

## Analysis

# The Northern Dimension: An Appropriate Platform for Cooperation with Russia?

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## Abstract

This article lays out the history and current potential of the Northern Dimension initiative, a project initiated in the late 1990s to provide a common framework for the promotion of dialogue and concrete cooperation among Europe's Nordic and Baltic countries and Russia. The author seeks to assess whether the design of the four common spaces between the EU, Russia, Norway and Iceland, which was chosen in November 2006 as a new conceptual framework for the Northern Dimension, is a suitable policy to enhance cooperation among members of this initiative. The author also analyzes Russia's Arctic policy and evaluates its relevance for the Northern Dimension.

## Debating the Northern Dimension

Since the renewed Northern Dimension (ND) policy was launched in November 2006, it has attracted attention as a useful platform for cooperation among all the key participants – EU member states, Russia, Norway and Iceland. Nevertheless, the new framework proposed for all parties has not put an end to a lively debate between the optimists and skeptics.

The first group, consisting mainly of senior ND officials, continues to insist that a Northern Dimension initiative based on the idea of four common spaces can play a role as one of the key regional instruments shaping relations between Moscow and Brussels. In contrast, ND-pessimists, like Prof. Christer Pursiainen, argue that this initiative cannot be regarded as an effective model of regionalism, because the interests of the partner-countries vary too widely.

In fact, the recent history of the Northern Dimension shows that it has clear political limits, thanks to its virtual character, the ups and downs in the relationship between the EU and Russia, and the lack of sufficient financial resources. Yet, the Northern Dimension as a regional project is still in demand and can become more effective in the future.

## A Region in Transition

The Northern Dimension region possesses a number of unique characteristics. In its present shape, it encompasses different spaces, including the Baltic, Barents and Arctic. The recent enlargements of the EU and NATO and the accession of the Baltic States and Poland to these organizations have raised the interest of both Brussels and Washington regarding this part of Europe. A number of sub-regional organizations, like the Council of the Baltic Sea States (CBSS), the Barents Euro Arctic Council (BEAC), the Arctic Council (AC), the Nordic

Council of Ministers (NCM) and other regional and local institutions, emerged in the 1990s and made the picture of the whole region more colorful.

These institutions create a rather dense network of interaction under the common umbrella of the Northern Dimension. The most developed part of the ND space comprises the countries of Northern Europe – Sweden, Finland, Norway, Denmark and Iceland. The so-called “northern cooperation” between them for decades has guided the foreign and domestic policy of the respective countries. Almost all of them enjoy a high international reputation due to the socially-oriented model of their “welfare states”.

The Baltic region includes both traditional regional players like Russia, Sweden, Finland, Denmark and Germany and new independent states like Lithuania, Latvia, Estonia and Poland. Since Russia remains the closest neighbor to this group of countries and the mutual relationship among them is difficult, the political interaction within the framework of this region is less predictable. The Council of Baltic Sea States remains the only intergovernmental institution to promote political dialogue in the region, but politically it does not pretend to handle complicated bilateral tensions, especially between Russia and the Baltic states. At the same time, the processes of regionalization in the Baltic region dominate over efforts toward integration, and the countries of the region prefer to develop bilateral relations rather than multilateral contacts.

Since 1997 the idea of the Northern Dimension, proposed by the Finnish government, has united two different regions – Northern Europe and the Baltic Sea region – and has also involved Russia's northwest territories as fully-fledged participants in the project. The Finnish proposal was aimed at strengthening democracy in Russia and in the entire Northern Dimension area

as well as at developing relations with Russia as a key energy supplier to the European market. Other northern countries have supported the idea. The first and the second Action plans (2000–2003, 2004–2006) have contributed to further consolidation of the Northern Dimension area. The general idea of the Northern Dimension was to promote a positive interdependence between EU member states and the partners within this initiative, including Russia, and this task goes in line with the role assigned to the European Neighborhood policy.

### The Importance of the Arctic Region

The third element of the ND space is made of the Arctic region. Actually, only a part of the huge Arctic space is institutionally covered by the Northern Dimension, but among the polar countries only the US and Canada do not play an active part within the ND initiative – both countries perform the role of observers. Similar to the Baltic region, the Arctic region is still “under construction”. The Arctic Council, which was established in 1996, remains the only intergovernmental organization in this region, but incentives for cooperation are undermined by narrow national economic interests, especially the race for energy.

Recent developments in this area were connected to Russia’s polar expedition, which took place in 2007 and provoked a strong international response, especially from the polar countries. Moscow sought to strengthen its political presence in the Arctic region in order to secure its economic interests and enlarge the border of its continental shelf. In spring 2008 Greenland hosted the first international conference of the polar states – US, Russia, Canada, Norway and Denmark. The participants agreed to consider the region a vulnerable ecological area, but did not find common ground on territorial issues. Since 2007 the majority of the polar countries (Canada, US and Russia) have announced plans to deploy limited military contingents in the Arctic region.

At present, the renewed Northern Dimension is equipped with the concept of “four common spaces”, which were previously put at the base of the EU-Russia relations: a common economic space, a space of freedom, security and justice, a space of external security, and a common space of science, education and culture. Do these common spaces really lead to a closer integration among all partner-countries? Do the Northern countries, the Baltic states and Russia feel comfortable within this framework? Do they really share the same interests and try to solve problems on friendly terms?

### The Northern Dimension Under Threat

At first sight, the idea of four common spaces looks very promising, because it unites all possible ways of cooperating, including a common security agenda, economic challenges, and ecological and humanitarian needs. Every partner is at liberty to propose its own vision of the “road maps”. But to the growing dissatisfaction of Moscow, the common economic space in the short-term does not represent a step-by-step approach. It will not provide a visa-free regime among the participating states, or create a free economic zone, or even establish a common energy market. The only working field of cooperation is transportation and infrastructure, while the majority of joint and cross-border projects still exist on paper only. What is even worse, the partners could not avoid an open confrontation on some important economic issues. For example, Sweden, Poland and the Baltic States strongly opposed the construction of the joint Russian-German Nord Stream pipeline. At present, energy issues divide the EU and Russia more than ever, and even growing energy interdependence does not create a stable base for a long-term relationship. In this situation, only cooperation in specific fields like transportation, fishing and tourism seems like a realistic scenario.

The future of the common space addressing external security likewise does not seem encouraging. Even if Moscow and Brussels take similar positions on questions like Afghanistan, Iraq and non-proliferation of nuclear weapons, their positions on other important issues of world politics clearly differ. The EU has strongly criticized Russia for recognizing South Ossetia and Abkhazia after the aggression of the Georgian government against these territories in August 2008. Among the most emotional critics of Russia were members of the Northern Dimension project – Sweden, Poland, and the Baltic States. The EU did not support the idea of President Medvedev on a new European security architecture. Taking into account the negative attitude of Moscow to NATO activities in general and in the Baltic region in particular, it would be difficult to imagine successful cooperation within this common space under the present political conditions. Moreover, the growing concern of northern countries over Russia’s activities in the Arctic region raises a problem of mutual confidence. In fact, the Arctic region could become a touchstone with respect to the future partnership within the Northern Dimension. The possible accession of Finland and Sweden to the North Atlantic alliance could also lead to the freezing of cooperation between Moscow and the Northern Dimension partners.

### Cooperation Despite Political Tensions

The common space of freedom, security and justice (internal security), in contrast to the previous ones, looks better defined, and the participating countries have made visible progress on this track, despite the broader political tensions. The fight against organized crime, drug trafficking and illegal migration to a certain extent has united the EU, Russia and northern countries. Since 1997 Russia works in close cooperation with Europol, and in 2003 in Rome both sides signed a cooperation agreement, which allows an exchange of files on criminal cases, joint efforts against counterfeiting, and a variety of other issues. In 2007 Moscow ratified a readmission treaty, signed between the EU and Russia, and consequently strengthened control over illegal migration on its western borders. At the same time, however, the Finnish-Russian border, thanks to the construction of new check-points and the creation of the Karelia Euroregion in 2000, will be further transformed into a gateway that will unite border territories. Environmental and nuclear safety are also among the top priorities of the third common space. The Northern Dimension Environmental Partnership was established in 2003 and remains the only effectively working partnership within the Northern Dimension framework, with a total budget of 1.8 billion euro, which was spent on 15 individual projects, eight of which directly relating to Russia.

The last, but not least, common space of science, culture and education remains a potentially interesting instrument of cooperation between the universities in the Northern Dimension area. So far, it has resulted in a number of projects. Among them are the Eurofaculties that were opened in Tartu (Estonia), Riga (Latvia), Vilnius (Lithuania) and Kaliningrad (Russia). The latter experience has received a positive response from a CBSS assembly, and since 2008 the Pskov state university also participates in this program. Another interesting proposal concerns the establishment of a joint Russian-Finnish Northern Dimension Institute. But the long distance separating the EU, Russia, Norway and Iceland from this common space still has to be covered. Practically the same problem concerns all of the spaces.

#### *About the Author*

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### Will the Northern Dimension Survive in a Time of Change?

The long-term perspectives of the Northern Dimension remain vague, because Russia and its Northern Dimension partners representing the EU cannot agree on future principles of cooperation, much less implementing them. In the European context, this regional initiative will inevitably face challenges from other regional dimensions – starting with the Eastern partnership. New countries (US and Canada) and new organizations (NATO) have announced their interests in the Northern Dimension territory. The Arctic issue will further guide the policies of interested polar states, and the growing competition for Arctic resources threatens to slow the process of consolidation in the Northern Dimension area or to stop it altogether. Thus, the interaction between different groups of actors under the Northern Dimension umbrella becomes even more complex and unpredictable than before.

In this situation the weak point of the EU as a major partner within this project is that it does not speak with one voice. So the fragmentation of the Northern Dimension space cannot be completely excluded. This trend will probably strengthen the position of northern countries (Sweden, Finland, Norway, Denmark and Iceland) vis-à-vis Moscow and Brussels. The Nordic Council (through the Stoltenberg report) in February 2009 announced plans to form Nordic Task forces with a mission of monitoring the situation in the Arctic region and performing crisis management, air surveillance and satellite cooperation. The military contingents from Sweden, Norway and Denmark will become the core element of these forces. Hence, the upcoming Swedish EU presidency will show whether the interests of these Nordic states are in line with those of Brussels, and to a what extent Russia is regarded as a partner within this initiative.

Yet despite all the problems, the Northern Dimension still represents a success story that has survived over ten years of political ups and downs. Cooperation has worked in a number of important areas. It is to be hoped that the results of these successful partnerships will one day spill over into the arena of high politics and contribute to strengthening mutual trust and stability.