glasnost policy in the latter half of the 1980's (e.g. Feshbach & Friendly 1992). From that time, Gorbachev's glasnost offered an opportunity to begin serious Finnish-Russian co-operation in environmental matters at an official level. The framework agreement on environmental co-operation was signed by the Finnish and Soviet governments in 1985[2] (Hiltunen 1994, 36). In the agreement, the parties recognized that transboundary pollution needs to be combated through mutual co-operation. Even though the agreement did not contain any obligations to reduce pollution, it facilitated opportunities for future co-operation (ibid. 36).

The first concrete achievement of the new co-operation was brought about four years later, when the countries agreed on a bilateral action programme for limiting air pollution in areas near the common border. In the programme, both parties committed to decreasing total emissions of sulphur by 50 percent from the 1985 levels by the end of the year 1995. In addition, the parties agreed on reducing emissions of nitrogen and heavy metals. In reality, the agreement only required activities by the Soviet Union; Finland had already reduced its sulphur emissions by 50 percent by the end of the 1980's. (ibid, 36-38.)

Environmental Co-operation between Finland and Russia

As a result of fundamental changes in the late 1980's and early 1990's in Central and Eastern Europe, the government of Finland developed strategies and action plans for co-operation with countries in transition. In January 1992, Finland and the Russian Federation signed an agreement on co-operation in the Murmansk Region, the Republic of Karelia, St. Petersburg and the Leningrad Region. This agreement defined the juridical framework for the co-operation, and encouraged regional and local authorities to develop direct links across the border. (Interview, 2002; Ympäristöministeriö 2000.)

Within the framework of this so-called Finnish Neighboring Area Co-operation, a special department called the East Europe Project was set up in the Finnish Ministry of the Environment in the beginning of the 1990's. It was established to assist Eastern Europe and the countries of the former Soviet Union in treating transboundary environmental problems. Since then, Finnish environmental co-operation has been organised through this project (now called the Unit of Neighboring Area Co-operation in the Finnish Ministry of the Environment), which receives its earmarked budget funds[3]. The Unit of Neighboring Area Co-operation of the Ministry of the Environment takes care of co-operation in water and air pollution management, waste management, nature protection and the development of environmental legislation and administration. Nuclear safety co-operation is carried out through the Finnish Radiation Protection Agency. (Interview, 2002; Ympäristöministeriö 2001.)

The main instrument for co-operation within the Unit of Neighboring Area Co-operation of the Finnish Ministry of the Environment is financial assistance to joint investment projects. In addition, some technical assistance, e.g., scientific and educational co-operation and training in environmental issues, is given. The main criteria for assistance given by the Finnish Ministry of the Environment are the following: the assisted counterpart has to cover a minimum of half of the expenses, the assisted project needs to reduce transboundary pollution in Finland, and the project should promote the use of Finnish environmental technology. Finances are always allocated to the Finnish co-operation partner, usually to a Finnish private company - the Russian counterpart does not get money, but receives instead, for instance, equipment or help in implementation. This is one way to avoid the potential problem of the lack of financial transparency in projects (cf. Pursiainen 2001, 30), and to get local counterparts committed to projects. What is more, it was the only possible way to act in the unstable political conditions in the last decade of the 20th century. (Interview, 2002.)

The East Europe Project started its work by identifying the main environmental problems in the areas adjacent to Finland. On the basis of this, a ’hot spot’ list of twelve priority projects in Russia - four in Karelia and eight elsewhere in Russia - were listed. The list consisted mainly of water and air pollution prevention projects, and the list still serves as a guideline for co-operation activities of the Finnish Ministry of the Environment. (Interview, 2002.)

While air pollution issues were the co-operation priority (at least in public discussion) in the 1980’s, water issues and the protection of the Gulf of Finland and the Baltic Sea have, without doubt, grown in importance since then. In the strategies of the Finnish Environmental Co-operation in the Neighboring Areas (1991, 1996, 2001), the basic aim of Finnish environmental co-operation with Russia is said to be the protection of the Gulf of Finland. (Ministry for Foreign Affairs of Finland, 2000.) Thus, most of the projects financed by Finns in the 1990’s have been carried out in the St. Petersburg region, and they have aimed at improvements in the water sector. The Finnish Ministry of the Environment started its (still) ongoing co-operation with *Vodokanal St. Peterburga*, the waterworks of St. Petersburg, in 1991 already (The Finnish Ministry of the Environment 2002). This co-operation aims at resolving the problem of the unprocessed waste water of St. Petersburg - the city is among the biggest polluters of the Gulf of Finland and the Baltic Sea, and its waste water problem was already mentioned in the priority project list of 1991.

One of the first and most extensive projects launched by the East Europe Project has been the modernisation of the Kostamuksha mining complex, a Karelian combine emitting large amounts of sulphur dioxide. The modernisation project began already in 1992, but, so far, it has not really produced any results. Similarly, during the latter half of the 1990’s, other projects in Karelia assisted by Finns have decreased almost to zero. Explanations for this are manifold, but part of the explanation is that the administrative decentralisation in Russia has led to impoverishment of the Karelian republic, and that is why it has not been able to respond anymore to the demands of the Finnish side. (Interview, 2002.)

All in all, Finland has earmarked yearly approximately 10 million euros for environmental co-operation, and nearly one thousand environmental projects have been carried out in the nearby areas. About one third of the funding has been addressed to Russia, and two thirds to the Baltic States and Poland. (Ministry for Foreign Affairs of Finland, 2000.) During the last ten years the Finnish Ministry of the Environment has assisted environmental projects in its neighboring areas to the tune of 110 million euros, and water protection projects in St. Petersburg by 13 million euros (The Ministry for Foreign Affairs of Finland, 2000; The Finnish Ministry of the Environment, 2002).

Multilateral Co-operation Aimed at Improvements of the Environment in Russia

In his famous ’Murmansk speech’ in Murmansk in 1987, General Secretary Mikhail Gorbachev stressed the need to start co-operating internationally in soft security issues instead of maintaining the confrontation of the cold war period (Gorbachev 1987). Since then, environmental issues of the Arctic regions have, especially, been tackled in international collaboration. (e.g. Heininen 1999.) The main focus of this collaboration is on Russia, on the one hand because of its huge size and immeasurable, rich natural resources and, on the other, because of the polluted air, water and land it inherited from the Soviet period.

At the moment Raussia's main environmental co-operation partners are Finland, Sweden, Norway, Denmark, Germany and Great Britain. Other countries, such as the United States, are not especially interested in investing in the environment in Russia. (Interview, 2002.) Compared to the overall volume of western financial aid to Russia, the amount of funding addressed to environmental protection is relatively small. This is understandable, because investments in the state of the environment rarely bring direct profits to the investor - thus only the states that will most evidently suffer from environmental degradation and transboundary pollution originating from Russia are ready to spend their money in improving the ecological situation there.

The Finnish contribution to the state of the environment in the Russian regions adjacent to Finland can be only minimal compared to the needs, which is why multilateral means of assistance are required, and heavily encouraged by the Finns. Accordingly, in the latter half of the 1990s, alongside Finnish membership in the European Union, Finland reoriented its strategy of environmental co-operation with Russia more towards multilateral co-operation. At present, over half of Finnish aid goes to multilateral co-operation and to the activities of international financial institutions such as the European Bank of Reconstruction and Development, the Nordic Investment Bank and the Nordic Environmental Financing Company (Nefco) that carry out environmental projects in Russia. (Interview, 2002.)

As to the environmental co-operation strategies of the European Union directed towards Russia, I consider the so called Northern Dimension of the European Union the most important instrument. The Northern Dimension serves as an umbrella for different co-operation activities in Northern Europe, with an emphasis on Russia and on environmental protection. It is explicitly connected to regional councils (such as the Arctic, Barents and Baltic Councils, in which both Finland and Russia participate actively) in that its implementation is intended to be carried out within these regional bodies. Last July (2002), the participating bodies (the EU commission, some of the EU member countries, Russia, financing companies, etc.) agreed on the establishment of an environmental fund for the Northern Dimension (NDEF). Russia also committed itself to contributing to this fund.

Political Factors that Have Shaped the Strategies of Co-operation

Heidi Hiltunen (1994) has described the first phase of Finnish-Soviet/Russian environmental co-operation as the phase of scientific co-operation and the demanding strategy, as distinct from the phase that can be regarded to have started after the collapse of the Soviet Union. By the concept 'demanding strategy', Hiltunen means that Finland put pressure on the Soviet Union to solve environmental problems, and co-operation was mainly carried out at the high political level in the form of making agreements and action programmes.

In my opinion, the reason for using the demanding strategy was merely that, with the Soviet Union, all co-operative activities had to be operated through Moscow and, even then, mostly in the form of governmental agreements. Contacts on the regional level were not encouraged by the leadership of the Soviet Union. For example, in the framework of the Finnish-Soviet Commission for Scientific and Technical Co-operation, contacts were restricted mainly to Moscow, and it was only during the perestroika years that they enjoyed a broader geographical coverage (Kivinen & Sutela 1999, 13).

In general, Mikhail Gorbachev's glasnost policy in the Soviet Union in the latter half of the 1980's meant changes in all aspects of co-operation, as I have already mentioned. Serious environmental co-operation took its first steps and, within the further political developments, became an established part of Finnish-Soviet/Russian relations. In the unstable political conditions after the collapse of the Soviet Union however, the demanding strategy had to be replaced. On the one hand, there were other, more politically urgent issues to handle on the high political level, and, on the other, it became unclear who was responsible for what in the new situation (Interview, 2002). But to view it another way, the new situation provided opportunities to start co-operating directly with individual regions and grass root organizations, on more concrete issues, namely, projects. With the establishment of the Unit of Neighboring Area Co-operation in the Finnish Ministry of the Environment in 1991, the Finnish-Russian environmental co-operation strategy changed towards the carrying out of concrete projects. This new phase Heidi Hiltunen (1994) calls 'a phase of supportive strategy', a strategy that is composed of giving financial and technical assistance.

The supportive strategy, which is still applied more or less as a guideline for co-operation, has, in general, been quite successful. There are some projects that have not resulted in anything, but most of the projects have had positive results. Many projects that Finns have launched are now continuing in multilateral co-operation (Interview, 2002). Finland has encouraged other countries and the European Union to take part in environmental protection activities in Eastern Europe, and her membership in the European Union has given more opportunities for this 'lobbying'.

This 'multilateralisation' development of the Finnish environmental co-operation strategy on Russia can be explained both by Finnish EU membership and by the overall development of international activities. EU membership has not, however, had direct influence on the Finnish environmental co-operation with Russia: the EU's instruments for co-operation with Russia - the Partnership and Co-operation Agreement (PCA), the Common strategy for Russia, and the Tacis programme - are strictly EU-strategies; they are separate from strategies of individual member countries. (The Northern Dimension is an exception.) Unstable economic and political conditions in Russia have made co-operation difficult occasionally. One of the biggest problems has been the gradual weakening of environmental administration in Russia. The Russian Ministry of the Environment was closed down in 1996, and its successor, the State Environmental Committee, met the same fate in May 2000. After these shutdowns, the Finnish (and other) associates have found it complicated to reach the officials with whom to negotiate for co-operation. In addition, after the ruble crisis in 1998 it was, for the moment at least, almost impossible for the Russians to finance any projects, and that resulted in temporary stagnation in the Finnish-Russian environmental co-operation. (Interview, 2002.)

When it comes to the environmental problems of primary concern in the Finnish-Russian environmental co-operation strategies, it can be said that, in the beginning, issues of nature protection and air pollution were the most important ones. The reason behind air pollution being the first problem to be tackled can be explained, at least in part, by international concern about transboundary air pollution, or, more precisely, acid rain: the Geneva Convention on long-range transboundary air pollution had been signed already in 1979. Moreover, sulphur oxides and heavy metals originating from nickel smelters in the Kola Peninsula were, in the last years of the 1980's, believed to be causing serious damage in Finnish Lapland. (Hiltunen 1994, 34.) The concern for the fate of the forests in Lapland directed Finnish public attention, for the first time, to the huge environmental problems the Soviet economy had created (e.g. Väliverronen 1996).

Since the beginning of the 1990's marine pollution issues have, without a doubt, deserved the greatest attention. The Baltic Sea is one of the most polluted seas in the world, and one of its biggest polluters is the city of St. Petersburg. The pollution of the Baltic Sea has been tackled internationally since the 1970's already in the framework of the Helsinki Convention. Given the Baltic countries' recent application for, and attempts to fulfil the requirements of, European Union memberships, the protection of the Baltic Sea is a logical, common goal of all Finnish environmental co-operation.

Conclusion

It can be said that the Finnish funding addressed to environmental co-operation with Russia has been only first aid, while most of the investment projects have focused on technical improvements. One could make the criticism that projects focused on changing institutional structures or practices would, in the long run, have been more influential than these kinds of technical ”pipe-end” solutions. The Norwegians, for example, have claimed that Finland is not as much interested in improving the state of the environment as it is interested in advancing the trade of Finnish environmental technology. (e.g. Hiltunen 49.) Nevertheless, the Finnish partners have, so far, preferred the so-called ”pipe-end” assistance strategy, and there are several reasons for this.

Throughout the 1990’s, Finnish-Russian environmental co-operation remained stable in quantity and quality. This indicates that the strategies of the co-operation have been flexible enough to accommodate all the changes that took place during the decade, from the instabilities in the Russian economy to the shutdown of the Russian environmental administration. In addition, Finnish enterprises have been active in launching projects and seeking personal contacts with Russian partners, and in hard times these personal contacts have been a big help.

In general, Finnish-Russian environmental co-operation has been quite successful. Most of the projects have had positive results, at least from the Russian point of view: most projects, however, have had positive effects on the environment only locally, because the volume of environmental problems is too great compared to available funding. Thus, for achieving the Finnish goal of greatest importance - protection of the Gulf of Finland - the Finnish contribution has not been sufficient. This is a reason some parties have used to argue for discontinuing entirely environmental co-operation with Russia: Finland has no money to carry out projects that are extensive and effective enough to solve the problems. For this reason, Finland introduced a ’multilateral co-operation strategy’ in the late 1990’s, that is, it put more emphasis on multilateral means of environmental co-operation with Russia. This ’multilateralisation’ development of the Finnish strategy is not entirely positive: only big cities and huge projects get funding from international financial organisations, whereas poorer areas and smaller projects are on their own as they are not able to fulfil the financial organisations’ requirements for loans. Thus, to my mind Finland should continue giving bilateral aid to poorer regions, such as Karelia, while at the same time contributing to multilateral projects. Finland should also invest more in education, research and know-how co-operation in environmental matters.

All in all, the present strategy which concentrates on co-operation between companies and actors at the local level seems to be the only option for co-operation in present-day Russia where environmental administration, basically, does not exist. We can, obviously, forget about the demanding strategy of the 1980’s. More effort should, however, be made to promote projects aiming at institutional improvements of environmental management. Now that president Putin has shown himself to be highly oriented towards the West, one might assume that the standing of environmental co-operation in Russia will also be raised. In any case, because of the Northern Dimension’s environmental fund, intensified international environmental co-operation with Russia is evident in the future, and the Finnish co-operation strategy will likely become even more multilateral.

Notes

[1] The information given in this paper is based mainly on interviews made with environmental authorities of the Finnish Ministry of the Environment and the Finnish Ministry for Foreign Affairs during the spring and summer of 2002. Respecting the expectations of the persons interviewed, names and posts of the interviewed are not mentioned but referred to only as ’an interview’ here.

[2] An agreement similar in content was signed with Russia in 1992, after the collapse of the Soviet Union.

[3] Since 1997 the money has been budgeted to the Ministry for Foreign Affairs which then allocates the project funds.

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Stallo´s Knife?: An Historical Analysis of the Saami/United Nations Relationship

Christian J. B. Hicks

It is believed that the Saami arrived in the Fenno-Scandinavian region just over 10,000 BPE.[1] They are considered the first residents of this area.[2] The Saami followed their food sources, which moved northward behind the retreating glaciers. They eventually inhabited all of present-day Norway, Sweden, Finland, and the Kola Peninsula almost as far south as present-day Tallinn, Estonia. (Important Years in Saami History, 1996)

A Brief Saami History

As the Saami inhabited the different ecosystems they adapted to the varying local conditions. On the coastal fjords and bays of Norway, they utilized the resources of the sea. In the mountains and forests farther inland, hunting and gathering became the norm. The inland lakes of Finland and Northwestern Russia were used for their abundant pike, trout and other freshwater fish. And for some of the Saami, away from major fishing areas, reindeer became the major food source. (Baer, 1994, 51)

With time, the people who make up the dominant ethnic groups of present-day Norway, Sweden, and Finland moved into the homeland of the Saami, due to pressure from competing tribes in the south. The first documented contact between these two groups however, came in the ninth century when Ottar of the Norwegian Vikings traveled far to the north and east (Kola Peninsula).

Eventually, the rulers of Fenno-Scandia realized the wealth of resources available in the North. They tried to cement their land claims in Sapmi through settlement and taxation.[3] By taxing the locals, each country attempted to prove their sovereignty. At one point, three different monarchs held claim to Northern Fenno-Scandia and, simultaneously, levied taxes on the same Saami to prove it.

Eventually, in the mid-eighteenth century, the three nations worked out their land-claim issues. (Dellenbrant, 1997, 163) Norway's Finnmark borders became very similar to what they are today. Sweden and Russia split up the land that would later become Finland.

In the nineteenth century, Saami were viewed as being at a lower social evolutionary level than other Scandinavians. As Social Darwinism advanced, it became a national desire to lift the Saami from their wretched circumstances and to help them progress to modernity through education. It was also seen as a form of equality to educate the Saami as other Scandinavians. The government policy was to educate the Saami children; in Norway, for example, it was called *Norwegianization*.[4] This policy would allow the Saami to 'catch up' with the Nordic ethnic majority in formal education. Saami language and culture were 'harmful' and Norwegian or Swedish language and culture were 'progressive'.

Saami Today

The Saami educational assimilation policy continued until the mid-twentieth century. As social theory changed and the Saami presence became more acceptable within Norway, Sweden and Finland, the anti-Saami language rules were softened. Starting in the 1960's, the Saami began to assert themselves strongly. Their presence was seen in political and social venues throughout Fenno-Scandia. With the changes in the Saami political assertiveness came a change in Saami well-being. Today the political and societal standing for Saami individuals is at its highest in all of history. There are Saami schools, social organizations, businesses, and political parties. The Saami language is about to be recognized as an official language on all government documents that pertain to Saami issues. (Nystad, 2002) The standard of living for Saami is nearly equal to that of their fellow Scandinavian citizens. Though the situation has changed for the better, many things have yet to be resolved. Land claims and hunting rights issues are continuously worked and reworked for the Saami. Though the three Nordic countries have made great strides in Saami rights, they are technically all in violation of certain United Nations (UN) mandates. (UN, 1995) Many of these are rights that the Saami feel should have been granted already.

The Saami have increased their international presence greatly since the 1960's. In the last ten years this presence has become a major force in indigenous politics and human rights. They have interacted with other indigenous groups, at all levels of national and international organizations, and have done so perhaps more effectively than almost any other indigenous nation.[5] They have done so in a unique way in comparison to other ethnic minorities.

The Saami have never been a cohesive ethnic group. (The Kola Lapps, 2001) The contemporary pan-Saami movement was created out of an ethnic artificiality. There were only minor indications of such a thing as a pan-Saami culture prior to the 1960's. The only exception to this may be the Saami movements in the early twentieth century. Karl Nickul points out, "There was Lappish collective action prior to mid 1920's but stopped then because of the negative attitude of the authorities." (1977, 75) The Saami elite found it necessary to create such a paradigm (with the help of non-Saami) to legitimate and authenticate their land, resource, intellectual, and cultural claims. (Conrad, 1999, 1) By creating such an artifice the Saami movement has been able to increase their presence. It has been an effective tool for presenting a cohesive front in the struggle for self-determination and political interplay: "It [successful Saami political organization] must have a complete political action program - one that is almost ideological in scope - that can unite the Saami community in support . . . to a great extent, the Nordic Saami have been able to accomplish this with the establish[ment] of national and pan-Nordic organization[s] to represent their collective interests . . . . " (Sillanpää, 1994, 228)

The Saami participate in and/or sponsor many transnational conferences and alliances.[6] "The Sami (Lapps) of Sweden, Norway and Finland have also been active on the international scene, both at United Nations meetings and as founder members of the World Council of Indigenous Peoples." (Burger, 1987, 60) Saami work closely with the Inuit Circumpolar Conference (ICC), the Russian Association of Indigenous Peoples of the North (RAPON), and other indigenous groups. Before the current 'International Decade of the World's Indigenous Peoples' was even conceived, the Saami were leading international conferences and forums.

World Council of Indigenous Peoples

In 1975, the Nordic Saami Council and other indigenous groups held a conference in Copenhagen to make the final preparations for the World Council of Indigenous Peoples (WCIP).[7] "The WCIP was established to create a formal relationship to the United Nations and to have the concepts of aboriginal rights accepted internationally as basic economic and political rights of indigenous peoples.” (Sanders, 1977, 6) A strategy, a budget, and a delegation of experts were adopted at that time. Aslak Nils Sara, an experienced Saami political activist was elected to the delegation as a representative of Europe and Greenland. It was one of the first non-governmental organizations (NGOs) to receive consultative status at the Economic and Social Council (ECOSOC) of the UN. The WCIP proved to be a powerful force in indigenous politics until it fell apart in 1996 because of internal conflict. (Henriksen, 2002) Before its dissolution, the WCIP performed two major functions. It gave its members concrete experience in international politics, and it presented indigenous politics to the United Nations.

The Saami have proven their adeptness at forming international partnerships and motivating politically for indigenous rights. ”The Saami have formed alliances with other aboriginal peoples through such organizations as the WCIP. Such initiatives have enabled the Nordic Saami to have their rights as an aboriginal people discussed in international fora.” (Sillanpää, 1994, 229)

Saami and the ILO

The International Labour Organization (ILO) is an international organization that promotes and protects the rights of the employee. It has a tripartite system made up of governments, employers, and employees. It has been a long-time ally to indigenous peoples. The ILO Convention Number 107 of 1957 was the first international legislation that dealt with indigenous people explicitly. Though it came at a time when assimilationist policies were the norm, it was a major leap forward for indigenous rights. No indigenous group was involved in the drafting of this convention. The nation-states were still the only participants allowed at such a high international level. The Saami were not involved both for this reason and because they had just formed the Nordic Saami Council one year earlier in 1956.

The review of 107 *did* see indigenous participation. The most significant participation came from the Nordic Saami Council. In 1986, the ILO Convention 107 was up for review. Leif Dunfjeld, currently a Senior Advisor to the Norwegian Ministry of Municipal Affairs, was working in Geneva in November 1986. At that time he was working as a representative for the Nordic Saami Council in the Working Group on Indigenous Peoples. Though none of the other indigenous groups saw the significance of participating in this process, Mr. Dunfjeld was a major player in the revision process. When the agenda had to be decided for the 1988 ILO conference, eight different proposals were submitted, and the Saami Council’s was heard and adopted. (Dunfjeld, 2002) ILO Convention Number 169 is the revision of and replacement for Number 107. The assimilationist policies have been removed and its provisions are much more current. The first country to ratify this document was Norway.

Saami and the United Nations

Arguably the most important international influence by the Saami has been felt at the United Nations. The Saami were instrumental in the formation of nearly all aspects of the United Nations that dealt with indigenous issues. (Nystad, 2002)

The Permanent Forum on Indigenous Issues is a long awaited advisory committee placed directly under ECOSOC. Its mandate is to, ”review developments pertaining to the promotion and protection of human rights and fundamental freedoms of indigenous peoples. [The Permanent Forum on Indigenous Issues is] to give attention to the evolution of international standards concerning indigenous rights.” (UN, 1982) The PFII can be seen as the most significant achievement for indigenous peoples at the international level. Now indigenous leaders can voice their concerns and issues in a venue where they have to be heard. The only way that they could be silenced would be if the Permanent Forum were dissolved.

The first person to come up with the idea of the Permanent Forum was Lars Anders Baer. A Swedish Saami, Lars Anders Baer is a long time activist in national and international Saami politics. At

ECOSOC's forty-ninth session of the Commission on Human Rights, Mr. Baer proposed that "The institutional framework of the UN must also be strengthened in view of the increasing importance of issues affecting indigenous peoples; that could be done by creating a permanent advisory body within the UN consisting of representatives of indigenous peoples themselves." (UN, 1993, 14) In addition, John Bernard Henriksen proposed the current structure of the Permanent Forum. (Nystad, 2002) Mr. Henriksen, a Saami and an advisor in the Norwegian Foreign Ministry was, in 1994, a representative and legal advisor for the Nordic Saami Council to the United Nations. (Henriksen, 2002)

Nordic Saami and International Fora

Saami political leaders have become quite effective in promoting indigenous and Saami rights throughout the United Nations because of their years of participation on all levels. They have learned how to work the system within the UN where other indigenous groups stumble. As Rigoberta Menchu Tuz, the Peace Prize Nobelist noted at this year's Permanent Forum on Indigenous Issues, the Forum started in the corridors of the UN. (Tuz, 2002) The first president of the Norwegian Saami Parliament (Norske Sametinget) was Ole Henrik Magga, who had been a representative of the Saami at many UN meetings. Based on his diplomatic style and his understanding of the UN system, he was chosen to be the inaugural Chairperson for the PFII. He displayed his experience throughout the proceedings in New York, and his appointment can only mean increased exposure and benefit for the Saami as a people.

Future Implications

Saami political leaders continue to view the United Nations as an important step towards greater self-determination. In 1998, the Norwegian Saami Parliament published their three year plan for future actions. This document outlined the importance of continued work with ILO 169 and the United Nation's WGIP. (Norske Sametinget, 1998, 48-50) In addition, Anne Nourgam, President of the Saami Council, pointed out in 2001 "We Saami also work side by side with other indigenous peoples. We are deeply committed to fighting for the human rights of indigenous peoples collectively. This is demonstrated through our on-going and continuous work at the United Nations and other international fora." (Sami Council, 2001)

It had already been noted that "International law has become an increasingly significant means by which the Saami and other aboriginal minorities are able to expand their legal position within their own countries. One can expect this trend in the development of minorities rights will increase." (Sillanpää, 1994, 233)

As the Saami political leaders have cemented their own position in international politics, they have turned their attention toward helping other indigenous groups. Indigenous peoples in Africa, Central and South America, and Asia have all benefited from the experience and resources of the Saami Council. John Bernard Henriksen initiated a workshop series for indigenous groups to be held before and after WGIP meetings. These workshops are to familiarize less experienced indigenous leaders with the nuances of international politics. (Henriksen, 2002)

As a dominant indigenous group, the Saami feel it is their obligation to help less fortunate groups. The Maasai of Africa, the Tibetans of Asia, and the Chittagong Hill Tribes of Bangladesh have all received support from the Saami of Scandinavia.[8] The different UN agencies that deal with indigenous issues have also benefited greatly from the Saami influence. In 1997, through the Saami, Sweden gave $61,633 and Norway gave $68,552 to the Voluntary Fund for the International Decade of the World's Indigenous People. (UN, 1998, 10) In 1997-1998, Finland and Norway contributed nearly $100,000 each in addition to the money given to the Voluntary Fund.[9] (UN, 1998, 4)

Besides their UN associations, Finland, Norway, and Sweden are involved in various regional collaborations. Since 1996, the Nordic States and the Saami have been members of the Arctic Council. The Arctic

Council is revolutionary because it is a vast regional organization which has (nearly) equal participation by national governments as well as indigenous groups of the Arctic. It is a policy driven organization whose aim it is to promote sustainability and equality in the Arctic. The Saami are just now starting to become involved in the Barents Euro-Arctic Council which is focused on certain fields of cooperation: economy, trade, science and technology, tourism, environment, infrastructure, educational and cultural exchange, health issues, youth, and finally indigenous peoples. (Granholm, 2001) The Norwegian Saami Parliament sees this organization as another priority area for future exploitation. (Nystad, 2002)

What does this all mean for the Saami? Have their leaders in the international arena changed their own situation? Have they improved self-determination for their fellow Saami? This author would contend that this is the case.

The Scandinavian countries enjoy certain benefits in the global environment from being human rights leaders. They are viewed as the most progressive in the world in this respect. The more global links that are created between regions and communities, however, the more accountability there is. When Canada increases self-determination for its indigenous people, the Scandinavians feel they must match and surpass them in their own policies. (Henriksen, 2002) When the Saami make a proposal at the Working Group on Indigenous Populations, Norway usually feels it must comply. Norway has a great deal at stake when it comes to these policies: It is both good politics and good business to have their exemplary human rights record. In ratifying ILO 169, Norway entered into an agreement of compliance.

Despite the fact that not all politicians in Norway agree with the terms of ILO 169, they are bound to comply. (Dunfjeld, 2002) ”For NGOs generally, and indigenous peoples in particular, the human rights system has become an increasingly important arena for reminding governments of their internationally mandated obligations.” (Pritchard, 1998, 7) The minimum standards set by ILO 169 have improved land rights and self-determination for the Saami. Even with the resistance in municipal and national governments, Saami involvement in the international arena should continue if the recent historical situation is any indication of the future. Financial and moral resources may be weakening slightly for Nordic Saami; but there is no indication that they will be lost altogether.

Notes

[1] Saami is the name that Lapps call themselves and is currently accepted universally as their correct designation.

[2] The recent discovery of non-Saami skeletons and artifacts in Norway that date prior to the end of this ice age counters this argument. (Mayell, 2001)

[3] Sapmi is the Saami name for their homeland or Northern Fenno-Scandia, previously called Lapland.

[4] Norwegianization is the term given to the Norwegian policy of controlling the cultural stimuli that Saami school children were exposed to. The Norwegian school system removed all aspects of Saami culture and language from these children’s lives, and they were immersed in the society of the Norwegian majority. Though now highly controversial and no longer practiced, at the time it was seen as the best way to create equality for Norwegians and Saami alike. The goal was to make all citizens of Norway Norwegian.

[5] The only exceptions would be the Canadian Inuit and First Nations, who have outstanding rights themselves.

[6] In this text transnational refers to across-border cooperation by sub-governmental groups beyond national borders (e.g. the Inuit Council and the Saami Nordic Council). It can also be cooperation between sub-governmental groups and governments of other states (e.g. between the Saami Nordic Council and the Russian Federation). It should be noted that the Saami do not think of themselves as one group but as a people made up of a number of groups. This is changing with the organization and cooperation of the different Saami groups throughout the circumpolar world.

[7] The Nordic Saami Council changed its name and focus from a purely Nordic organization to the Saami Council when Russian Saami were allowed to participate in 1996.

[8] Not to mention the poorly experienced and funded Russian Saami of the Kola Peninsula.

[9] All figures given in US dollars.

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Constructing the Arctic as an International Region

E. C. H. Keskitalo

Our present conceptions of the Arctic have emerged over time as a result of both history and the polar research tradition through which the Arctic as concept has been formed. The notions these have yielded influence us as to how areas depicted as ’Arctic’ come to be seen. The Arctic can thus be better understood as a concept with particular connotations than as a particular land area which we can understand objectively. Exploration and the field of polar studies have, in particular, played a crucial role in shaping our understanding of the Arctic. This paper will outline how the Arctic has been seen and developed as a concept historically in research and state practice, how the interests in Arctic discourse differ between States, and how the Arctic as an international region has developed on this basis. The paper also criticises the view that a discourse developed on such a limited basis would be able to accurately describe the wide-reaching area currently considered as Arctic.

The Development of an Arctic Approach

The Arctic has long been seen as a peripheral area, exotic and different, and for that reason has mainly been the object of special interests and purposes. Exploration, polar studies and security concerns have been some of the areas in which the Arctic has been made relevant. Following the impetus of *exploration*, which focused on describing and researching unmapped areas of the globe, *polar studies* emerged as a common field for studies of, primarily, the geophysical and environmental features of cold areas. This interest was manifested especially through two International Polar Years (IPY) for research, 1882-3 and 1932-3, and the International Geophysical Year, 1957-8. Significantly, in all of these proceedings the Arctic and the Antarctic were considered together, with a focus on environmental features. The only significant exceptions were some anthropological studies of indigenous Inuit in North America and of indigenous peoples in the Russian far north (see, e.g., Barr 1983). The focus of research covered the actual climatic arctic (defined in a more restricted sense than today’s largely political Arctic), and included Svalbard, northern Canada and its archipelago, Greenland, northernmost Russia, and Alaska. In the case of all these areas, the focus was on the exotic, the different - either through anthropological or through environmental differences - and perhaps drew in some measure on what was already an established romantic tradition, the Arctic sublime (cf. Riffenburgh 1993).

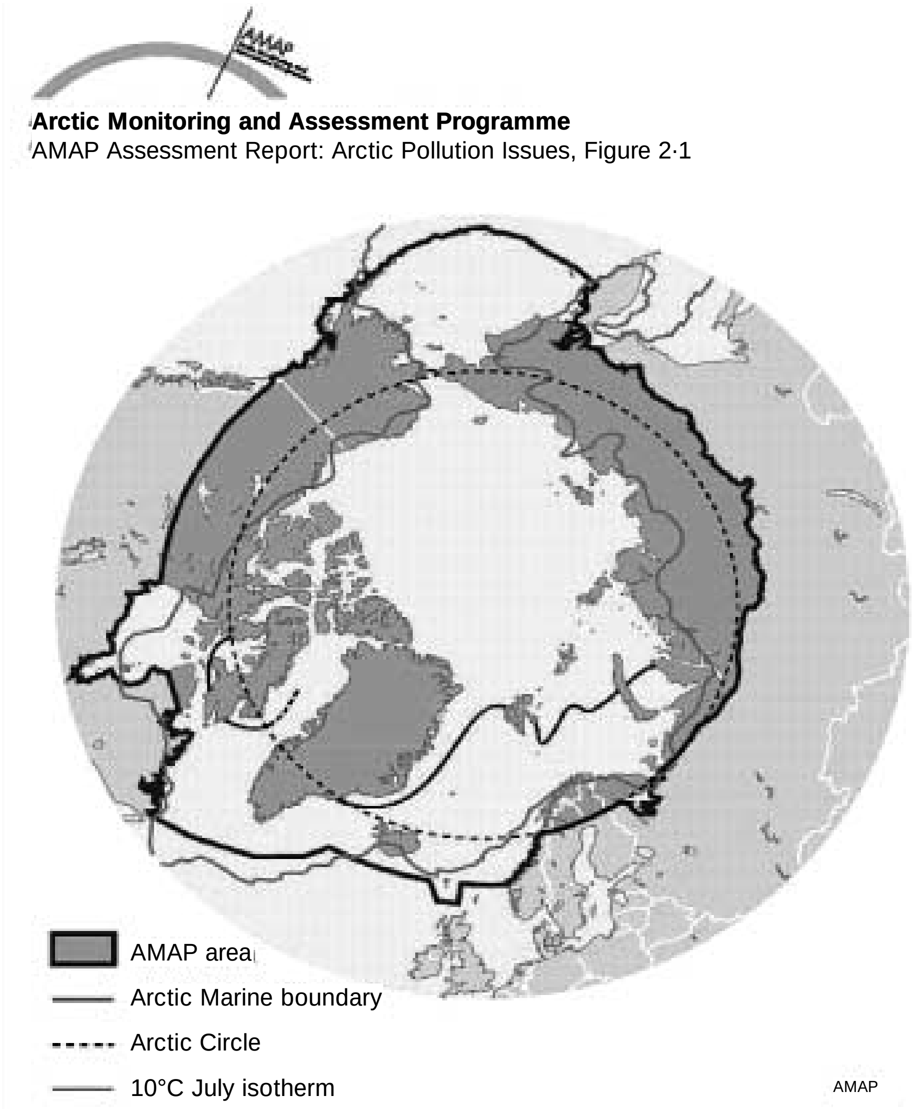
Arctic Monitoring and Assessment Programme
AMAP Assessment Report: Arctic Pollution Issues, Figure 2·1
AMAP area
Arctic Marine boundary
Arctic Circle
10°C July isotherm
AMAP

Fig. 1: The map shows the Arctic as defined climatically by temperature (the 10(July isotherm; it also shows the more northern boundary of the Arctic in marine areas). The Arctic Circle (itself an indication of sun height) is included for comparison. The AMAP is a working group of the Arctic Council and its assessment area constitutes one common political definition of the Arctic region. Source: Reproduced from AMAP 1997.

This understanding of the Arctic as primarily an environmental and an indigenous area was then overshadowed by the security concerns of the Second World War and, afterwards, the Cold War. At that time, the northernmost areas came to constitute the shortest potential distances for US-USSR warfare, and Arctic conflict came to involve all states directly in this line. This especially concerned the five small states that had attempted to describe themselves as Nordic in order to unite against East-West tension: Norway, Sweden, Denmark, Finland and Iceland. In this way eight states (these five, the US, the USSR and Canada) became drawn into US-USSR conflict in the Arctic and started to be seen as actors in an Arctic arena. A transition thus took place from a predominantly climatic understanding of the Arctic to a more politically motivated one.

This period of security development also saw the first conceptualisation of the Arctic Ocean area as no longer necessarily on the periphery but, rather, at the centre. This view was expressed by the influential explorer and scholar Stefansson, who maintained that the pole could be seen as a centre for the purposes of war. Whereas the view of the pole as centre has become pronounced in recent regional development, it was thus first expressed as such in relation to strategic conflict (cf. Henriksson 1992).

The focus on security in the Arctic, which to some degree had obscured the earlier environmental-indigenous focus, then combined with other trends in the late 1970's and early 1980's. The trends that came to influence Arctic development were all extrinsic: they did not develop out of the northern areas as such, but their effects were felt in, and ultimately influenced, northern development. These included globalisation and the extension of communication technology, the increase in oil and gas exploration, the related rise of the environmental movement and of indigenous opposition in these areas, and the changes that took place in world politics in the final phase of the Cold War. These extensive changes not only made cooperation over such a wide area possible, but also created common interests that could profit from uniting over the Arctic, or even over an extended northern circumpolar area.

The Period of Region-Building

The late 1970's and early 1980's were thus a time when the early region-building, the development of the area as a region, was initiated on a broader scale. The extended interest in the Arctic, made possible by broader globalisation trends and largely motivated at the time by the role cooperation could play in decreasing East-West tension, was manifested in several ways. A crucial development was Gorbachev's 1987 speech in Murmansk, one of many speeches that Gorbachev made in that period to initiate regional cooperation in different areas. In his speech, Gorbachev called for cooperation in the Arctic (Gorbachev 1987), which provided the momentum for increased organisation on an Arctic basis. This then yielded the impetus for Finland to develop the Arctic Environmental Protection Strategy (AEPS), which addressed one field that Gorbachev had mentioned in his speech. It also became internationally viable for Canada to develop its long-discussed Arctic Council, which would later come to incorporate the AEPS. The Murmansk suggestions also boosted the development of the International Arctic Science Committee (IASC), whose purpose was to organise research efforts among the eight states (it was eventually extended beyond these). Both the AEPS and the Arctic Council Declaration were eventually signed by all eight states, cementing the new eight-state understanding of the Arctic.

These organisations, as well as others that developed as part of this new institution-building, both supported and were themselves supported by the extended development of research projects dealing with the Arctic *as a region* - a conception of the area as a cooperation centre rather than as a periphery that was a novelty to many groups. The organisations thus acted to develop a view of the Arctic as an integrated region in itself rather than an outlying terrain. The organisations themselves also came to spur further institutionalisation: for example, the International Arctic Social Science Association (IASSA) was organised partly as a counterpart to the IASC, to match its focus on the sciences; and the AEPS-Arctic Council development led to the establishment of the Standing Committee of Parliamentarians of the Arctic, as well as to the creation of the University of the Arctic.

The eight states, however, did not all play equal parts or exhibit equal interest in developing the region. One can see a distinct link between those states most active in Arctic region-building and those which saw their northern areas in terms of the Arctic connotations developed from polar studies and exploration. Arctic region-building thus suited the states which traditionally viewed parts of their own mainlands as Arctic. The states that were best able (and most willing) to work with an Arctic conceptualisation were those who could relate to these mainlands through Arctic history: as environmental and largely traditional and indigenous areas, and, possibly, as wilderness areas juxtaposed with a more urban 'south'.

Canadian Arctic Discourse Dominance

The understanding of the Arctic as an environmental and traditional area is one that has been especially prominent in Canada with its historical conception of its own northern mainland as Arctic, and with considerable domestic arctic-related organisation and discourse, Canada has a history of advocating the Arctic as an international policy area. While the development of an Arctic region was a novel thought in most state contexts, suggestions of an Arctic Basin Council had been made in Canada in 1970 already (largely as a cooperative body, motivated by Canadian-US conflict and by Canada's search for small-state allies). It was this idea that was re-awakened and developed by several domestic groups, before the Arctic Council was officially proposed by the Canadian Prime Minister in 1989. In this body, which came to supersede and include the Finnish AEPS initiative, Canada developed for the most part a discourse focused on the environmental and indigenous questions which were prominent in the country at that time. This discourse, however, also derived from some understandings that were particular to a frontier development: in addition to seeing the Arctic as an environmental and indigenous entity, it also assumed a relatively clear and absolute distinction between indigenous and non-indigenous peoples typical of a frontier area that, in historical terms, has been recently settled. Furthermore, it clearly distinguishes between, in simplified terms, an Arctic 'wilderness' which emphasises the environment and traditional indigenous, rather than modern, elements, and a more normal, unproblematic, modern 'south'. The Canadian Arctic conception is thus directly relatable to older, historical conceptions of the Arctic. In itself, Canadian domestic policy on the Arctic has been fraught with conflict and has drawn attention to the Arctic, in particular to disagreements over how to conceptualise and discuss the North.

The difference in the domestic context and conceptualisation of the Arctic between Canada and, for example, Finland, the initiator of the AEPS, is rather pronounced. While Canada drew upon an extensive domestic organisation and identity connected to the Arctic, no such linkages were prominent in Finland. Finland's initiation of the AEPS as a strategy for Arctic cooperation can be related more to its history with respect to the USSR (and Russia) than to historical linkages to the Arctic. Finland only gained its independence in 1917; it suffered two wars with the USSR to retain it, and, in 1948, was compelled to sign a cooperation pact with the USSR. This sensitive situation and the implications of the cooperation pact severely constrained Finnish foreign policy in the post-war years, even up until the fall of the USSR. Given this background, Gorbachev's Murmansk speech brought a dramatic change in policy in respect to Finland, which was offered a non-conflictual possibility of extending what had been a constrained foreign policy. Similarly, Arctic developments in the former East-West conflict area have been strategically beneficial for other states, not only for gaining information on, and normalising the security situation of the area, but also for gaining potential cooperation benefits, both generally and for special interests. Given the largely non-coercive forms Arctic cooperation has taken, Arctic cooperation was made attractive even to states little committed to Arctic discourse or the conceptions it draws upon.

An eight-state extended Arctic region was thus developed which reached far beyond the climatic arctic, and included actors who had not previously viewed their mainlands as Arctic in the sense conveyed by limited polar history and tradition. This tradition, however, of viewing the Arctic as a predominantly environmental area for environmental interests and with a focus on traditional indigenous elements formed an established discourse which was yet retained in the extended Arctic region cooperation.

Differences in Views of the Arctic

In discussing the relations of the different states to Arctic discourse, one may thus discern two different groupings. One group is made up of the four states that have some kind of frontier history, who have applied this frontier history to their own northern mainlands, and who are accustomed to viewing these areas as Arctic. This group comprises Canada as well as Greenland, Alaska, and Russia. All of these states historically view their northernmost areas as

Arctic; these areas are also climatically arctic and relatively recently settled or integrated into the state framework, to some extent retaining a clear distinction between what is indigenous and non-indigenous. There are also in these areas some elements of the discourse that has been described in connection with Canada. The similarity lies largely in their frontier development which is visible in, for example, the temporally recent transition and the associated centre-based description. This is visible in Greenland - spatially separate from Denmark, with a majority Inuit population, largely culturally distinct from Denmark and under Home Rule since 1979; Alaska - spatially separate from the US mainland, but, since 1959, a full state in the US with a 'model constitution' and problems deriving largely from its undeveloped economy, cf. McBeath and Morehouse 1994; and the vast area of northern Russia - where the frontier-related view of Siberia has been described as the 'most durable part of the Russian landscape', cf. Slezkine 1993:1. Given the frontier development and history of discourse in these areas, a description of them in environmental and traditional indigenous terms is not only accepted but perhaps even expected.

The second group of states is made up of those having a relatively established relation to their northern areas, which are more integrated into these (smaller) states. In this respect, the situations in Norway, Sweden, Finland and Iceland exhibit marked differences from the (dominant) Canadian conception. The northern areas of these states are not necessarily seen as inherently different or Arctic, nor even as frontier, and thus Arctic discourse is less applicable. In these states the environment is conceptualised less as a 'wilderness' in the Anglo-American sense, i.e. as a purely environmental area uninhabited except for indigenous peoples, but rather, wilderness areas are defined through culture e.g. the hunting/fishing culture of early settlers as well as indigenous peoples (cf. Saarinen 1998, 2002). The traditional relation to the environment is thus seen not as a trait of only the indigenous population, but is understood, rather, as common to the population. The areas were also settled earlier and more ethnically integrated, with less distinct ethnic divisions. Subsistence traditions are also less important overall than, for example, in the Canadian Arctic and 'modern' occupations and lifestyles are fairly widespread (since the areas are more integrated into their relative states).

In short, then, the Arctic can not be conceived of as a single integrated area, describable through the current Arctic discourse. Rather, this discourse must be understood in the light of not only the historical interpretation of the Arctic but also how this has been developed in relation to the North American conception of the frontier. This has given the Arctic an important identity-building role in some states but has, at the same time, largely ignored the situation in, and its effects upon these identity-building areas. Thus, for example, the present Canadian focus in international Arctic cooperation on indigenous peoples - who even today constitute a large proportion of the inhabitants of northern territories and who were, as late as the 1950's, the majority - is not the result of any continuous domestic focus on the Arctic populations. Rather, it is the outcome of ongoing political strife, fuelled by recent indigenous organisation protests concerning the previous low priority of the Arctic, as a frontier area, to the state. The conception of these areas as primarily environmental entities, and of groups as primarily traditional, must be seen in light of this frontier understanding and development, rather than as a factual description of a highly changeable situation in disparate areas.

Conclusion

One may conclude from the foregoing discussion that there are significant differences over this immense area that are not described by Arctic discourse: a discourse that is itself the result of historical conceptions. Any 'intrinsic' characteristics of 'northerness' or the Arctic that reach beyond climate and other environmental-physical factors may thus be seen as relative rather than essential, and as a result of policy (or lack of policy) and the distribution of resources to, and in the areas. The view of the Arctic as a predominantly environmental, indigenous and traditional entity can, similarly, not be separated from the frontier conception through which these areas have been described in Arctic discourse. The fact that the Arctic has been viewed from the outside largely as an exotic and different area is another reason that limited conceptions of the Arctic have persisted not only into the present day but more importantly, into the regional developments currently promoted by states. Any conceptualisation of the Arctic that relates the 'Arctic' to essentialised features and then promotes these features within wider frameworks, must thereby be strongly questioned.

This brief discussion fundamentally challenges the legitimacy of Arctic discourse when applied to the eight-state framework as it represents a regional development that is still tied to narrow and questionable historical representations of the Arctic. Arctic development clearly illustrates some of the difficulties attending internationalisation and globalisation, especially regarding the envisioned features of large-scale development and questions of accountability in region-building.

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Innovations in Governing the Northern Territories: Experience of the Yamal-Nenets Autonomous Region

Yury V. Neyolov

1. In many countries of the world the North is traditionally understood as a unique symbiosis of natural and ethnic factors, the control over which might only become necessary as a result of its contact with technological civilization.

The ethnic communities, whose natural environment is the North, do not ”govern” it; they simply live there, adjusting to the North as to the only possible environment. For them the objects of regulation (or management) are solely internal and inter-clan relations, including land use issues.

2. With the onset of technological civilization the North, as a commingling of various factors, became a lot more complicated which affected the problem of regulating its economic, social, and other processes.

3. The problem of Northern governance has traditionally been divided into several segments:

- regulation of the subsistence activities of the indigenous people;
- managing the life conditions of the migrant population, and its adaptation to the peculiarities of the North (primarily, climatic conditions, but also social and cultural specifics), which is in many ways tantamount to creating an artificial environment in the North;
- managing the technological processes, i.e. adaptation to the specifics of available Northern production technologies, and addressing a number of problems particular to this region;
- regulation of the interactive process of two, often mutually exclusive, strategies of natural resource use - the traditional one for the North, and the imported one.

4. Listing all the above points we are forgetting one very important and, in fact, basic question - what is, after all, the importance for a country of its northern regions? The question seems to be purely rhetorical, however, and real-life experience offers several variations on the answer: (1) the fact, simply speaking, that the territory and its inhabitants are the part of state, enriching thereby the diversity of its ethnic, natural, and climatic palette; (2) the regions’s geopolitical and political-strategic importance for the country as a whole; (3) the abundance of natural resources in these territories, which are either important for the country’s economy or necessary for some other type of economic activities that are of great value for technological civilization. As a rule, all of these roles are, in practice, closely interrelated; however, some of them traditionally dominate, and are given higher priority in the social and economic policy of the state.

5. Under the Soviet Union, the North was not considered a territory that required specific governance. Even in the rare instances when it did happen, it was

a response to an extraordinary situation. This attitude manifested itself differently, and in varying degrees, with regard to different segments of the problem. The state ideology concerning the North was also changing (formerly the prevailing creed here was the ”development of the North”). The dominant ideology in the USSR was the total unification of society - social, economic, territorial and cultural. The situation of the North, with the traditional lifestyle of its peoples was in that way no different, especially in the 1960-80’s, from that of Central Asia with its Muslim population, or the Transcaucasia with its complex clan structure. The only allowance that was made for the North was an adjustment for its exceptionally severe climate and poor transport accessibility (”the northern delivery”).

6. The primary (and, in many respects, the only) considerations within the structure of the state’s Northern ideology were geo-strategic and resource issues. This was reflected in the state management of the socio-economic, socio-cultural and ecological development of the northern territories.

7. The ideology of total unification was applied indiscriminately to practically all aspects of the problem of regulation of the development of the northern territories: (1) regulation of indigenous population life consisted almost exclusively of forcing the prevailing standards of the time (socio-political, socio-economic and socio-cultural) upon their way of existence and social organization, replacing traditional social clan forms with kolkhoz and sovkhoz Soviets of the People’s Deputies; forcing them into a sedentary lifestyle, introducing nationally standardized principles of education, hygiene and veterinary standards; (2) regulation of migrant population life consisted of either building cities according to standard city planning principles, or, in some cases, creating settlements whose conditions of life could not initially even claim the name of ”settlement” or ”human residence” in any proper sense (the lack of ordinary amenities was understood to be compensated for by the higher, in comparison to other regions of the country, wage rate); (3) very few technical solutions were developed specifically for the northern territories, and organization of labor and production here differed little from the common standards in the USSR (the only specific feature I can remember was a greater-than-elsewhere emphasis on the ”enthusiasm” that was referred to as the ”heroics of labor”), and there were practically no technological innovations introduced for reasons of a social or ecological nature; (4) intercultural dialogue, the interaction between newcomers and indigenous populations with their different land use strategies, was not considered a social problem, and hence was never a specific object of control.

8. The foregoing provides a brief overview of the foundation upon which the new strategy of governance of the socio-economic and socio-cultural development of the Russian North has had to be built. I would not like to create the impression here that I reject totally all past experience of government interference in the North: attempts of that kind of total historical nihilism were not uncommon in the 1990’s, and their consequences were, in most cases, deplorable. It is not because nothing could have been changed in the system - on the contrary, practically the whole system of government activity in the North required a drastic change; the North, however, is a sensitive environment, one which does not allow for hasty actions, even with the best of intentions.

9. The formation, in the 1990’s, of a basis of real federalism and the region’s acquisition of new financial resources and a certain degree of independence in making financial decisions were reasons behind a number of excessively impulsive actions by local authorities in the North (fully supported, it should be mentioned, by the population). These concerned, primarily, relations with the indigenous minorities of the North and the improvement of life standard in the new cities and towns. During the 1980’s there were numerous protests from the public in general and humanitarian intellectuals specifically against the practice of government interference with the system of life and social organization of the indigenous population of the Russian North. In the 1990’s the authorities responded to these demands, and ”left the indigenous people alone”, as the public had suggested - left them literally alone, having stopped government support of the factories,

stopped veterinary services for reindeer herding, stopped taking kids from the nomadic families and sending them to boarding schools, etc. Today all this is being restored at the cost of tremendous effort.

The serious shortage of social infrastructure facilities (educational, healthcare, cultural, etc.) from which the northern cities and towns suffered led, under the new conditions, to the random building of a great number of social purpose objects, most of which were doomed never to achieve planned capacity, and a number of which were either not necessary, or, at least, not of the first order of priority. All this was the cost to be paid for the independence in addressing regional issues that was granted to the northern territories in the early 1990's, and which it took them several years to learn how to use rationally.

10. In speaking of those new elements and approaches to managing the social and economic development of the Yamal-Nenets autonomous Okrug I deliberately leave aside everything that can be referred to the category ”all new is well forgotten old.”

11. In Russia today there is a growing understanding of federalism as a type of state structure that reflects not only ethnic differences in society, but also the real diversity of life conditions for regional populations. We are at present facing the problem of efficient adaptation of the processes of modernization taking place throughout the whole of Russia to the specific conditions of the North, and even more specifically, their local Yamal form. These processes must cope with the problems of forming the market infrastructure of the regional economy, the reconstruction of the political system reflecting the formation of Russian democracy, and reviewing the government's approach to regulation of the main social, ecological and ethnic processes. It is, in fact, this creation of the system of governance whose main organizing theme is consideration for and use of the special features of the North as a particular life environment that gives innovation potential to our policy. I anticipate the objection that this is not enough, that other countries have moved much further in addressing this problem. To this I respond that even these, as yet modest shifts and achievements that we have managed to make in recent years, are a huge breakthrough for our country where for decades any uniqueness was viewed as a drawback that had to be ruthlessly eliminated as a ”relic of the past”, and only total assimilation was considered to be good for everyone - without exception.

12. New conceptual and management approaches are characteristic of practically all aspects of life in the northern territories. We had, in fact, to build a system for regulating social and economic processes in the region from scratch, moving in some ways along new, totally unknown routes, feeling out new strategies for addressing our problems, not only those which are decades old but also new ones, which have only developed in recent years.

13. The problem of regulation of the lives of indigenous peoples under the new economic conditions was the first to require new management solutions. We had to find a new balance between the direct paternalism, which previously existed, which entailed complete, often forcibly imposed, patronization by the state and was often accompanied by the slow destruction of the traditional ways of life and work of these peoples, and the new, market driven regulators. At the same time, we had to address many problems that we were totally unprepared for. The privatization of the formerly collective reindeer herding farms resulted in a sharp increase in the number of livestock, which for some years was more than 700,000, a totally unprecedented number. We were faced with the threat of insufficient pasture carrying capacity and, at the same time, a venison market that was too small. Social stratification among the indigenous population began to increase to an alarming degree. Today we are trying various mechanisms for regulating the commercial (not meant for domestic consumption) part of the herd: first through the regulation of purchase prices, the construction, practically in the middle of the tundra, of shock freezing stations for meat (and fish) processing and their further transportation and sales, and the formation of a system of mobile complexes for the wholesale purchase of reindeer herding and fishing products, which, at the same time, offer consumer goods to the people. Simultaneously, we started to

rebuild the factory system, but in the modern complex form, combining in one area the sales offices, refrigerated warehouses, medical first aid stations, and social and cultural facilities. Most importantly, however, we are now looking for various alternatives to providing government support for the indigenous minorities of the North, which are aimed at maintaining and strengthening motivation for traditional economies, instead of encouraging a growing dependence on the state and the concomitant mass abuse of alcohol. The main problem for us today is to find an optimal balance between the growth and productivity of the regional economy and the direct support provided to the indigenous peoples from the state budget. The Northern economy cannot be efficient in the traditional sense of the word, which implies growth in the volume of production, profit rate, etc.: the very principles of organizing economic activity here, the ecological parameters of the territory, serve as a constraint to this. At the same time, unlimited support for maintaining the population's traditional way of life has a distinct corrupting effect. I can only say that we have not yet found a way to achieve the right balance.

In recent years, we've been working consistently on raising the level of involvement of the indigenous peoples of the Okrug in political and management decision making. Thus, for example, in accordance with the Charter of the Autonomous Okrug, they have an allotted number of seats in the Okrug Duma. The candidates for these 3 seats are nominated by the community organizations of the indigenous minorities of the North, and run in the general elections for their respective constituencies (the current Chairman of the Okrug Duma is the recognized leader of the indigenous people of the Okrug Sergei Kharyuchi). We also keep improving the system of elections to take into account the way of life and economic practices of the indigenous population - we've tried, for instance, early voting, having candidates campaign in the nomadic camps, etc.

14. Our approach to regulating the life conditions of the migrant population in the North has also changed drastically. First of all, we changed the very ideology of addressing this task. While formerly, in the 1970's and 80's, and even into the 90's, the basic assumption was the need to attract labor from other regions of the country for a short-term, maximum 5-7 year, period of work in the North (a kind of prolonged business trip), today our position is that the North, like any other region, must have its own permanent labor force. We are happy to see that the federal authorities today have also come to the conclusion that the Russian North should be populated and developed not by indifferent visitors, but by its own people. At present we are developing a pattern of settlements in the Autonomous Okrug based on realistic long-term plans for the social and economic development of the territory in the first decades of the 21st century, and a premise of a ”reasonable sufficiency” of labor resources for addressing the necessary tasks of radical modernization of the economy and social sphere - No giant projects of the1970's type, with absurd plans to build cities for a population of 300,000. At the same time, we believe we have good reasons for questioning the conceptual basis of the program of mass relocation of the people from the autonomous Okrug, and the North in general; as it turns out, we do not have any ”redundant” people: the unemployment rate in the Okrug never, even in the most difficult years, went higher than the almost essential 1.5%, one of the lowest levels in the country. The region has a community of permanent residents, where there is practically no difference between people who came to the Okrug during the initial period of intensive oil and gas development, and the old-timers, families whose children and grandchildren were born in the Yamal.

With this in mind we have seriously reviewed the relocation program, which in its original form stimulated only the most dynamic part of population to leave the Okrug - the young people with university and college degrees - often at the expense of the regional budget. Today the relocation program is mostly oriented towards building housing for retired people from the North (and far from all of them want to move to other regions of the country), with the use of various kinds of accumulation schemes in which the Okrug budget is just one of several investors, alongside the employers and the people of the Okrug themselves. This is the first point.

Second, we came to the conclusion that it was necessary to review the structure of social liabilities of the Autonomous Okrug budget. There were several reasons for this, including lower budgetary allocations as a result of federal centralization of resource industry royalties, and, most importantly, the qualitative change in the social situation of the region. For more than ten years we allocated a significant proportion of the budget for compensating to the region's workers for life under severe climatic conditions, remote from major transport routes, in the form of social insurance, a kind of social aid, whose magnitude in some years equaled 100% of wages. This program was both a response to the high inflation of the early 1990's that did not allow the people to have any savings even on an annual basis, and a carryover from previous decades. In those days, the inadequacy of ordinary life necessities (housing, infrastructure, etc.) was compensated with a high income, to be spent outside the region. In the present situation, where the population of Okrug has stabilized, this program is no longer efficient. We have, therefore, decided to significantly reduce the number of beneficiaries of this social aid and to allocate more funds for the construction of comfortable housing. This new program is aimed at addressing several tasks simultaneously: (1) providing an opportunity for the population to convert their savings into valuable real estate that will be protected from inflation (part of the cost will still be covered by the budget); (2) stimulating the development of the construction industry and creating new jobs; and (3) creating qualitatively new ground for the stabilization of the social situation for young people (first of all, the young families) in the Okrug.

Third, we started to work on an entirely new program of social infrastructure development in the Okrug. We've inherited from the past not only the huge deficit of social facilities, but also their specific structure, reflecting the high rate of population turnover. Thus we had more kindergartens than secondary schools, as families with children, as a rule, left the Okrug before their children reached school age. The healthcare system was based, in general, on similar principles.

We had to find solutions for the two most complicated tasks, therefore, as quickly as possible: (1) to fill in the gaps in the social infrastructure in order to meet the needs of all age groups of the population; (2) to create an economic system for rendering social services to the population. These tasks are in many respects interrelated: common sense dictates that only the most universal services, for which there is a big demand, should be offered by the Okrug, whereas exclusive services can be ”bought” from suppliers outside the Okrug. The latter includes many types of professional higher education, specialized medical services, and cultural needs for which there is no mass demand. Today we have defined, although in some parts only empirically, the balance of these sectors of the social infrastructure of the Okrug and started its gradual implementation. Thus we have rejected some existing plans and ”frozen” several construction projects, pending final decision concerning their (different) future application.

Taken together, this makes it possible to say that the Okrug has adopted and is implementing an entirely new social policy, in many ways innovative even for Russia in general, which takes into account both the specifics of the North, and the specifics of the present social and economic situation of the country as a whole, and our region in particular.

15. The innovation component in the economic strategy of the Yamal-Nenets Autonomous Okrug is also quite strong. We have formulated four main goals for its economic development: (1) stable development of the region, based on a strategy of ”centers of economic growth”; (2) demonopolization of the main industry of the regional economy - the resource and energy complex; (3) the building of economically viable processing facilities; (4) small business development.

In the past, the problem of the even distribution of production facilities was never even considered with regard to the Yamal-Nenets Okrug or any other region in the Far North. It was believed that any industrial presence there could only be temporary, and would be immediately terminated with depletion of the main mineral resource deposits. The unbalanced economic development of different territories of the Yamal-Nenents Okrug today creates significant differences in the level of income and the availability of social services for the population and requires large-scale redistribution of budget funds in favor of chronically depressed areas. This problem inherited from the past is addressed today by creating in the Okrug a third large industrial and transport district, stimulating the economic growth of neighboring territories.

Traditionally, the predominant actor in the Okrug's economy was one of the largest Russian energy companies - Gasprom - on whose tax contributions the whole budget of the region depended. Today, owing to the active investment and tax incentive policy in the Okrug, we have several independent gas producers and other hydrocarbon companies. These are mostly small companies working on the principle ”one company - one deposit”. Companies of this type have modern technological equipment allowing the development of deposits that were not formerly considered economically viable, and the share of their contributions to the Okrug budget is steadily growing.

The debate on whether the Yamal-Nenets Okrug is a resource region or a territory suitable for the development of processing industries has finally come to an end. This issue cannot be considered separately from specific conditions of time and place. It would be equally wrong to ”appoint” a region a resource province, as it would be to set up new processing facilities in the area based exclusively on the belief that ”we can manage it ourselves.” For example, the Yamal uses today realistic opportunities for developing its own industry for the processing of locally produced gas and gas condensate. These are based primarily on existing energy generating facilities and gas-chemical production facilities for organizing the on-site utilization of the so-called low-pressure gas unsuitable for pipeline transportation. We have presented to the government proof of these projects' efficiency, and are now working on the details of their implementation with Gasprom and RAO UES Russia.

Back in the mid-1990's, there was a general belief that there were few possibilities for the emergence and successful development of small and mid-size businesses in Arctic territories like the Yamal-Nenents Autonomous Okrug. The reasons for this were believed to be, first of all, the severe climatic conditions, which significantly increased the risks of operating independently from a large governmental or corporate structure, and the impracticality of self-employment, when people assumed full responsibility for providing for their own families. The Far North everywhere, including in Russia under the USSR, required a certain degree of state paternalism, the protection of its population, which inevitably affected the mentality of its people. Second, the Yamal-Nenets Okrug, like any other territory with a resource dominated economy, was characterized by the total domination of its economy by large and super-large companies, which not only controlled the full complex of main and auxiliary production facilities in the Okrug, but also provided the social infrastructure facilities of the respective cities and towns, company subdivisions which were responsible for the provision of goods and utility services for the population. Many people believed that under those circumstances there was simply no room for any other business in the territory.

Life, however, proved the opposite. We came to understand this after the tragic, in many respects, developments of 1993-95 when, as a result of the changes in the economic environment, many production companies and even entire industries in the regional economy, such as those connected with geology and geophysics, underwent severe crises threatening the livelihood of workers. Practically overnight, thousands of the people in the Okrug lost their jobs, and with them, their only source of income. At the same time, the devaluation of savings made it impossible for the people who lost their jobs to go back to ”the continent.” Many saw the situation as desperate: those who lived in the Far North knew, that there, unlike in the central regions of the country, it was practically impossible to survive the winter without a job or an income, especially in those years of hyperinflation, when the meager and irregularly paid unemployment compensation could hardly save the situation. Under those circumstances, many people in the Okrug were literally saved by the newly emerging opportunities for setting up their own businesses. As a result, neither five years ago nor today has the employment situation in the Yamal-Nenets Autonomous Okrug ever been catastrophic.

In addition, it was the development in the 1990's of small businesses that helped us to partially fill in the decade's growing deficit of services in trade, the supply of goods and consumer services. Quite a few small businesses were set up in the construction industry, for example, which in 2000 accounted for 48% of all small business enterprises - reflecting, first of all, the housing boom.

Today we see our task as expanding the range of such small enterprises by the active encouragement of small businesses in the resource and energy complex, most importantly in the engineering and design branches, the repair and maintenance of equipment, etc. We haven't even begun to tap all the existing potential in this area.

16. One of the main achievements of the Okrug's administration has been the creation of a complex system of natural resource management in the region. Its core is the unique, at least for Russia, territorial database of geological and development information that has allowed us to rationalize all stages preparatory to the process of management decision making concerning the use of natural resources, fitting it into the general structure of the regional ecosystem, and transforming the geological and geophysical information into a format understandable to potential investors.

Today, when the autonomous Okrug is an independent subject of the Federation, we are doing everything in our power to use the natural potential of the Okrug rationally and with care, to maintain strict control over the preservation of the regional biosphere, and the genetic potential of the flora and fauna of the region. In the nearest future we plan to introduce a system of ecological insurance for resource industry projects; we are already attracting, on beneficial terms, various firms and organizations for setting up the constituent parts of the environmental infrastructure, and offering tax incentives for companies involved in regional ecological programs.

The New Triangle of the Northern Dimension – East-West-North: A Baltic Perspective

Žaneta Ozoliņa

The Northern Dimension is both a concept and a policy, which has not yet been fully exploited. Despite the fact that, from time to time, we hear over-optimistic voices reporting new achievements in the reanimation of the ND, there is not much with which to be satisfied. One of the reasons is the researchers'-dream - that idea converts into policy. But the basic problem in that respect was the premature and overly rapid process of transformation. Idea was converted into policy before the concept was sufficiently developed, elaborated, commonly accepted and assessed. In the 1st NRF, we discussed the added value of the EU´s ND, trying to identify the basic differences between on-going EU initiatives in the North and new ND policy. Unfortunately, the conclusions were not inspiring, no unqualified proofs of the full potential of the ND. Healthy criticism, however, inspires further investigations. It is not too late in the framework of the NRF to re-convert policy to concept and to define the prospects of the ND.

Multiplication of Actors of the ND

The main actors in the ND are Russia, the EU, and the Baltic Sea and Arctic region, representing east-west-north relations. The greater activities of the EU in the international arena create parallel and overlapping relationships that are of key importance in the short-term and the long-term perspective alike. The EU´s economic and political growth is connected with increased activities to the East. Historically, the Union has devoted more attention to its Southern regions and border countries; the last round of enlargement, however, focused mostly on Northern Europe, and this involved increased interest in the territories to the EU´s East. With their EU membership, Poland and the Baltic States will become a part of Northern Europe, and because of their geographic placement and their infrastructure, they are attractive in terms of shaping relations with Russia and the CIS.

The new triangle has a multidimensional effect on the individual countries, on the Northern regions, and on Europe itself. The implications, political, economic, social and security could be beneficial for all involved parties.

Political Aspects of the ND - from Bilateralism to Multilateralism

For instance, in Estonia and Latvia, the EU´s presence and the European integration process has contributed to a normalization of relations with Russia. Even before it adopted its Common Strategy on Russia in June, 1999, the EU became involved in monitoring relations between Russia and the Baltic States, and it viewed the three countries as partners in a common political space. When, in 1998, Russia took advantage of a pensioners'protest outside the Riga City Council to put economic and political pressure on Latvia and to attempt to find support for its thinking among Western politicians, the EU´s Foreign Affairs Commissioner, Hans van der Broek, visited Riga and spoke at the Riga Stock Exchange. In his speech on June 20th, which was called "The Enlargement of the European Union and Latvia", he said that the EU does not accept Russia´s attempts to mix political and economic issues, and that the EU resists unjustified pressure on an EU candidate country. Russia´s pressure on Latvia, said the commissioner, hurts the aims which Russia professes to be pursuing. Pressure will scare non-citizens away from integration into Latvian society rather than encouraging their integration.[1] Similar processes took place while Latvia was debating a national language law. When Russia attacked Latvia and Estonia over supposed failures to implement human and minority rights, the EU issued a statement which stressed that, over the course of several months, Russia had been attacking Latvia and Estonia in a way that was not acceptable in present-day Europe. The EU urged Russia to refrain from groundless statements of the kind that it was making.[2]

Setting New Agenda for the ND

What can we say about the newly emerging triangle of relations? First of all we must look at Russia´s policies toward the EU. Until the mid-1990´s, when the EU and NATO announced that they would be enlarging, Russia´s relations with Europe remained largely bilateral. It saw the EU more as an economic structure than as a political or security one, and so the Union was the focus of subordinated attention in comparison with individual countries such as Germany and France with whom it had strategic relationships. Can we say now that a new phase has emerged in Russian foreign policy? Judging from the frequency with which Russian President Vladimir Putin meets various EU leaders, we might conclude that there has been a qualitative shift. There are, true enough, pessimistic views about this, as well: "It is quantity rather than quality. If Russia does have consistent needs and objectives in the world, it is not explaining them clearly. Indeed, it is debatable whether Russia can be said to have a coherent foreign policy at all. This makes life difficult for the West: When Moscow flirts with ´rogue states'on the one hand, and offers partnership to Europe and the US on the other, which of these actions is to be believed?"[3] At the same time, however, we cannot fail to note a few important trends in these relations - trends, which are particularly important to the Baltic States as a part of the East-West-North triangle.

Our main point of reference in this regard is the shift in Russia´s foreign policy priorities. There has, recently, been greater interest in the EU as a potential economic and political partner, and Putin´s so-called "new foreign policy" touches on this in a number of key ways. At numerous EU-Russian summits in the last two years, Putin has affirmed that Russia welcomes the prospect of EU enlargement. There is no longer any question as to whether or not Russia will be raising any political objections to the inclusion of the Baltic States in the EU.[4] Russia has begun to focus more on cooperation, rather than on crass attempts to influence the procedure in the way that was common during the last years of Boris Yeltsin´s reign. At a press conference on February 22, 2001, Russian Foreign Minister Igor Ivanov said that Russia was hoping to extend its foreign policy goals towards cooperation and interaction with foreign countries. Russia would continue to defend its national interests, but it would also seek out collective solutions to major contemporary problems, he said.[5] At the same time, he also said that Russia was beginning to activate its relationship with the EU, hoping that the two entities could become strategic partners. In truth this has much to do with the processes of economic interaction, which are already proceeding. According to estimates, Russia's trade surplus with the EU for the year 2000 totaled about USD 25 billion. The EU accounts for about 40 per cent of Russia's exports. It is Russia's biggest market provider, in large part because of its geographic proximity and access to Russian exports. 53% of Russia´s oil exports got to the EU, representing some 16% of total EU oil consumption; 62% of Russia´s gas exports go to the EU, representing some 20% of total EU gas consumption - cooperation in that sector could be enhanced but serious investments are needed to improve technology in the field, and no investments are possible without the restructuring of the energy sector.[6] After Russia´s accession to the WTO, trade relations should improve more.

Intensified economic cooperation between Russia and the EU is important for the Baltic States, which shifted their trade activities toward Western markets after the Russian financial crisis in 1998. In 1997, Latvian exports to Russia were worth USD 124.2 million, but in 1999 the figure had dropped to USD 26.4 million.[7] Despite this fact, Russia is still an attractive partner in the long term. If the relationship between the Baltic States and Russia could be as multifaceted as it is with EU member states, then trade relations to the East could be expanded. The attractiveness of this process is dictated by the size of the Eastern market and its geographic proximity. Economic relations at this time, however, are over-saturated with political content, and so an improvement in the relationship on a short-term, bilateral basis is not possible.[8]

The fact that the EU can be critical about Russia was demonstrated at the ministerial conference in Luxembourg where the Northern Dimension was discussed. External Relations Commissioner Chris Patten had several criticisms to make to Russia´s ”Mr. EU”, Viktor Khristenko, saying, in particular, that the official was delaying the attraction of investors to clean up Russia´s environment. At a press conference he said that the EU was disappointed by discussions on this subject that took place in Berlin on April, arguing that, in fact, the situation had moved backward. Patten indicated that the main problems which hindered the influx of foreign investment into Russia included the fact that Russia was dragging its feet on liberalizing taxes and the liability of foreign companies, simplifying customs procedures, providing for enforcement of contractual rights, and introducing international accounting standards. The official announcement that Russia can now be considered a functioning market economy is a sign indicating new opportunities for economic co-operation.

In the emerging triangle to which I have previously referred, one of the cornerstones is Northern Europe, and this fact took on concrete form when the European Commission approved its Northern Dimension. Why is it important for the Baltic States to participate in the Northern Dimension? One reason has to do with the West-North-East triangle, since Northern Europe is the part of the EU in which the economic, political and security interests of the West and the East come together. This means that this area must embody positive values which are of benefit to all involved parties. These values have been largely defined - the economic potential of the Northern region, its increased stability and reduced confrontation resulting from the logic of cooperation, the ability to participate in the taking of decisions which affect the future of the area, the deficit of energy resources in the EU and the Baltic States, etc. All of these are matters that can be handled within the context of the triangle.

Kaliningrad as a New Test for the ND

One of the most important components in the new triangle is the matter of Kaliningrad. Once the Baltic States are admitted into the EU, Kaliningrad will become an enclave, surrounded by EU territory. The European Commission released a discussion paper, ”The EU and Kaliningrad” in January 2001, which should help the EU to develop its thinking on the region. There are several important issues here for the EU and especially for its neighboring countries of Lithuania and Poland. Kaliningrad is a very special region of Russia - separated from the rest of the country, and squeezed between Poland and Lithuania - which will, in the near future be completely surrounded by the EU and NATO, thus entailing that policies and assistance related to the region will differ from other, similar procedures elsewhere. From the EU´s perspective, the most relevant issues are the movement of goods and people, as well as energy supplies. From the PAC point of view, the priorities are the environment, the fight against crime (one of the key issues in Kaliningrad), health care (Kaliningrad has Russia´s highest rate of HIV infection), and economic development. Since 1991, the EC has allocated USD 14.3 million to Kaliningrad through its TACIS program.[9]

When Poland and Lithuania join the EU, there will be new problems. One, which is also of concern to Vladimir Putin, involves border crossings. Lithuania and Kaliningrad have agreed on a relaxed border crossing regime, but once Lithuania joins the EU it will have to adopt EU law in this area. This will involve a strict visa regime. Nine million crossings each year are registered on the border between Lithuania and Kaliningrad, and local residents are, understandably, asking about the visa terms and procedures that are going to be introduced. The qualitative condition of the 23 border points with Poland and Lithuania is also of importance, because they must have proper operational conditions and be armed with a modern information system. Lithuania and Russia have established an institutional basis for cooperation on Kaliningrad through bilateral agreements. In February, 2000, Russia and Lithuania issued a joint statement on regional cooperation known as the ”Nida Initiative”, and agreed on a set of common project proposals in the framework of the Northern Dimension, including transport, gas pipeline, water management and border crossing issues.[10]

On 22 January 2001, under the Swedish Presidency, the work program on Kaliningrad was adopted, stating that actions will be taken in following fields: consolidating democracy, the rule of law and public institutions in Russia; integrating Russia into common European economic and social areas; fostering the energy co-operation; co-operating on security issues (enhanced cooperation will contribute to conflict prevention, crisis management and the promotion of arms control, disarmament and non-proliferation of weapons of mass destruction; political dialogue on ESDP); continuing the dialogue on the impact of future EU enlargement on Russia; fostering environmental co-operation, especially nuclear safety.[11]

Potential for Kaliningrad´s growth has been identified by the new triangle actors; there are, however, still many unsolved issues which can influence further developments in the region. The presentation of the Russian Delegation at the meeting of the Council of Europe in June, 2002 indicated the complex nature of Kaliningrad. The ND is an instrument in the hands of politicians and researchers which can, hopefully, offer solutions and scenarios to serve as a framework for creation of a new type of relationship in the North.

Notes

[1] Baltic News Service, 21 July 1998.

[2] LETA, 29 May 2000.

[3] *The Financial Times*, 21 February 2001.

[4] At the same time, we cannot exclude the possibility that as the day of accession draws near, Russia will look for arguments against Baltic membership. A member of the Latvian parliament, Boriss Cilevics has said, for example, that in addition to the 31 chapters that are being used right now in membership negotiations, there should be a new one - on human rights and the legal status of minorities in Latvia.

[5] Interfax News Agency, Moscow, 22 February 2001.

[6] *Uniting Europe*, No.133, p 7.

[7] *Diena*, 11 September 2000.

[8] Latvian President Vaira Vike-Freiberga and Lithuanian President Valdas Adamkus have now had their long-awaited meetings with Vladimir Putin, but this has been mostly of symbolic significance, demonstrating Russia´s new and cooperative approach to foreign policy. For ”domestic consumption” in Russia, the meetings were portrayed as a means for Russia to defend its own interests.

[9] *The Financial Times*,, 16 January 2001.

[10] Kaliningrad is already a part of several Euroregions, established to promote coss-border cooperation: The Euroregion ”Baltic” (Denmark, Latvia, Lithuania, Poland, Sweden), ”Saule” (18 regional and local authorities from Latvia, Lithuania, Sweden and Russia), and ”Neman” (Lithuania, Belarus).

[11] *Uniting Europe*, No.129, p. 7.

Putin´s Russia in the Baltic Sea Region

Fabrizio Tassinari

Recent literature has addressed widely issues related to the regional activities taking place in the Baltic Sea area. Regional integration in the Baltic took off in the aftermath of the Cold War order and parallel to the independence of the three Baltic States of Estonia, Latvia and Lithuania. This region building is multi-dimensional since it involves a large number of different issues. It is also ”participation based” (Joenniemi & Wæver 1992, 25), since it has been characterised by the active involvement of a wide range of political and civic actors. Institutionally, the Baltic Sea Region (BSR) has a rather loose structure, which is symbolically incarnated by the Council of the Baltic Sea States (CBSS).

Russian involvement in the region since the 1990´s has been characterised by what elsewhere has been described as a ”utilitarian approach” (cf. Tassinari 2002a, 26-27). In this respect, the BSR has provided a useful forum that has enabled Russia to keep an eye on ongoing European developments and, at the same time, avoid isolation. On the other hand, Russia´s northwestern regional units (oblasti) took advantage of this institutional flexibility to integrate mainly (or only) on issues of interest, without furthering these initiatives with actual region building activities.

In May 2000, Vladimir V. Putin was elected President of the Russian Federation. Throughout the biennium 2000-2002 a number of relevant changes occurred in Russia’s European policy, mainly due to inputs given by the new administration. This study aims to assess critically the state of affairs in connection with Russian policies in the region during the past two years. The analysis will begin by observing the impact that the increased bilateral contacts between Russia and the Euroatlantic structures have had on the BSR, particularly with respect to Russian relations with the Baltic States. Second, this study will focus on the more limited ground of the institutional activities occurring in the BSR, by assessing the results of the Russian Presidency of the CBSS. Third, the focus will be reduced still further, to observe the integration of the Northwestern-Russian regional units into the BSR and to see how this dynamic has developed since President Putin came to power.

Impact of the Russian-Euroatlantic Partnership on the BSR

In the early and mid-1990’s, the Russian foreign policy *elite* was concerned with the positioning of the country towards (or within) Europe and with relations with the European Union (EU) and NATO. The positions held by the various factions were indeed very heterogeneous. These included a pro-western current (the so-called *Westernisers*), sponsored by a part of the liberal establishment and by high officials of the Russian Ministry of Foreign Affairs (above all, the then Minister Andrei Kozyrev). This camp advocated the need for Russia to integrate in western security structures believing it to be the only opportunity given to the new Russia to not isolate itself. The *Slavophils* (named also by some the Euro-Asianists), on the contrary, supported the promotion of a foreign policy aimed at promoting Russia as a unique civilisational 'third way' between Europe and Asia. The third group, which was predominant during the late Yeltsin's administration, was that of the *Derzhavniki* (translated as 'Proponents of the State Power'). This group advocated the need for retrenchment into a medium-power type of foreign policy, oriented mainly to Russia's salient geo-political environment (Tassinari 2002a, 13-14).

The new millennium has brought foreign policy elites around to a more realist line. The reason behind this is, mainly, the strategy adopted since the beginning of Putin's presidency with respect to European policy. The new Russian administration launched an intense policy of rapprochement towards the EU and NATO. With respect to the EU, the evolution of the Russia-EU bilateral agenda over the past two years bears witness to a paradox. On the one hand, little progress has been made as far as the two largest instruments are concerned: the Partnership and Cooperation Agreement, established in 1997, and the Common Strategy on Russia, established in 1999. The reason for this is attributable to the fact that these two tools tend to view Russia as a 'homogeneous whole' (cf. Browning 2001, 22) and aim at establishing a strategic dimension to the cooperation. On the other hand, more attention has been devoted to the regional dimension. This can be attributed to the fact that the regional dimension rarely affects vital foreign policy interests, and that it has developed mainly in soft security issues[1]. Significant funding has been allocated to the Northern Dimension (European Commission 1998), for instance by means of the newly established Northern Dimension Environmental Partnership (NDEP), which provides this EU policy guideline with concrete financial means to tackle Northwestern Russia's environmental threats. Moreover, as will be discussed below, the European Commission and Russia have been co-operating on the status of the Russian oblast of Kaliningrad on a large number of soft security issues such as nuclear safety, organised crime and transport, aimed at turning Kaliningrad into a 'pilot region' for EU-Russia relations (Holtom 2002). Concerning NATO, the Russian rapprochement with the West is to be seen within the framework of the new 'strategic partnership' with the United States, which led, among other initiatives, to the establishment of a NATO-Russia Council in May 2002 (Krickus 2002).

But to what extent are these developments affecting the BSR? The most obvious starting point is to analyse how the relations with the countries that used to belong to the Russian 'sphere of interest' - i.e. the Baltic States - have been affected by EU and NATO integrations. Throughout the 1990's, much attention was devoted to the relations between Russia and the Baltics, not only from the point of view of the bilateral 'hard' security confrontation (Heurlin & Hansen 1996), but also in relation to the cultural/ethnic, economic and social implications (Alexandrova 1998 and Jonson 1997). In order to observe the contrasting trend that has been introduced by the new administration, it might be useful to synthesise the terms of the debate during the 1990's.

The enduring pressure of Russia towards the Baltic States[2], was not motivated by the minor border issues still pending between the states involved, but mostly, rather, by the status of the Russian speaking minority living in the Baltics. This minority represented a third of the population in Latvia and Estonia, the two countries where the legislator has been particularly harsh[3]. Naturally, local analysts from the Baltic States claimed that the Russian close interest in this minority was, in fact, meant to conceal its imperialistic aspirations towards the Baltics ('a Trojan horse' in Miniotaite 1998, 191).

The terms of the debate have been evolving considerably since the new administration came to power. Arguably, NATO and EU enlargements have been the foremost foreign policy priorities for Estonia, Latvia and Lithuania, and since these targets have become more realistic in the short-to-medium term, Russia has attempted to adjust its attitude. The 2000 foreign policy doctrine refers to the Baltics as a part of its Russian European politics rather than - as was the case in the previous doctrine - as a part of the 'post-

Soviet' space (what in the 1990's was also called 'near abroad'). This is not only a conceptual shift. This change of designation implies a new policy on the part of the Russian administration towards the Baltic States. High ranks in the Russian foreign policy elite appear now to approve - or at least they express their explicit assent - of NATO and EU enlargements in the Baltic region, and the parallel wider improvement of the Russian-Euroatlantic partnership can be interpreted as a sign of a more pronounced *détente*. In this respect, a number of specific state-to-state issues have also found a definitive solution and seem to indicate a new pattern in Russian-Baltic bilateral relations. For instance, Latvia amended the law that prohibited not-Latvian speakers from applying to national public competitions (RFE/RL Baltic States Report vol. 3 n. 16). More interestingly, the vexed matter of the status of Moscow's Patriarchate[4] in Estonia is finally settled, since the Estonian Orthodox Church has accepted its registration (cf. RFE/RL Baltic States Report vol. 3 n. 13).

Yet not all the Russian political establishment has acknowledged this change in attitude. In 2002, for instance, the Russian ambassador to Estonia was reported to state his opposition: "the accession of the Baltic States to NATO will not add any stability in the Baltic States, NATO or Russia" (RFE/RL Baltic States Report vol. 3 n. 17) and Defence Minister Sergej Ivanov stated in July, 2002 that in the event of NATO enlargement in the Baltics "Russia will [...] be forced to review not only its own military positions, but also the entire spectrum of international relations, both with the alliance as a whole and with the mentioned Baltic states" and that NATO enlargement "could also be a factor that essentially destabilises the situation in the Baltic region and in the whole of Europe" (RFE/RL Baltic States Report vol. 3 n. 24). These examples are merely illustrative of the fact that the consensus concerning the change of the Russian attitude towards the Baltics has still to permeate through to all levels of the administration and of public opinion[5]. What should not be underestimated is the impact that this dynamic has or will have on region building around the Baltic Sea.

Arguably, the participation of the Baltic States in the BSR can traced to two main objectives. On the one hand, the Baltics have aimed to demonstrate that by taking part in the regional institutional structures - which also include EU and NATO member countries - they will show their willingness and readiness to access Western institutions. On the other hand, regional institutions - although their loose structure does not allow for major high-political commitments - have represented a (soft) shield protecting the Baltics against Russian aspirations by, for example, 'binding' Russia to the same institutional arrangements. Both the former and the latter are motivations that have been surpassed by events - or, at least, are on their way to be so, since the three countries will access NATO and the EU in 2004. As a result, region building initiatives and institutions will have to be reframed in a new light.

The CBSS Russian Presidency 2001-2002

The CBSS is the most representative regional organisation in the Baltic Sea. It groups all the littoral countries - plus Norway and Iceland, "as a part of the Nordic package" (Joenniemi 1999, 8). More importantly, the European Commission is a full-fledged member of the Council. The Council has operated since the early 1990's (it was founded in March 1992) as a forum for dialogue among the actors participating in the region building in north-western Europe. Different agendas have made dialogue not always an easy task to accomplish, and the CBSS has acted as an instrument, representing the dynamism and multidimensionality of the region.

The prospective EU enlargement, and the increasing participation of the Russian Federation in Europe's North have implied a rethinking of the role and duties of the Council in order to keep pace of the relevant changes occurring in the European arena. In 1996 a new Action Plan was adopted in Visby expanding the activities of the CBSS, and in 1998 the Council established a Secretariat[6], consequently assuming the status of an international organisation. The logic behind this institution has therefore evolved over the years. But what will become of the

CBSS once eight out of the nine littoral countries are EU member States? Presumably, a vast majority of issues will be taken over by the EU, which - as noted - has established the 'Northern Dimension' as the policy framework devoted to Northern Europe. On the other hand, high politics and the remaining 'hard' security matters in the region seem to transcend regional cooperative efforts and to revive confrontational positions - as in the case of Kaliningrad (in Tassinari & Williams, 2003, and section below). The Council, however, is increasingly oriented towards creating a *niche* where wider frameworks will not intervene and where this institution can still hold a position of advantage, even when its activities will overlap those of Brussels. Within this framework, the Council can operate first as a grassroots instrument for enforcing policies of the EU in the region using the still heterogeneous networking that spurred regional cooperation in the early 1990's. And second, it can represent an actual platform for policymaking, since Russia is a full-fledged member[7]. This is, in fact, at the core of this section: Russia has, in the Council, a favourable opportunity for integration in the Baltic Sea. The Russian CBSS Presidency - from July, 2001 to June, 2002 - confirms this trend.

Until the beginning of its presidency, Russia maintained a rather low profile in relation to activities carried out by the Council. Russia exploited this tool of cooperation in order to gain advantages in a number of policy-sectors to the benefit of its regional units involved in the activities of the region (mainly the Leningrad and Kaliningrad oblasti and the St. Petersburg municipality, cf. following section). On the other hand, Russia generally avoided committing herself to regional activities when the issues at stake involved a higher degree of regional integration. Once more, the divide between the cooperative opportunities of soft security and the obstacles posed by hard security is of central importance. The Presidency of this institution, which rotates every year, is a good indicator for observing the intentions and attitudes of the member states. At present, each member has had the opportunity to hold the Presidency once and this has provided a rather clear pattern of two different currents within the organisation. The Nordic members (Norway, Finland, Sweden and Denmark) traditionally embrace very active policies towards the region, launching new initiatives - e.g. the Finnish initiative that led to the establishment of the Northern Dimension. Germany can be included in this group, both as initiator of the Council[8] and because of the very pro-active regional policies promoted during the German CBSS presidency (2000-2001). The EU applicant countries (the Baltics and Poland) can be considered a second group. As noted above, their activities in the region have been explicitly targeted towards EU enlargement and building a bridge to Europe by means of the BSR and its institutions.

The new administration of the Russian CBSS Presidency has exhibited a pro-active approach towards regional organisations and a renewed Russian interest in the BSR, in particular contributing to the future institutional design of the CBSS as described above. During the Russian presidency, there have been explicit calls for increased CBSS-EU cooperation on policy issues pertaining to the BSR. At the same time, the Committee of Senior Officials (CSO)[9] - which can be considered the 'executive branch' of the Council - has promoted more intensively a dialogue with European institutions. Specifically, meetings have taken place in Brussels with European Commission officials (in January, 2002), and in Strasbourg with representatives of the Council of Europe (in March, 2002). The Russian CBSS Presidency has re-defined the direction in which the Council will most likely be targeting its action in the near-term, namely towards becoming a soft security tool for the EU in policy guidelines for the Region (cf. Ojanen 2002).

Image and Reality of the Russian Federal Units in the BSR

The third and last dimension that should be examined in order to provide a comprehensive critical overview of the Russian stance towards the BSR is the more limited geo-political environment of the 'Baltic' regional units within the Russian Federation that are most directly involved in Baltic region-building.

The regional units most involved in the BSR are, arguably, the Kaliningrad and Leningrad oblasti, the municipality of St. Petersburg (which are also the only parts of the Federation bordering the Baltic Sea), the Pskov and Novgorod oblasti, and the Republic of Karelia. As mentioned above, Kaliningrad has been the object of great attention over the past few months. Because of its geophysical location and the implications deriving from its being an enclave of the motherland within the enlarged EU, Kaliningrad has constituted a *case per se* (Tassinari 2002b). In connection with this, the matter of the transit of Russian citizens to and from Russia has represented a rather hot topic in EU-Russian relations during the year 2002, and confirms our assumption that regional cooperation in the Baltic works only as far as soft security is concerned. Thus, the Kaliningrad issue is to be seen as a matter of bilateral EU-Russia relations (cf. RFE/RL Baltic States Report Vol. 3 N. 39) and as going *beyond* the BSR. As a confirmation of this, at the CBSS summit in St. Petersburg in June, 2002, although great attention was devoted to the Kaliningrad issue, the heads of the Baltic Sea States concluded that a solution to the issue should have been entirely delegated to the ”joint work” of the EU and Russia and - where appropriate - of the interested states (in Baltinfo 2002).

Of interest for our study is a look at the administrative and domestic implications of the integration of the Russian northwestern regional units in the BSR. In this connection, the relative autonomy that these units have enjoyed throughout the 1990’s as far as policy making and, more importantly, external relations are concerned should not be underestimated. The oblasti are regulated by their local constitutional Charters (*Ustavy*), which empower them for autonomous decision-making (without the approval of the Federal structures) in a number of policy-fields. In 1996, the division of powers between the St. Petersburg municipality and the Federation was defined, and the city is entitled to the same ”powers and rights of the regions” (in Oldberg 2000, 46).

It should also not be underestimated that local and regional authorities are elected democratically by citizens. This fact, in addition to the great support of the powerful local lobbies (the oil and gas industries, in this case), has been used as a pretext by governors and regional bureaucracy for widening the gap between them and the federal authority. In the mid-late 1990’s, this has been the *leitmotiv* in Northwestern Russia. Regional actors were extremely pro-active towards their foreign Baltic regional partners. On the one hand, the Baltic Sea is, for these oblasti, the most profitable and, indeed, the only ’window onto Europe’ available. Regional cooperation and the oblasti’s very growth are deeply related to the development of relations with their regional neighbours. On the other hand, the grip of the Federal structures on the regional units is challenged and progressively eroded by the actions undertaken by the oblasti, constantly pushing the limits of the federal law. During the mid-late 1990’s, for instance, the city of St. Petersburg developed a close soft security cooperation with Denmark. Moscow finally had to intervene drastically, since the negotiations started to involve also ’hard security’ matters concerning the Leningrad Military district (Heurlin 1997, 3), which are a prerogative of the central state power.

The new administration has been accused, since its very inception, of centralisation and authoritarianism. The management of centre-periphery relations is certainly a telling example of this. In May, 2000, President Putin’s administration established the post of presidential envoys, whose role is to enforce the federal law in the regions. The Federation has thus been divided into seven areas - which roughly correspond to the seven military districts - and envoys have been appointed to oversee the situation and ensure that local politics are carried out in accordance with federal law.

Formally, there is no conflict of power between the regional authorities and the presidential envoys, since the former enforce and implement the local charters while the latter follow the federal law. Yet the position and the legal status of these envoys have not been sufficiently defined or regulated[10] and, during these two years, the envoys have been operating according to different criteria, some of them following strictly the limits imposed by their mandate, others interfering excessively in the local political life. As a result, although the reasoning behind the creation of this position was that of reinforcing the ties of the Federation, the result has been that those ’rumours’ of dissatisfaction that circulated in the Russian peripheries during the 1990’s concerning the centre’s control over the regions evolved into outspoken protests against the unconstitutionality of the envoys’ actions.

Let us now sketch how this dynamic, taking place since the establishment of the presidential envoys - which are likely to become a permanent rather than a temporary institution - operates in relation to the Northwestern oblasti. The work of presidential envoy Viktor Cherkesov during his first two years in the Northwestern district, was concerned mainly with business implementation. This should, in practice, be considered as a rather mild interpretation of the duties of a presidential envoy[11]. However, the presence of an ambiguous, under-regulated situation creates a number of consequences, which can be summarised by a dialectic short-term scenario. On the one hand, the increasing presence of the envoys in the political life of the Northwestern oblasti can create conflict with the regional administration, especially in periods such as gubernatorial campaigns. Governors will try to legitimate their role as representatives of the citizens and will, increasingly, object to the institution of the presidential envoys. As a result, the domestic tension between these different levels of the administration will result in the immobility of the oblasti in the Baltic regional environment. The dynamism that characterised the behaviour of the Russian regional units has increased the integration process of Russia in the CBSS. Centralisation as a means for controlling regional authorities would not just weaken Federal structures - but it could also weaken region building in the BSR.

If instead, the institution of the envoys were to be regulated, and its powers delimited within specific political and legal borders, the Northwestern units could benefit from this new resource of the Russian Federal structure. In such a framework, envoys would operate *only* in those sectors of federal jurisdiction that do not pertain to the regional units. The process of progressive undermining of the federal unit due to the centrifugal forces of the peripheries, would be replaced instead by a centripetal[12] trend based on the more active participation of the federal structure - embodied by the envoys - in the regional and local activities. The result would be an even greater degree of dynamism in the regional units which would be empowered to operate without restrictions from the centre, thereby producing a stronger level of homogeneity within the Federal structure.

Final Remarks

This study was aimed at assessing the most defining trends that can be detected in the behaviour of the new Russian administration towards the BSR. The period 2000-2002 has witnessed a number of significant changes in the attitude of Russia towards the regional activities occurring in the Baltic Sea. This analysis has focused on three (at times overlapping) dimensions: Europe, the Baltic sub-region, and the impact of the domestic dynamic. This last section, by summarising the major detectable inputs from these three dimensions will try to provide a number of short-term scenarios for Russian integration in the BSR, related mainly to the two year-period corresponding to the second half of Putin’s presidential mandate.

With respect to the European dimension, President Putin has, for the most part, promoted a new attitude of rapprochement towards Euroatlantic structures. Europe is increasingly becoming a political space that can unite Russia to the West. Putin’s administration has acknowledged this major shift which has occurred in the continental geo-political and diplomatic landscape and has adjusted Russia’s foreign policy doctrine to it. Yet Russian-European ties are extremely fragile as far as the strategic ’hard’ security dimension is concerned. Within that framework, vital national interests are at stake and confrontational negotiation prevails. The soft security regional dimension - which is what, traditionally, the EU is more concerned with - has been tried out in the North. It proved to favour a more flexible integration of Russia into European structures, and may initiate a positive trend[13].

The position of the Baltic States of Lithuania, Latvia and Estonia is relevant in this regard. These three newly independent states have taken advantage of the Baltic Sea regional activities to pursue their first foreign policy aim, that is, accession into the EU and NATO. This circumstance, combined with the restructured Russian attitude towards Europe, results in the (tacit) consent that higher ranks of the Russian administration have given to the prospective EU and NATO enlargement. However, the Russian administration is not homogeneous when referring to the enlargement. Thus, although official doctrine views the Baltics as a part of Russian-European politics, more than a few representatives of the Federal administration still refer to them as ”a problem of Russian politics” (Alexandrova 1998, 90). Yet the NATO and EU enlargements taking in the Baltic States are scheduled to take place within the next biennium. In this connection, the second part of Putin’s first presidential mandate will be devoted to bridging the gap that still divides the Russian administration. It is a dynamic that is meant to be shaped not only by policy makers but also by public opinion, both in Russia and in the Baltic States.

At the sub-regional level, the first Russian CBSS presidency in 2001-2002 demonstrated the existence of a considerably revised strategy with respect to regional activities occurring in the BSR. Until 2001, Russia had maintained a low profile with respect to the initiatives promoted by the CBSS and other institutions. The Presidency, however, was timely with respect to the developments of the wider European dynamics sketched above. The Russian foreign policy elites have taken this opportunity to redesign the role of Russia within the BSR and the CBSS in this connection. By enhancing contacts between the CBSS CSO, the EU Commission, and even the CoE, the Russian Presidency supported the existence of a *niche* in which the CBSS will be able to operate, even after the EU and NATO enlargements occur, and in which Russia will be able to play a consistent role: The CBSS can operate as an instrument for enforcing EU soft security strategies in the region, e.g. the Northern Dimension. In other words, the initiatives taken during the Russian presidency seemed to support the transformation of the CBSS into a ”EU implementing agency” (Ojanen 2002).

The issue of Kaliningrad has become of primary importance in defining not only the extent to which Russia can integrate in the BSR but, more importantly, is also a major test for the relations between Brussels and Moscow. The Kaliningrad question confirms the impression that high politics issues between Russia and the EU transcend the cooperative attempts and are dealt with in a rather more traditionalist manner, at the level of confrontational bilateral relations.

On the domestic side, the centralisation attempts of the new administration have been manifested by the establishment of the presidential envoys. These can, prospectively, produce two opposite outcomes: On the one hand, this authority could worsen the unresolved conflict of powers within the federation - in this case exemplified by an obvious legal deficiency concerning the division of competencies - between regional and federal authorities; On the other hand, a clearer division of powers and responsibility on the part of policy makers could make this formula - with both regional and federal powers present in the local political arena - a success in terms of integration of the Russian regional units in the BSR. This would combine traditional regional activism in Baltic affairs with the advantages and opportunities - in particular, swiftness of decision-making - offered by the presence of the federal authorities.

Notes

[1] As a result, in those cases where the regional dimension happens to touch upon foreign policy interests and ’hard’ security, cooperation stops and a confrontational approach is resumed, cf. the case of the status of Kaliningrad below.

[2] Military pressure included. One should not underestimate the fact that Russian troops still occupied the territory of the Baltic States until 1993-1994, about three years after their declaration of independence, nor the fact of the militarisation of Kaliningrad (Oldberg 2000, 48-49)

[3] Estonia and Latvia approved very restrictive citizenship laws, the so-called ’1940’ option (later amended by Latvia, in 1998). The Lithuanian law was, instead, named ’zero’ option since, as distinct from the other two countries, citizenship was guaranteed, without exception, to all residents, instead

of only to settlers, or descendants of settlers, from the period between the two world wars - thus the '1940' denomination (cf. for instance Pikayev 1997 133-157).

[4] In July, 2001, this issue was still referred by the Russian Minister of Foreign Affairs, Ivanov, as an "infringement of the religious rights" (cf. Baltinfo 2001)

[5] During May, 2002, for instance, the Estonian Embassy in Moscow repeatedly protested vandalism (RFE/RL vol. 3 n. 17)

[6] The establishment of a Secretariat was initially avoided by Member States in order to maintain the flexibility of the institution, which would, instead, have been weakened if a centralised administration had been established.

[7] Cf. Ojanen 2002, 8-9.

[8] The CBSS was launched as result of a German/Danish joint initiative promoted by the then Ministers of Foreign Affairs, Uffe Ellemann Jensen (Denmark) and Hans-Dietrich Genscher (Germany).

[9] The Chairmanship of the CSO is connected with the Presidency of the CBSS.

[10] A number of regional authorities have repeatedly protested this lack of legislation (cf. RFE/RL vol. 2 n. 15, 21 and 23.

[11] The work and methods of other envoys, such as former Prime Minister Kirienko have, however, been harshly criticised (Cf. RFE/RL vol.2 n. 15).

[12] On centrifugal and centripetal forces in Russian regionalism, see Tassinari 2002a, 27.

[13] The Polish proposal for an 'Eastern Dimension' seems to confirm this assumption.

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