YEARBOOK 2008

THE ESTONIAN
FOREIGN POLICY
YEARBOOK
2008

EDITED BY ANDRES KASEKAMP

The Estonian Foreign Policy Institute

SA Eesti Välispoliitika Instituut

Table of Contents

Estonia in the European Union: From the margins to the centre

Martin Kala

About Europe's success in the 21th century

The European way of thinking has been paralyzed by pessimism, which has its roots in the everyday routine at the heart of a contemporary democracy. The reasons for the Europeans' lack of self-confidence are to be found in their own minds. Although we are confronted daily by a variety of political, social, cultural and economical problems, the people's lack of interest and enthusiasm in topical politics creates a situation where the peoples of Europe regard the future with apprehension, rather than with a willingness to face new challenges. The achievements and attitudes that made Europeans who we are today, unfortunately, are fading, as the citizens of Europe observe that the most vital and impactful decisions with regard to their future are being taken somewhere else, independently from us, and that our democratically elected leaders lack the ability, or the power to influence, these decisions to any significant degree.

The democratic style of life that once provided us with a direction in life, as well as with a sense of identity, is likewise disappearing. Our very model of society, grounded in humanist values and human rights, is today undermined by states which participate in fierce competition for energy and natural resources, although the very same countries were once at the forefront of the fight against a world order based solely on cynical economic

interest. The market advantages dearly won during globalisation are quickly dividing the world into those who make economic progress, and those who do not. However, the ones advancing now are those who join the dirty game, not the ones who prefer to stick to their values.

Western democracy is like a paper canoe in a stormy sea, while globalisation is making the storm ever stronger – a challenge even for the sturdiest ships. While democracy has made little progress during the past decade, we are witnessing a situation where the democratic norms and capacity are severely tested (and damaged) in places where social developments are slow or even regressive. In this context, the revolutions of different colours in transforming societies – Ukraine, Georgia, and Kyrgyzstan – seem like a Mayday call from a sinking ship.

The European Union has a strong currency and the largest common market in the world; our technology and methods increasingly set world standards. When the euro was being created, the world's business circles echoed with countless pessimistic opinions, which considered the endevour dangerous for the common market and even a potential grave-digger for the whole European project. Today the situation has dramatically changed: more and more money is being invested in European banks; hundreds of thousands of litres of petrol run through our wallets; rich Arab oil importers convert their barrels into euros, rather than into dollars. Venezuelan President Hugo Chavez, an "anti-imperialist" antagonist of the United States, suggested, while hosting the OPEC ministerial meeting in Caracas in June 2006, that the cartel forsake the weak dollar and switch to the euro for pricing crude (he predicted the "end of the dictatorship of the dollar, currency of an empire that will fall in this century.").[1] Iranian President Mahmoud Ahmadinejad has called upon the OPEC states to lose the "useless dollar to a solid euro".[2] Even Chinese companies have decided to establish their head offices in London and Paris, rather than in New York. Europe is actually doing a lot better than we might think.

---

[1] "Chavez, blasting weak dollar, wants euro-denominated crude", www.dominicandaily.com, June 2, 2006.

[2] Parag Khanna, "Who Shrank the Superpower?" *The New York Times Magazine*, January 27, 2008.

An intriguing essay by American political scientist Parag Khanna on global politics argues that the world is going to have three major leading powers.[3] Besides the United States of America – the ultimate firm rock, although relatively weak at the moment –, the author includes the rapidly developing China and, perhaps surprisingly, the European Union, which he believes will acquire new drive and speed in the near future after the ratification of the Lisbon treaty. After the failure of its ratification in Ireland, there is now much more talk about the immediate future of the EU: either a "Nice-plus" as advocated by Swedish Foreign Minister Carl Bildt, meaning institutional changes without the treaty or a smaller "core club" of those Member States who have managed to ratify the treaty and therefore clearly expressed their will to move on with the integration and construction process. Khanna thinks that the United States should be able to find (not hold?) its place between the two other superpowers, the European Union and the People's Republic of China. Considering the characteristic features of the three postulated leading powers, one can assume that all the other pretenders to the top can be counted out, including Russia despite its abundant natural resources; the Islamic world, which is weakened (although also radicalised) by endless wars; and the giant democracy India, because its development is still decades behind China's.

It is ironic that Europeans tend to see themselves inevitably as merely the translators and go-betweens in the match between West and East, as actors who do not possess significant force, power or influence in the globalising world, whereas outsiders view us as major competition. Why this difference of perception? Maybe we ought not to consider Europe as a petty broker between the US and China, nor believe that trying to score goals on both sides will lead to successful outcomes.

Probably many a reader would like to ask: but what about Russia? How is it possible that Russia is considered a secondary

---

[3] In the 21st century the empires strike back. Parag Khanna argues that the United States, the European Union and China dare not call themselves imperial powers, but they are busy reshaping the globe to suit their interests. The game is afoot, with the natural resources and potential wealth of countries like Ukraine, Turkey and Brazil as the prize. Parag Khanna, *The Second World: Empires and Influence in the New Global Order*, New York, 2007.

player, not a super-state?[4] This is so because the oligarchy, with
energy as its present source of money, is nothing more than a
degenerating giant. Within a few decades Russia's resources will
be all but finished, its population will be collapsing, its cities de-
lapidating. In a word: Russia does not have any reasonable basis
for an assertive foreign policy, though that will not stop it from
occasionally flexing its muscles in places like Georgia.

Estonian historian David Vseviov writes vividly about Mos-
cow trying to convince Europe that it should be seen as a huge
spider, which holds Europe in a unrelenting deadly grip, whereas
it is actually perfectly clear to Russia itself that it really does not
have much strength left, and the last thing that it should rea-
sonably be spent on, is going after the European Union, a very
safe and convenient neighbour. Vseviov's views are based on
what he hears and reads about Russia in Estonia, with numer-
ous statements representing it as a huge predator who is able to
impose it's will on its neighbours. "Actually, however (sometimes
for better, sometimes for worse), the world is far more layered.
Under the visible surface there are many more layers," Vseviov
writes. "The relationship between Europe and Russia is far more
complex and the metaphorical spider certainly does not hold all
the strands of the web. Thus I would like to hear or read a more
in-depth account, to balance all the endless stories dealing with
surface ripples."[5]

States with a capacity like Russia's can function as secondary
actors, i.e. their behaviour in relation to the three main powers
can push the situation into a certain direction, and influence the
emergence of one geopolitical market as the most important one
during the 21st century. Thus, the more Europe can spread its
soft power in the world and the more it manages to surround
itself with friendly "other" states, the more assured we can be of

---

[4] According to the survey, this contest is hottest and most decisive in the Second
World: pivotal regions in Eastern Europe, Central Asia, Latin America, the Middle
East, and East Asia. Khanna explores the evolution of geopolitics through the recent
histories of such underreported, fascinating, and complicated countries as Russia,
Colombia, or Malaysia – nations whose resources will ultimately determine the fate
of the three superpowers, but whose futures are perennially uncertain as they strug-
gle to rise into the first world or avoid falling into the third.

[5] David Vseviov, "Venemaa ja Euroopa – kas ämblik ja kärbes?" *Postimees*, 31 Janu-
ary 2008.

our future success. Vseviov is right to say: Europe really is a fly, and even one of a particularly lazy and over-fed kind. One that makes a lot of noise, but does not achieve much.

What is the source of the Europeans' pessimism?

I think that the main reason for feeling low or inferior is within ourselves. The European countries can not boast of size or of impressive demographic data. The area of France, a "large" European state, is 550 000 square kilometres, which covers about 1% of the globe; China and the US, however, possess about 9.6 million square kilometres each. There are about 65 million Frenchmen and -women in the world, making them the second-largest people in the European Union. At the same time, about 1.3 billion Chinese inhabit the world, which amounts to 20% of global population. Thus it is clear that even large European peoples, not to mention the medium and the small ones, constitute a small and diminishing group in the world.

Fifty years ago, when the global population was 2.5 billion, the population of France was around forty million, constituting about 2% of the global population. Today the population of France is far bigger, but the global numbers have risen to six billion and the percentage of the French has diminished to 1%. Fifty years on, of the ten billion people on Earth, only 0.5% will be French.

I am quoting these figures in order to indicate the direction towards which the demography of the globalising world is headed, and that is one, where the French, or any other European nation, will not be numerically poweful. Furthermore, 80% of the urban growth within next three decades will take place in Asia and in Africa, where eighteen of the twenty most rapidly growing metropolises are situated.[6]

Globalisation changes our life-styles and leaves us unprotected

---

[6] Lagos, the capital of Nigeria, will obtain on average fifty eight new inhabitants *per hour* between today and 2015 and Mumbai is likely to take over Tokyo's title as the most crowded city in the world by 2050. It is ironic that even the remaining two of the twenty largest cities are not situated in the European Union or in the US, but in Central and South Americas: Ciudad de México and São Paolo. Richard Burdett, "Beyond City Limits", *Foreign Policy*, January/February 2008, pp. 42–45.

from competition and rivals – only a unified Europe can deal with this challenge. The population of the European Union is almost 500 million, which makes it globally third-largest after China and India; the joint area of the 27 member states is seventh-largest in the world. The new world order is in itself a good reason for a stronger and more active Europe, considering that populations of the member states are diminishing (except for those of France and Ireland) and keeping in mind that if Europe's population growth is among the slowest in the world now, it will be even more drastically the case in the future.

As long as Europe does not become a more cohesive association, with common trade, defence and foreign policies, the multi-layered clouds of concern will stay on the horizon. More specifically, one can talk about three typical problems that concern the Europeans.[7] Firstly, some of European self-loathing or feeling of inferiority is fed by past, mostly 20th century, negative events, which cast a shadow over our endeavours today. Many people feel that the large European states once achieved their position in the world and their role in the international politics by dishonest means, and that there are no present day achievements, which would help us hold on to those privileges. Europe was home to communist, fascist and colonialist developments, which we had little reason to be proud of, and thus we faced the challenges of the 20th century with a certain attitude, which changed Europe's position, place, idea and role in the world for ever. Even now Europe has not reached a consensus on historical issues, our shared history is still a matter of debate. If we cannot define our own history, may it be ever so victorious, we cannot reasonably judge our position in the present-day world either. And the latter is a far more urgent task. Many Europeans, especially those whose fates have not been involved with communism, like to live with nostalgic thoughts rooted in a more glorious past. The French, for example, when discussing projected developments in the future, often make use of the expression *sens de l'Histoire*, which could be understood as today's plans for the near future, which in further future could be looked back to as history. The

---

[7] The former French foreign minister Védrine discusses the issue of low self-estimation in the same vein with the present article. Hubert Védrine, "La Juste Place de la France dans le monde. *Étvdes*, Janvier 2008, pp. 9–18.

English equivalent could be the "course of fate". It is evident that the more dangerous the future seems, the more nostalgic the Europeans are about fate and the more inclined to ponder a less worrying past.

The second reason for feeling depressed is the realization that the rapidly developing globalisation, and Europe's diminishing share in the world population, will lead to a decline in Europe's power and influence. The global demographic and geopolitical, challenges, as well as serious problems with energy supply and deteriorating ecology, threaten our principles, life conduct and thus also our capacity to impact on others. Today's enterpreneurs, foreign investors and developers demand a more flexible market, not the high salaries and lifetime job security of the past, which hinder the creation of new jobs, skills, technologies and the rapid development of fruitful innovations. In today's world it is ill-advised to rely constantly, or in any circumstance, on help from the state or "a third party".

Thirdly, the Europeans are constantly piqued that they are no longer the focus of the world's attention, like at the time of Napoléon or Louis XIV. Formerly great powers, such as France and Germany, have been reduced to much smaller roles on the world stage. They have been forced to become aware that Europe can have a significant impact in international affairs only if all the members of the European Union act in unison, in support of common policies. The old rules of international affairs are not valid any more.

All these many reasons make us pessimistic. We are not able to exert power; we have limited means to defend our interests; we are becoming aware that the acheivement of objectives now requires united action, whereas only a few decades ago each of Europe's largest states could do so on their own.

What are the different factors that have caused the weakening of the impact of Europe? Firstly, Jean Monnet's famous *United States of Europe* or the idea of a super-state where the power of all the national states has been reduced, in order to facilitate the pursuit of common aims. The ratification of the Lisbon treaty (Reform Treaty) should lay the foundation for the United States of Europe, replacing general Charles de Gaulle's celebrated "Europe of Nations" (*Europe des Patries*) and thus negating the idea

of Europe's approaching end and disintegration. If it does happen that the European Union chooses to move towards stronger unification, thus limiting the influence of nationalism and local internal interests, there will be little to disturb the decisive and impactful role of the European Union in a wider context. It will then become a serious political union instead of simply a free trade zone, as many people still regard it today.

The liberal commentators who regard life mainly from the economic perspective consider economic competition one of the main reasons for the European melancholy. Europe is badly prepared to face global competition and thus even those few countries which still seem to believe that they can balance the forces of globalisation with their demonstration of economic patriotism are forced to give way. Experts in global economy, like Hubert Védrine and Thomas Friedmann, hold that the position of a state is dependent on the flexibility of its economy, its attitude towards reforms and the degree of liberalism of its market policies.

The third important factor is the morality of international affairs. The aim ought to be to counteract *Realpolitik*; to reinforce (at least on our home ground) our universal values; to place *morality* at the centre of our politics, even if it is constantly threatened or influenced by Islamism, China and Russia, America's new "war on terror" and the pressure on Europe to give up its so-called singular politics and to show solidarity with the rest of the Western world (i.e. support the Americans).

Here we are back with the old question: do you think that the relative importance of Europe in the world is rising or falling? The Europeans have long got used to saying that it is declining. But if a speedy decline has been in force for decades, how come there is something of Europe left? Hubert Védrine explains that here we are dealing with a misunderstanding: an inability to differentiate between degeneration, relative statistical decline and a decline in impact and influence.[8]

There is an enormous number of large states in the world, which have to compete with each other and there is a perception that some of the large states are "rising" (the Asian "tigers", Brazil) and others are more or less "falling". We are neither US or China;

---

[8] Ibid.

we are fewer in numbers than Indians or Russians and our birth rate is lower than just about anywhere else. We do not have gas or oil resources like those of Russia, a GDP comparable to Japan's or a huge timber industry like Brazil's. The paradox is that the Europeans are voluntarily forging an image of themselves as a "free-falling" super-power.

The West has been dominating the globe for two centuries, exporting its ideas, finances and people, and proclaiming its vision of the world. Today, however, it is clear that this power cannot be direct or command-based anymore. The new century is a century of relative power where the above-mentioned intermediate states play an important part. The role of the West, including that of Europe, will largely depend on its influence with these states, whereas it should keep in mind that any earlier "norms" may no longer be considered self-evident and that our power and infuence now largely depend on our ability to persuade. Furthermore, today's problems are more complex and challenging than the earlier ones: there are no prior "norms" for dealing with environmental protection, energy issues and so on.

The Political Instrument of the European Dream

The European Union is a success-story, the achievements of which should not be seen in terms of singular events or as a succession of meetings of its governing bodies; it should be seen as a historical process and a progress. Already fifty years ago the political scientist Karl Deutsch formulated the political conception of pluralist society, based on *values*: the sovereignity and legal independence of states; achievement of shared principle values through work of joint institutions; mutual sensitivity, loyalty and identity; pursuit of integration until the parties develop a "trustworthy hope for peaceful change" and until interactive communication begins to strengthen the political union.[9] It appears that today the European Union fulfills these expectations more than any other international multilateral institution in the world.

[9] Adam Daniel Rotfeld, "How Europe is starting to set global rules," *Europe's World*, no. 8, Spring 2008, pp. 15–19.

The so-called "European dream"[10] differs from the American type stimulation of national patriotism and *nation-building*, and offers an alternative model of financing the near-by orbits and thus tying them to Europe. Many poorer regions of the earth prefer the European wave-length of dreaming to the American. Europe has become a successful model of regional integration, the experience and know-how of which is used by many organisations with similar ambitions.

The economist and political scientist Susan Strange once described the European Union as something of a power, which, provided it uses the right means, can do anything[11]. Strange saw the key to European success in its competitive potential, but not so much in the issue of what kind of policies are used in the private sector, but rather, in the kind of joint decisions that different societies or member states can make on *what means* to apply in the world market. Here we arrive at the paradox, where the policies of the European Union, i.e. our "instrument" does not work until we have reached the agreement on its wider framework. In other words, today we are racking our brains, how to change the lay-out of the hammers and spanners in our tool-box, instead of throwing the worn-out box away and finding something more suitable to keep our tools in.

The European Union needs to start selling what (this model) it is good at. The Europeans originally created a unique institution and assembled an ensemble of international relations, which radically differs from anything else in the global practice. A number of European leaders, thinkers, utopians and intellectuals (de Sully, Kant, Rousseau) had already for centuries dreamt about a system which would rule out the possibility of war by way of states sharing their sovereignty with each other. The European model of mutilateralness means that a number of independent states have given up their sovereignty in order to preserve their sovereignty[12]. This

[10] Jeremy Rifkin, *The European Dream: how Europe's vision of the future is quietly eclipsing the American dream*. Penguin, 2004.

[11] Susan Strange wrote her noteworthy essay already 1998, when globalisation did not feature strongly in our minds yet. Susan Strange, "Who are EU? Ambiguities in the Concept of Competitiveness", *Journal of Common Market Studies* 36 (1) 1998: 101–114.

[12] Anne-Marie Le Gloannec, "L'Union européenne ou comment "gérer" le rétrécissement de l'Occident", *Étvdes*, January 2008, pp. 19 – 28.

is something that could be the EU's Nokia (i.e. bright idea) for the world: being a regional pole, also to reinforce itself as a global pole. A lot of work needs to be done here in order to figure out how to *better advertise* the model of multilateralness, especially as everything is not as well as it could be on our home ground.

By creating a union of states and citizens, which is based on the principle of delegation of sovereignty, unification of state policies, and supremacy of law, Europe has achieved two aims: it has managed to civilise state relations and to "domesticate" them (formerly international affairs have become internal politics). This was the European endeavour in the 1960s, when the member states of the time wished to deepen and broaden their union as much as possible. The *a priori* task of the European Union is to export modified versions of its successful system to the rest of the world and to promote its technical (common market), governmental (polito-economic union) and moral (values and control in order to guarantee that interests do not prevail over values) norms, specifically taking into account the structural strength of the instrument of enlargement.

What are the chances of Europe as a pole asserting itself in the world? Is it true that the West is shrinking and that Europe will lose its importance? What is the future? Although the idea of Europe has mainly been connected to its internal problems, as the painful events of the recent years (The French and Dutch and Irish referenda to begin with) memorably testify, in the future we may expect many of its problems to come from the outside. The geopolitical processes of the world have long demanded a strong Europe, i.e. a Europe where the member states have the same attitude towards the conflicts of the world and which deal with external challenges together. Compared to other leading powers, what are the chances of Europe establishing its norms in the world? Will we be taken as one pole?

It is clear that the European Union is not the six-state-union it was in 1950s, it is not a developing collective of nine, twelve or fifteen members, it is a union of twenty seven peoples, small and large, and with very different backgrounds. After the fall of the Berlin wall and the re-unification of Germany, the collapse of the Soviet empire, and following the shameful violent wars in Yugoslavia, the continent was free and ready to announce, as one

of the European foreign ministers recently boastfully put it: "the time of Europe has arrived".

Europe has been embarrassingly incapable of taking up the challenges that it has itself called into being over a long period of time. It is clear that joint activity would be be more worthwhile than bustling about on one's own. Everybody knows that – not only foreign ministers, representatives and heads of state, but also students, housewives, all European citizens. They can understand the need finally to translate theoretical ideas into a practical re-ality with a strong potency to shape the future. Neeme Korv, a journalist at the Estonian daily *Postimees,* writes critically about the mere pretence of having shared aims in Estonian internal politics, and comparing the ideological background of Estonian politics with that of the Common Foreign and Security Policy of the European Union. He claims that "if one attempts to talk about it truthfully [in Estonia], the speaker will immediately be considered an idealist".[13]

I believe that the European Union is not one powerful actor, but a union of actors, and that makes it difficult to be a pole in the world. Or it can be that because of the plurality of actors we are a pole, but refuse to see it. Thus, shaping our strategy of Europe, we actually always envisage it from the perspective of a certain state or a group of states, with other players later gloom-ily adding their signatures. This is the impression that we create: faced with Beijing or Washington no European state can cope alone. For that reason I will repeat again: the possibility for the European Union to assert its power is in the political centralisa-tion of its decisions.

PART TWO
Estonia in the European Union
The French believe that they are in second place in terms of influence in the European Union after Germany, according to the findings of a survey published 15 April 2008.[14] Germany's

---

[13] Neeme Korv, "Aprilliliim", *Postimees*, 21 February 2008.
[14] Press Release: *France's influence in Europe: Can we still believe in it?* Hill & Knowlton, 15 April 2008, Levallois-Perret.

economic, political and demographic force, its consistent support of the Union and the diplomatic skills of Chancellor Angela Merkel were listed as reasons for its powerful role in Europe. The French held a "slightly unfavourable" perception of their own country's influence on EU matters, the report said. Philippe Blanchard, managing director of Hill & Knowlton, the communications consultancy that commissioned the survey, said that "a limited understanding of the decision-making mechanisms of the European Union and their dynamics by the French" was partly to blame for their pessimism.[15] According to the survey, Germany was considered the dominant force in the Union by 72% of the 1,003 French citizens interviewed while 14% believed France was the most powerful member state. The UK was in the third place with 8%. Only 16 of the 27 member states were deemed to have any influence in the EU at all.

I would like to underline the last point that people believe that only some member states influence the developments in the Union. In a way this is quite true. However, the primary issue here that needs to change is the self-image that a state has. Small states, and frequently also larger states, need to learn to act less like independent powers, and more like members of a greater union, internalising shared norms. They have to learn to defend their interests via international networking and skilful diplomacy. We have to see our common life in the European Union from the perspective that the success of the Union as a whole, as well as that our successess within it, depend on our visibility and on our readiness to play the game.

When discussing Estonia in the European Union and more particurlarly Estonia's role in developing European politics and the contribution it can make, two questions need to be considered first: 1) Can Estonia participate fully in the union of the states and 2) Is the future of Europe in our hands too? Are we capable of playing a full role in the European Union?

Not yet, even now! Firstly, our ministries often fail to develop their points of view on important issues. The standpoints are prepared only when they are asked for, and frequently with delay. Another key point is the question how to improve and polish up

---

[15] Daniel Igra, "The Missing Swagger", *European Voice*, 19 June 2008.

our foreign relations personnel. Estonian external relations have a short history of seventeen years: a very short time to develop diplomatic maturity. The Estonian Foreign Ministry has an excellent in-service training system that should be utilized to upgrade staff skill levels and to infuse some fresh blood into the system, in the form of new experts, particularily on issues relating to the EU. Unfortunately, the Foreign Ministry has the lowest salaries of all ministries. However, for many potential specialists money is not the only motivator, and they would be interested in non-routine work and in the good quality in-service training opportunities in the ministry.

Foreign policy is an endless process. Our European integration is a continuing activity, not a finished product once we "got in". One needs to work constantly and to develop things ever further. Yet the views of our executive powers as reflected in the media signal a lazy contentment with what we have and a dislike of standing out, excelling. For example, it can be debated endlessly, whether Estonia could have taken the EU presidency in 2008 instead of Slovenia, as it was one of the options discussed at the negotiations. Did we opt out because of the belief that we had too little experience, that preceding or following large countries having the presidency would outshine us, and that, generally, we were unlikely to do well? In 2004 we doubted our capacities and preferred a more distant date, and hopefully a successful presidency with creditable results, to the chance of standing out as the first new state to hold presidency. It would be difficult to judge which would have been a better decision, however, the decision taken could be characterized as timid.

I believe that Estonia can take on a full role in Europe from the moment that the aimlessness in Estonia disappears, we develop a "think bigger" attitude – and, thirdly, reform the key points to do with our external communications.

The representations of Europe in the Estonian media
Frequently, the citizens of the new member states of the EU regard the politics of the EU and the shared developments with its other members with a certain chilly distrust. Today's East Euro-

pean is mature and careful, rather than foolhardy, and problems are viewed in a longer perspective. We often discuss in great detail how we all feel in our respective states and focus ever more on debates on local issues. As for the European Union, it hovers high above our Estonian border state and issues related to the EU appear to be of little interest to the Estonian voters.

Having read a recent survey of Estonian public opinion on the activities of the European Parliament, I cannot but be convinced that people do not know very much about the institution apart from the mere fact that it exists and that Estonia has some representatives there. I believe that if we today asked average Estonians, whether it is true that European Parliament sits in more than one place, the question would prove a real mind-teaser and the possible answers would be: A – Why not?, B – Oh, really? and C – Who cares?

A recent Eurobarometer survey shows that 54% of Estonian population has not recently read, seen or heard any information on the European Parliament from the press, internet, radio or TV. 74% was "poorly informed" about the activities of the MEPs and as many as 82% did not even know what year the next European elections were going to take place. This is ironic, as at the same time, more than half of the Estonians held that, of all European institutions, the parliament as a body elected by people should have most power to make decisions in the European Union.

There are numerous reasons for that problem. To begin with, there is simply not that much written about Europe. In the mass media, there is ample information available about topical local concerns, and if the Estonian reader should have some extra time to relax, she/he will probably turn the page to Paris Hilton ("She has seventeen sex-crazy dogs.") or to the equally entertaining Estonian Liis Lass to unwind. Alternatively she/he will likely choose to read about the exciting debates of the US presidential campaign or about the global economic crisis, rather than about Europe.

A major English daily newspaper did not notice that they lacked their Brussels correspondent for as long as six months! It was particularly embarrassing that even the most Europe-friendly of British readers did not notice the disappearance and make an outcry. A similar lack of interest in EU affairs appears to prevail

in Estonia. Where are our "Brussels correspondents"? The Estonians working in Brussels and in Strasbourg have observed, with some irony, that the journalists are drawn to grand events with lots of preparative media-noise, although these events seldom result in any significant impact on the Estonian citizenry. Or we could ask, who writes about European matters, WHY s/he does it, and, most of all, who'd wish to read it? When I myself wrote an article on the ideological premises of Europe for the Estonian daily *Postimees*, it received very few online-comments, the last of which said something like: "Dear Mr. Kala, such a long piece and only four comments. Shouldn't you finally draw some conclusions?!"

One reason for Europe's limited reflection in the Estonian media may also be that Europe is still considered something for the Estonian politicians to deal with, something viewed through the prism of internal politics. In other words, if an EU issue creates ripples in Kadriorg (the president's residence) or in Toompea (the seat of the government) then it is quite likely to end up in the papers. The jubilee of the European Parliament has news value, if the Estonian government sends a congratulatory card, but not independently of that. Did anyone care that the institution which entirely on its own initiative denounced the illegal annexation of Estonia, Latvia and Lithuania by the Soviet Union in its 1983 declaration had its 50th anniversary on 19 March 2008? Discounting the media comments on our President delivering his symbolic address to the plenary session of the European Parliament in Strasbourg as the first East European ever (For example: "For an average persons these meta-level problems are far away and their personal realm is simply not related to that sphere.").[16] I am sorry that no report of the opening event could read between the lines and pass on to its audience, why it was exactly an Estonian who held the jubilee speech: partly because of Estonia's 90th jubilee, but indirectly also in connection with the recent unrest in Estonia.

Further, as an editorial of the *Financial Times* once put it, "the dirty secret of Europe is it is actually doing quite well", and that is yet another reason for media's lack of interest. Good news

---

[16] Argo Ideon, "Ilves ja tema sõbrad", *Eesti Ekspress*, 14 March 2008.

about European success do not stand a chance to compete with the torrent of daily bad news.

Discussing the lack of internal solidarity in Europe, I've heard people continuously say that *softer Europe means harder work*[17]. I have the feeling that here the situation in Estonia has proved the opposite: the more Europe is written about the more nebulous its image becomes. The recent US surveys show that the support for the Iraq war among the Americans has sharply risen, because the news stream about the killings has dried up, and the Americans do not remember off the top of their heads how many people were killed a month or two ago.

Maybe it is even better, if one talks less about the things that matter for Estonia. The British YouGov survey from 2006 shows that "the less media writes about the activities in Brussels, the more positively the people view the EU".[18] Thus there is no reason to be surprised that almost 81% of the Estonian population supports Estonian membership in the European Union! This the highest result of the last seven years. Before the enlargement took place, the media in Estonia – impatient to join – wrote far more about the goings-on in the European Union and the support percentage of the EU was much smaller. Actually in light of the Estonian media's presentation of the European matters we can conclude that the honest answer to the three hypotheses is: NO interest!

Concerning the media picture of the EU, yet another fact from the work of the European Parliament is illuminating. The online-news of Estonian dailies presented items on the "Tiger-Day" organised by the EU Parliament. The aim of the day was to raise the awareness of people and thereby help to save the about one thousand tigers still remaining free in their natural habitats. The second news item about European Parliament at that time was an MEP's press release on how this MEP "expressed support for the Iraqi leader's decisiveness in the fight against terrorism" although at the relevant Foreign Committee's meeting with Prime Minister al-Maliki and Foreign Minister Hoshyar Zebar only rhetorical questions were asked, to which the Iraqi politicians responded in

---

[17] Martin Kala, "Eesti inimest ei huvita Euroopas toimuv", *Postimees*, 2 April 2008.
[18] The British YouGov Survey for Speak Out Campaign carried out in 2006.

a vague and inconclusive manner. The news value in both cases was close to zero, and thus the readers were actually symbolically presented with a distorted picture of the EU activities, as if inviting a constant debate over the meaningfulness or meaninglessness of the European Union.

The duty to influence decisions as much as possible

Once Estonia was a very eurosceptical member of the Union. In today's Europe the small member states in particular have an obligation to express their views in the debates to the fullest possible extent, because the best way to defend their internal interests is to consider Europe an oppurtunity and to invest in it. The unrest which shook Estonia in spring 2007 proved that Estonia's active participation in the work of the union is essential for us also in order to solve our internal problems. Most of the election programmes of the Estonian parties still categorise the European Union as part of foreign affairs!

According to Eurobarometer, among member nations, Estonians are the most enthusiastic about the EU. However, the question in the daily *Postimees* "What do you think is the importance of the Berlin declaration that will be signed 25 March?" was only answered by 30 people. The three choices – "it is an important document for achieving a stronger Europe"; "it is a German initiative which does not concern other states very much"; "it is a renewal of the historic Rome treaties" – received all about 13% answers each. 60% of people answered that they do not have an opinion, because they are not familiar with the declaration.

What is the source of our EU-enthusiasm, if we are at the same time uninterested in the European topics? European problems are relatively seldom discussed in the Estonian media. I am convinced that the responsibility for this lies in the government programmes and the ministries' policies. It is understandable why the presidential campaign in eurosceptic France lacked EU-topics, but quite mysterious that the same phenomenon occurred in Estonia, where people approve of the development of the Union and where EU enjoys a good reputation.

The Estonian Foreign Minister Urmas Paet is more optimistic:

according to him, Old Europe is rapidly becoming ever closer to Estonia, mainly because of our large Eastern neighbour. "The view that Russia is moving further away from the EU is so obvious that I do not even know that anyone is trying to claim the opposite," the Minister explained to *Postimees*.[19] When Estonia joined the EU, it was often claimed that the new Eastern members will undermine the union's relationship with Russia. Paradoxically, today, three years later, East and West are closer exactly because of the negative developments in Russia.

Estonia's opinions in the European arena are becoming ever more clearly formed. According to the Foreign Minister, we have now, after having spent four years in the EU and in the NATO, got used to the new pleasant situation; today it would be the time to start moving further. "Maybe we spent too much time on Estonian matters. However, in the near future the aim is to have informed views and to help to shape decisions on as many issues as possible."[20] Excellent! The European Committee ceremonially laid the foundation for "the Synergy of the Black Sea", and our President went to Georgia. The Estonian Member of the European Parliament (MEP) Katrin Saks actively works on the Central Asian aspect of the energy question, which is of major interest for Europe, and on the promotion of human rights in Central Asia. Estonia also has the plan to send a special representative to Kazakhstan. Paet is of the opinion that "Estonia's development cooperation should develop a wider vision", moving from the Caucasus and Afghanistan further to e.g. Africa and to the Near-East, a historically essential area for EU foreign policy.[21] The Foreign Ministry wishes to increase the support to the new democracies geographically close to the EU, e.g. to Ukraine and to the Western Balkan states; MEP Marianne Mikko chairs the committee for Moldova, etc. There is quite a large number of cases where Estonia has developed clear positions in the issues of European (foreign) policy.

The Estonians experienced the practical help and moral support of the European Union during the "Bronze Soldier" unrest and during it's cyber-war. It was heart-warming for us that the

---

[19] Urmas Paet, "Eesti aitamine tugevdab euroliitu", *Postimees*, 13 May 2007.
[20] Ibid.
[21] Ibid.

European Parliament organised a special discussion of the Estonian- Russian relations, a symbolic step, and that its Foreign Affairs Committee expressed unequivocal European solidarity with Estonia. The speeches in the Committee reflected the shared opinion that such cases test the strength of Europe, and that Europe's ability to demonstrate its unity can influence analogical events in the future. It was also said that "an attack against one member state is an attack against all of them" (the British Conservative Christopher Beazley), and that "Estonia may have been the test case for Europe, creating the need to fix the principles of solidarity behaviour of the member states in similar situations in the not yet adopted Constitutional Treaty."[22] The general message of the Foreign Committee was expressed by the Hungarian MEP György Schöpflin: "The crisis in Estonia is a test-case for Europe. Europe must be united in the face of Russia's attacks. The time of illusions is over."[23]

It was comforting for Estonians to receive numerous expressions of solidarity and sympathy from all over the world. How much more secure did it make us feel at the most critical moments, that we knew that the European Union is behind us? Maybe this unrest has helped us to clear up the distorted understanding that the EU is a matter of foreign policy – no, the internal politics of our country is also a part of the EU matters. This means that in addition to the Foreign Ministry other ministries as well ought to be more active and to approach Estonian issues in a wider framework. If the strength of the EU is in its power to cooperate and to make unified political decisions, the success of Estonia is in its power to have informed opinions and to express them clearly.

<div align="center">*</div>

The future of Europe is in our hands too. However, the European Union will only interest the Estonian people, if the problems are brought down from the meta-level into their everyday life. One needs to talk about the direct impact of the EU issues – for example, its energy policies or consumer protection policies – on the

---

[22] European Parliament's Plenary Session discussed the Resolution on Estonia on May 8, 2007. Check http://www.europarl.europa.eu/ for more information.
[23] Ibid.

Estonians. How, and on which topics can people have their say, instead of vague meditations like "I wish for a stronger European Union". Sad as it may be, the nebulous European future does not interest a person in his or her everyday life.

This is even more so, because for many Eastern Europeans the movement from one Union to another one, presented a painful dilemma. In Estonia too the EU inspired contradictory ideas, including "we just got out of one iron grasp, do we need to rush into another one?" This in itself strong emotion was, however, out-weighed by the knowledge that although a single state can sometimes achieve things on its own, in larger global issues and in the interests of our economic well-being we ought to focus upon the European Union as a collective body. Kaja Tael, the State Secretary for the EU Affairs, emphasises that one of the inevitable aims for Estonia is to start supporting others in order to increase European collective strength and power. This is a foundation of the European life-order, something that Western Europeans often talk about and the new members maybe only pretend to comprehend. As long as we are among those who individually profit from the EU, we do not quite grasp the idea of collective power. This will change in the near, future, as Estonia is prepared to play a bigger role in the common game. For example, we will support our neighbours, in order to promote peace and economic development in our area, which helps to guarantee our own security.[24]

Estonia has several important and sensitive issues to pursue in the EU politics. First there are particular questions – for example, will there be a common European energy policy, and if so, what will it be like? This is an essential and urgent question for us, because it is an issue concerning Estonian national security: we are plugged into Russian grids, not EU networks. Although energy policy is an area which, according to present treaties, belongs entirely within the competence of each member state (and thus, legally, we cannot expect EU solidarity on this issue), the new founding treaty also mentions solidarity in the sphere of energy policy.

Secondly, there are more existential problems: for example,

---

[24] Kaja Tael, "Mis meil Euroopa Liidust oodata on?" *Postimees*, 24 April 2008.

are we able to protect our national interests? Of course, like everybody else, we are eager to promote our national interests in the EU. However, it is slowly beginning to dawn upon us, that we should not limit our thinking to the most topical internal problems of the moment. Many of our problems, e.g. our energy isolation or the vulnerable situation of the Baltic Sea, can only be solved by strengthening the domestic market of the EU or by developing common policies. Thus we should contribute to the development of the market and work in the name of a strong and decisive EU. If this is our goal, then it cannot be imagined that we pick and choose among common policies, contributing to those that are most profitable to us at a given moment, and ignoring or sabotaging the ones which seem most removed for us.[25]

As a small member state Estonia should proceed from the principle that a co-operative and constructive work atmosphere among the member states is the basis for a strong EU. The smallness is specifically important, because it limits our opportunities to cope globally on our own. The manner how Estonia's national interests intertwine with those of the EU's common foreign affairs and security politics, with Neighbourhood Policy and enlargement, or with any other EU policy, is very characteristic for the EU as a whole. Every member state places special emphasis on some topics, and each member state is useful not only as a part of the common market, but also as a contributor of its national experienced to the EU cultural mosaic.

*

The well-known Estonian columnist and opinion-leader Enn Soosaar once wrote: "In the big wide world there is only one tiny piece of land that the million Estonian-speakers can consider their homeland."[26] As at that time, independence now does not signify for Estonians only an independent state, but also a nation state, a state which can guarantee that the Estonian language that has been spoken here for thousands of years, as well as our Estonian culture, will survive and thrive.

---

[25] Ibid.
[26] Enn Soosaar, "Muulaste lõimumise rajad", *Postimees*, 22 October 2007.

European politics has created a paradigm change: the nation-state-focused thinking is beginning to be replaced by genuinely shared European thinking, in which the cultural differences between the nation states do not disappear, but the cultures certainly become more levelled and mixed. (Although one of the reasons of the failed referenda seems to be Republican sovereignism according to which both European left- and right-wing parties tend to defend the nation-state as the sole, exclusive space for democracy.[27]) The new Europeans habitually see a demon here – having recently escaped from state-level imprisonment they have experience a national (and popular) renaissance, and fear that European integration will endanger their identity. These fears push the dynamics of the Union in different and unexpected directions. We are plagued by a certain self-doubt and this inhibits collective progress, which in turn results in an inability to adopt to the new parametres of the globalising world.

We ought to struggle against this "anxiety about the nation" by means of the knowledge that without globally organised forces, we cannot create a fair international economic system, nor can the global security issues or the climate change problems be effectively addressed on the low level of a nation state. What needs to change first of all, is the self-image of nation states and the distrustful attitude towards the EU. In today's tense multipolar world, unified Europe enables us to play a role, which no-one could predict in the early days of the East-West conflict, says Jürgen Habermas.[28] Small states, and frequently also larger states, need to learn to act less like independent powers, and more like members of a greater union, internalising shared norms. If in the beginning the Europeans' unification proceeded from internal problems – the danger of war – , then today we are mainly connected together because of the concerns threatening from the outside. In one of his essays, Estonian columnist Roy Strider writes that from a global perspective, Estonia looks like an opportunistic mongrel lost between two big pedigree dogs, one that apparently has nothing to say to the world.[29] The title of the

---

[27] Olivier Rozenberg, "Les résistances à l'Europe". Université de Bruxelles, 2007.

[28] Jürgen Habermas, "Mida Euroopa vajab", *Eesti Ekspress – Areen*, 26 April 2007.

[29] Roy Strider, "Leiged eestlased", in Martin Kala, ed., *Uusmütoloogiad – eri mõtlejate ideid Eesti üleminekuühiskonnast*. Tallinn: EPL Kirjastus, 2009.

article "Lukewarm Estonians", encapsulates how we are often seen – as a tiny state without its own opinion, ready to agree with everybody and with everything. "Russia and the EU are imagined as if fighting with each other, each with the sole aim to be the first to crush the Estonian national being with finality." Because of this strange conception, European values are adopted only on an obey-the-command basis, without contemplating or wishing to contemplate their meaning or rationality – there is no popular discussion on the content of or reasons for the new norms and laws. *Let us take what we can; let us give what is demanded of us, but only as much as directly asked.* It is remarkable that because of such passive incapsulation we ourselves see Estonia as a state with just one or two topics.[30]

Small member states like Estonia in particular have the duty to have their say in the debates as much as possible. I, therefore keep repeating over and over again: the best way to defend our opinions, history, internal interests and people's expectations, and to secure our future, is to consider Europe an oppurtunity and to invest in it copiously.

---

[30] Martin Kala, *Uusmütoloogiad – eri mõtlejate ideid Eesti üleminekuühiskonnast*. Tallinn: EPL Kirjastus, 2009.

Europe's new vanguard or the old 'security modernists' in a fancy dress? The Baltic states against the images of Eastern Europe in the EU

Maria Mälksoo

In a recent critique of the Eurocentric character of security studies, Tarak Barkawi and Mark Laffey perceptively observe that "security relations today are about the contradictions between old security logics and new security problematics".[1] Eastern European newcomers in the European Union (EU) are generally designated as a prime embodiment of the very conflict in the European arena: these 'new Europeans'[2] are conceived as a meeting point of modernity and postmodernity where the urge to bolster state sovereignty clashes with the postmodernist security agenda of the EU the membership of which is, at the same time, considered to be one of the main basis for, and the guarantee of their national security.[3] While the 'new Europeans'' security concepts and strategies proclaim a thorough commitment to the new post-modern security agenda of the Euro-Atlantic security community, they are nevertheless regarded to be 'in-between' the modern and post-modern conceptual poles

---

[1] Tarak Barkawi and Mark Laffey, "The postcolonial moment in security studies," *Review of International Studies* vol. 32, no. 2 (2006), p. 329.

[2] Unless specifically stated otherwise, the notion of 'new Europe' is used here as a simple short-hand for referring to the new Eastern European EU member states, and thus not applied in the sense of Donald Rumsfeld's ideological bifurcation.

[3] See Gražina Miniotaitė, "The Baltic States: In Search of Security and Identity," in Charles Krupnick (ed.), *Almost NATO: Partners and Players in Central and Eastern European Security*. Lanham: Rowman & Littlefield, 2003, p. 263; Paul Holtom, "The gatekeeper 'hinge' concept and the promotion of Estonian, Latvian and Lithuanian new/postmodern security agendas," in David J. Smith (ed.), *The Baltic States and Their Region: New Europe or Old?* Amsterdam: Rodopi, 2005, p. 293; and Holger Mölder, "Managing polarity: Post-modern European security environment and misperceptions in Estonian security culture," in *The Estonian Foreign Policy Yearbook 2007*. Tallinn: Estonian Foreign Policy Institute, 2007, p. 129.

of security in Europe – largely due to the arguable prevalence of 'traditional' security concerns in the popular security imaginaries of these states.[4]

This article unpacks what the construction of 'new Europe' as 'in-between' old and new understandings of security has been denoting in the academic and policy discourses on the enlarged Union's foreign and security policy. I suggest that constructing East European understandings of security as lying 'in-transit' between the modern concerns for state sovereignty and the post-modern security agenda of the EU is yet another example of the historic rendering of Eastern Europe as 'Europe but not quite Europe'.[5] The EU's self-designation as a post-modern security actor arises from an 'old EU core' discourse which claims that external others are absent. A more noble syndrome is brought about in which the past excesses of the traditional security urges of its member states are 'othered'. Portraying the 'new Europeans' as the mirror image of the condemnable excesses in the 'European past', as the *de facto* location where the EU's self-allocated tendency of *temporal* othering is projected, effectively camouflages the historical semi-Orientalism of Western Europe vis-à-vis Eastern Europe.[6] In fact, the EU's self-appraisal depends on the construction of Eastern Europe as 'liminal' to the EU's new security agenda in order to sustain its very self-image as a post-modern, non-traditional security actor.

The argument is unfolded in three substantive sections of the article. First, I will show how the castigation of Eastern European EU newcomers as 'new Europeans' and more of 'security modernists' than 'postmodernists' falls within the tradition of constructing Eastern Europe as perpetual liminal character in the European self-image (traditionally possessed by Western

---

[4] Security imaginary is conceptualised here as a way of naming, ordering and representing international security reality. Cf. Jutta Weldes, *Constructing National Interests: The United States and the Cuban Missile Crisis*. Minneapolis: University of Minnesota Press, 1999.

[5] Cf. Larry Wolff, *Inventing Eastern Europe: The Map of Civilisation in the Mind of the Enlightenment*. Stanford: Stanford University Press, 1994.

[6] Orientalism is essentially a particular Western style of defining, dominating, restructuring and having authority over the Orient that produces the alleged Western superiority and hegemony over the East. – See Edward W. Said, *Orientalism*. London: Penguin, 2003, p. 3.

Europe), measuring the distance between full/true European-ness (arguably embodied by the traditional 'core' Western European states) and the false/incomplete Europeanness (captured succinctly in the notion of Eastern Europeans' post-Cold War politics of *becoming* European).[7] Having established what 'new Europe' has denoted for the old EU core, the article moves on to analyse how the Cooperian reading of new/old in conceptualising security in today's Europe interplays with the respective Rumsfeldian bifurcation. Whilst in the EU the so-called 'new Europeans' arguably represent the 'old security thinking', especially when it comes to Russia,[8] their image fares considerably better in the Atlantic Alliance where they constitute something of a vanguard in setting the new agenda for NATO by opening new dimensions – if indeed not new fronts – in the alliance's way of thinking and doing security.[9] Estonian and Lithuanian initiatives on cyber defence and energy security could hardly be considered as part of a traditional, or modern, security agenda. Finally, I will analyse an attempt to turn over the semi-Orientalist depiction of Eastern Europe in the European security setting from its "receiving end" by way of the example of the Baltic states in the context of the transatlantic crisis over the invasion of Iraq in 2003.

'New Europe' 'in between' modern and post-modern security orders

Europeans are 'post-modern states living on a post-modern continent', as the oft-quoted argument of Robert Cooper, a former adviser to the UK prime minister Tony Blair and cur-

---

[7] Cf. William E. Connolly, "Suffering, Justice, and the Politics of Becoming," in David Campbell and Michael J. Shapiro (eds.), *Moral Spaces: Rethinking Ethics and World Politics*. Minneapolis: University of Minnesota Press, 1999; Iver B. Neumann, *Uses of the Other: 'The East' in European Identity Formation*. Manchester: Manchester University Press, 1999; Viatcheslav Morozov, "The Baltic States and Russia in the new Europe: a neo-Gramscian perspective on the global and the local," in Smith, 2005, p. 277.

[8] See e.g., Mark Leonard and Nicu Popescu, "A Power Audit of EU-Russia Relations," *European Council on Foreign Relations Policy Paper*, November 2007, http://ecfr.3cdn.net/1ef82b3f011e075853_0fm6bphgw.pdf .

[9] Cf. Ahto Lobjakas, "Julgeolek ja küberkujutlusvõime," *Postimees*, 17 May 2008.

rently a high-standing EU diplomat, goes.[10] In Cooper's treatise, there are no security threats in the traditional sense in the post-modern world, because its members reject the use of force for resolving disputes and do not consider invading each other. Unlike its 'modern' counterpart, the post-modern system thus does not rely on the balance of power; nor does it emphasise sovereignty or the separation of domestic and foreign affairs.[11] Whilst 'modern' states conceptualise security through the 'old', hard, military-centric prism, regarding in the classical Westphalian manner the sovereign state as their main referent object of security, post-national or 'post-modern' states engage with a broader, non-traditional and 'softer' security agenda (i.e. promoting democracy, good governance and relief from poverty) based on the principles of transparency, mutual openness and interdependence.[12]

This rather widespread, if somewhat self-congratulatory, frame of thought among the EU officials and students alike regards the Union as the world's "first truly post-modern international political form...the first 'multi-perspective polity' to emerge since the advent of the modern era".[13] The emphasis on values rather than interests as the main guidance of European foreign policy in the post-Cold War world has indeed been at the heart of the notion of 'normative power Europe'. Accordingly, the EU as a 'normative power' does not pursue a narrow national interest-run foreign

---

[10] Since 2002, Robert Cooper has been Director-General for External and Politico-Military Affairs at the General Secretariat of the Council of the European Union. – See Robert Cooper, *The Breaking of Nations: Order and Chaos in the Twenty-First Century*. London: Atlantic Books, 2004, p. 54.

[11] Ibid., pp. 27-39.

[12] The term 'postmodern state' was first suggested by Georg Sørensen, "International Relations Theory in a World of Variation," in Hans Henrik Holm and Georg Sørensen (eds.), *Whose World Order? Uneven Globalization and the End of the Cold War*. Boulder: Westview, 1995. Cf. Christopher Coker, "Postmodernity and the end of the Cold War," *Review of International Studies* vol. 18, no. 3 (1992); and Stephen Toulmin, *Cosmopolis: The Hidden Agenda of Modernity*. Chicago: University of Chicago Press, 1990. See also George Joffé, "Europe and Islam: Partnership or peripheral dependence?" in Warwick Armstrong and James Anderson (eds.), *Geopolitics of European Union Enlargement: The fortress empire*. Abingdon: Routledge, 2007.

[13] See John Ruggie, "Territoriality and beyond: problematizing modernity in international relations," *International Organisation*, vol. 47, no. 1 (1993), pp. 140, 171-2.

policy but promotes democratic norms and values as part of its value-rational world agenda.[14]

There is almost unanimous agreement among the scholars – Western and Eastern European alike – that Cooper's characterisation of the nascent 'post-modern' European order implicitly refers to the old EU of 15, not the enlarged Union of 27.[15] Whilst the 'old' EU, in that reading, occupies the place of a 'post-modern' polity which has transcended sovereignty and embraced the global spectrum of security challenges, the Eastern European newcomers in the Union are considered to be continuously attached to a largely traditional, military-centric understanding of security with an emphasis on territorial defence – irrespective of their proclamations otherwise in their conceptual security documents. Notwithstanding their formal inclusion to the 'post-modern' security space of Europe in 2004, then, the 'new Europeans' are still regarded to reside 'in between' the 'modern' and 'post-modern' security orders, thus considerably confusing the self-image of the EU as an innovative global security actor by stubbornly sticking to the anachronistic ideal of sovereignty and territorial security.

Indeed, it is maintained that "traditional security concerns over states' territorial integrity and political independence remain very much alive in the countries of post-communist Europe" where Russia is believed to represent "at least a potential threat to these countries' security and independence".[16] The new Eastern Euro-

---

[14] Cf. Ian Manners, "Normative Power Europe: A Contradiction in Terms?" *Journal of Common Market Studies* vol. 40, no. 2 (2002); François Duchêne, "The European Community and the Uncertainties of Interdependence," in Max Kohnstamm and Wolfgang Hager (eds.), *A Nation Writ Large? Foreign Policy Problems Before the European Community*. London: Macmillan, 1973; David Chandler, "Hollow Hegemony: Theorising the Shift from Interest-Based to Value-Based International Policy-Making," *Millennium: Journal of International Studies* vol. 35, no. 3 (2007); Michael Merlingen, "Everything is Dangerous: A Critique of 'Normative Power Europe'," *Security Dialogue* vol. 38, no. 4 (2007).

[15] In Cooper's words, "the EU countries are evidently members" [of a new European order]; "those on its expanding edges perhaps a little more nervously". – See Cooper, 2004, p. 40.

[16] Derek Averre and Andrew Cottey, "Introduction: thinking about security in post-communist Europe," in Andrew Cottey and Derek Averre (eds.), *New Security Challenges in Post-communist Europe: Securing Europe's East*. Manchester: Manchester University Press, 2002, pp. 8-9.

pean EU member states entertain a "classical view of sovereignty," bringing to the Union their distinctive "etatism, collectivism, and solidarity".[17] Arguably, history still plays "a very important part" in shaping the attitudes of some Central and Eastern Europeans.[18] Moreover, the East European perceptions of Russia are seen as coloured by "considerable cultural bias,"[19] leading to deep suspicion of Russian policies, although less the fear of a direct Russian invasion than perhaps a "distaste for spheres of influence and balance of power".[20] This, nevertheless, allegedly conditions their preference for deterrence as the best way to ensure their security.[21] Nostalgic clinging to the deterrence-centric security policy is, on the one hand, only human: as deterrence relies on secured knowledge about the perceived threat, or methodological and empirical 'knowns' (i.e., 'known knowns'),[22] it reflects general human desire for predictability and order, especially during turbulent times. Yet, as the nature of deterrence has changed in the context of most prominent threats to the Euro-Atlantic security community not anymore emanating from other states but from the loose trans-

---

[17] See Fabrizio Tassinari, Pertti Joenniemi, Uffe Jakobsen (eds.), *Wider Europe: Nordic and Baltic Lessons to Post-Enlargement Europe*. Copenhagen: Danish Institute for International Studies, 2006, pp. 6-7; cf. Paul Blokker, "Post-Communist Modernisation, Transition Studies, and Diversity in Europe," *European Journal of Social Theory* vol. 8, no. 4 (2005). Against this backdrop, there have been voices of concern that the national identities that 'new Europe' brings to the 'old' one "stand at odds with Europe's historical achievement," awakening "the nationalistic-conservative seeds of division". – See, e.g., Adolf Muschg, "'Core Europe': Thoughts about the European Identity," *Neue Zürcher Zeitung*, 31 May 2003.

[18] Christian Haerpfer, Cezary Milosinski and Clair Wallace, "Old and New Security Issues in Post-Communist Eastern Europe: Results of an 11 Nation Study," *Europe-Asia Studies* vol. 51, no. 6 (1999), p. 1009.

[19] Aurel Braun, "The risks of selective Europeanisation: Russia and eastern Europe," *International Journal* vol. 55, no. 3 (2000), pp. 510-21; Tomasz Zarycki, "Uses of Russia: The Role of Russia in the Modern Polish National Identity," *East European Politics and Societies* vol. 18, no. 4 (2004), pp. 595-627; Pertti Joenniemi, "Concluding Remarks: The Big Picture and the Small," in Tassinari et al. (eds.), 2006, p. 138.

[20] Heather Grabbe, *Remarks at the Stefan Batory Foundation's Conference "New Geopolitics of Central and Eastern Europe: Between European Union and United States,"* Warsaw, 2005; http://www.batory.org.pl/doc/geopolityka.pdf , p. 187.

[21] Braun, 2000.

[22] Cf. Christopher Daase and Oliver Kessler, "Knowns and Unknowns in the 'War on Terror': Uncertainty and the Political Construction of Danger," *Security Dialogue* vol. 38, no. 4 (2007), p. 422.

national networks of terrorists, difficult to be associated with any single state, the 'new European' devotion to deterrence is regarded as obsolete in most of Western Europe. After all, terrorists cannot be deterred in the way states could – particularly if death is not regarded as unacceptable loss and thus an ultimate threat that should be avoided at all costs, but rather welcomed as an end in itself by suicide terrorists.[23]

The Baltics' conceptualisation of security, in particular, is seen as still predominantly linked to Russia and traditional ideas pertaining to defence, giving primacy to military issues and a statist geopolitical approach.[24] All in all, scholars tend to agree that 'new Europeans' remain "heavily preoccupied by their geo-strategic position as well as their recent past,"[25] and thus also considerably more concerned with territorial defence and regional security than with global challenges and security risks outlined in the European Security Strategy.[26] In that context, it is hardly surprising that the securitisation of Eastern Europe as such has been running as the red line through the eastwards enlargement processes of the Euro-Atlantic institutions, for arguably without the EU control, the countries of Eastern and Central Europe would have continued to endorse the "old system of balance with its continued national orientation, constraints of coalition, traditional interest-led politics and the permanent danger of nationalist ideologies and confrontations".[27]

The gist of the scholarly consensus thus sees the 'new Europeans' occupying a liminal position between 'modern' and 'post-

---

[23] Ibid., p. 421.

[24] Antti Kaski, *The Security Complex: A Theoretical Analysis and the Baltic Case*. Turku: Turun Yliopsto, 2001, p. 82.

[25] Geoffrey Edwards, "The New Member States and the Making of EU Foreign Policy," *European Foreign Affairs Review* vol. 11, no. 2 (2006), p. 145.

[26] Ibid., p. 152. Osica has pointed to the disappointment of Poland at the absence of any critical mention of Russia in the European Security Strategy of 2003 since Russia has always been the litmus test for Polish public opinion and politicians on European foreign policy. – See Olaf Osica, "A secure Poland in a better Union? The ESS as seen from Warsaw's Perspective," *German Foreign Policy in Dialogue Newsletter* vol. 5, no. 14 (2004), pp. 12-13.

[27] See Joschka Fischer, "From Confederacy to Federation – Thoughts on the finality of European integration," *Speech at the Humboldt University in Berlin*, 12 May 2000, http://www.auswaertiges-amt.de/diplo/en/Infoservice/Presse/Rede/Archiv/2000/000512FromConfederacytoPDF.pdf.

modern' security orders in spite of their crossing of the formal threshold of 'full Europeanness' with achieving EU member-ship.[28] The torn security imaginary of the 'new Europeans' is generally exposed by contrasting their seemingly 'post-modern' public transcripts of security, such as their national security concepts and other strategic documents,[29] with more traditional popular security concerns generally on display in the social sites where the control and surveillance of the West is least able to reach (i.e. domestic media as a ritual location of relatively unin-hibited speech where the popular discourse can prevail without servility, pretences, obsequiousness, and etiquettes of circumlo-cution).[30]

The political security documents and official rhetoric of the Baltic states embrace a broad conceptualisation of security that carefully conceals traditional security concerns vis-à-vis Russia and thus seeks to be in sync with the 'rest of the West's 'post-modern' security conceptualisations. Popular imaginaries of

---

[28] With particular regard to the Baltic states, the maps outlining Buzan's and Wæver's ge-opolitical regional security complexes, the concentric circles of Wæver's imperial analo-gies, and Huntington's civilisations are specifically illustrative of that conclusion. Indeed, whilst deriving from distinct premises of security and the geopolitical reorganisation of the post-Cold War world, each of these delineations places the Baltic states 'in between' the regions/zones of the EU and the Commonwealth of Independent States, Brussels and Moscow, and western and Orthodox civilisations respectively. – See Barry Buzan and Ole Wæver, *Regions and Powers: The Structure of International Security*. Cambridge: Cambridge University Press, 2003, map 2; Ole Wæver, "Imperial Metaphors: Emerging European Analogies to Pre-Nation-State Imperial Systems," in Ola Tunander et al. (eds.), *Geopolitics in Post-Wall Europe: Security, Territory, Identity*. London: Sage, 1997, p. 77; Samuel Huntington, *The Clash of Civilisations and the Remaking of World Order*. Lon-don: Touchstone Books, 1998, p. 159; cf. Holtom, 2005, p. 296.

[29] For more elaborate examples of some 'new Europeans' 'post-modern' security rhetoric, see Toomas Hendrik Ilves, "Security in a Changing World," *Address by the Estonian Minister of Foreign Affairs of Estonia at the Middle East Technical Univer-sity*, Ankara, 18 October 2001, http://www.vm.ee/eng/kat_140/809.html; Renatas Norkus, "Defence Transformation: A Lithuanian Perspective," *Speech by the Under-secretary of Defence Policy and International Relations of the Lithuanian Ministry of Defence*, Garmisch-Partenkirchen, Germany, 9-11 April 2006, http://www.kam.lt/index.php/en/96062/; and Włodzimierz Cimoszewicz, "Poland's *raison d'état* and the New International Environment," *The Yearbook of Polish Foreign Policy 2003*. Warsaw, 2003, http://www.sprawymiedzynarodowe.pl/yearbook/2003/cimoszewicz.html.

[30] Cf. James C. Scott, *Domination and the Arts of Resistance: Hidden Transcripts*. New Haven: Yale University Press, 1990.

these societies are more reflective of tensions between cooperative and more self-centric security thinking. The latter thus reveal concerns about the weakening collective defence mission of NATO and cautiousness towards the evolving European Security and Defence Policy (ESDP) and the domestic military reforms undertaken to reconcile the somewhat contradictory demands of national territorial defence with concerns over alliance obligations and compatibility with NATO forces.[31] Budrytė observes, for instance, that while on paper the main challenges to Lithuania's security are declared to be of trans-national nature (e.g., terrorism, organised crime, arms proliferation, trafficking in people and drugs), the United States' (US) detachment from the Euro-Atlantic community or the creation of a large-power-only directory in Europe are in practice seen as the "real threat" to the country.[32]

In a similar vein, despite the rhetoric about the normalisation of official Lithuanian-Russian relations, the fear of Russia is arguably ever-present in both the elite and popular discourses on security in Lithuania, as well as in those of the other two Baltic states.[33] As the 'new' threats are considered to be more difficult to comprehend at the societal level of the Baltic states,

---

[31] Cf. Elzbieta Tromer, "Russia's Role in the Baltic Approaches to National Security and the European Security and Defence Policy," in Tassinari et al. (eds.), 2006, pp. 91-92; cf. Andrzej Kapiszewski and Chris Davis, "Poland's Security and Transatlantic Relations," in Tom Lansford and Blagovest Tashev (eds.), *Old Europe, New Europe and the US: Renegotiating Transatlantic Security in the Post 9/11 Era*. Aldershot: Ashgate, 2005, p. 214.

[32] Dovilė Budrytė, "Lithuania's new (in)security: transatlantic tensions and the dilemma of dual loyalty," in Smith (ed.), 2005, p. 43; cf. Paul Latawski, "The Polish Armed Forces and Society," in Anthony Forster, Timothy Edmunds, and Andrew Cottey (eds.), *Soldiers and Societies in Post-communist Europe: Legitimacy and Change,* Houndmills: Palgrave Macmillan, 2003, pp. 25-26; Christopher Bobinski, "Polish Illusions and Reality," in Anatol Lieven and Dmitri Trenin (eds.), *Ambivalent Neighbours: The EU, NATO, and the Price of Membership*. Washington, D.C.: Carnegie Endowment for International Peace, 2003, pp. 240-43; Merje Kuus, "Toward Cooperative Security? International Integration and the Construction of Security in Estonia," *Millennium: Journal of International Studies* vol. 31, no. 2 (2002), pp. 299-303.

[33] Budrytė, 2005, p. 44. Cf. Inga Pavlovaitė, "Paradise Regained: The Conceptualisation of Europe in the Lithuanian Debate," in Marko Lehti and David J. Smith (eds.), *Post-Cold War Identity Politics: Northern and Baltic Experiences*. London: Frank Cass, 2003, p. 201; Tromer, 2006, p. 93.

the national security elites of these countries are conceived as caught in a dilemma between efforts to be loyal and dutiful members of the Euro-Atlantic security community and attempts to address the security fears and expectations of their electorates concurrently.[34]

Cooper's 'new' as Rumsfeld's 'old'

In the Cooperian imagery, then, the 'old' security thinking, charged with divisive and conflict-ridden meanings, is linked with the Rumsfeldian delineation of 'new Europe', whilst the 'new' security perspective is allocated to the old EU core, loading it with connotations of cooperation and peace.[35] Indeed, in direct contrast to the infamous new/old Europe bifurcation by Donald Rumsfeld, the 'new' Europe in the European parlance is actually considered to be best represented by the post-World War II process of Franco-German reconciliation, and thus seen as embodied in the old EU core.[36] The Rumsfeldian 'new Europe', by comparison, is thought to reflect precisely the security thinking of the condemnable European past – with the focus on shifting alliances and bilateral commitments which many Eastern European countries "classically pursued" during the Iraq conflict.[37] The 'new Europeans' are therefore perceived as paradoxically maintaining a past-centric conceptualisation of Europe, whilst for the 'old'

---

[34] Cf. Tromer, 2006, p. 90. More masochistic interpretations of the 'new European' elites' management of that dilemma have cast them in the category of "false compliers," who with their "deft miming" of Western rhetoric and playing by the Western rules, have, in fact, only selectively appropriated the post-modern security narratives of the West in order to suit the needs of their own domestic political agendas. – See Kuus, 2002, p. 303. Yet, the emulation of Western rhetoric could hardly be regarded as homogenous among different Eastern European elites, nor could it be qualified as "mindless imitation" or mere "mimicry," as Jacoby has authoritatively shown. – See Wade Jacoby, *The Enlargement of the European Union and NATO: Ordering from the Menu in Central Europe*. Cambridge: Cambridge University Press, 2004, pp. 4-8.

[35] Cf. Holtom, 2005, p. 298.

[36] Cf. Donald Rumsfeld, *Briefing at the Foreign Policy Center*, *News Transcript*, United States Department of Defense, 22 January 2003.

[37] See Sean Kay, "What Went Wrong With NATO?" *Cambridge Review of International Affairs* vol. 18, no. 1 (2005), p. 79.

Europeans, Europe is a future-oriented project that seeks to put the tormented European past behind it.[38]

It is nevertheless important to keep in mind that whilst conventional knowledge has attributed the parenthood of the now rather infamous, albeit widely and indiscriminately used, metaphors of 'old' and 'new Europe' to the former US Defence Secretary Donald Rumsfeld, the division of Europe into 'old' and 'new' has, in fact, always been an accompaniment of great turning points in the history of the continent. As concepts of current international discourse, these notions are therefore symbolically loaded in various ways. Against the backdrop of the social and political watershed represented by the French Revolution in European history, 'old' and 'new' reflected a fundamental temporal distinction in the European configuration. 'Old Europe' thus signified pre-Revolution Europe, whilst 'new Europe' was the embodiment of the expansion of France under Napoleon which brought with it the spread of the ideas and institutions of the Revolution.[39] Likewise, Adolf Hitler dreamt of a 'new Europe' that was to be the reification of a truly European supra-national civilisation, including and transcending the national traditions of the chosen nations concurrently.[40] The 'new Europe' solemnly proclaimed after the end of the Cold War similarly captured the intention to distinguish two epochs in European history: just as the end of the Cold War arguably augured a 'New World Order', it also paved the way to a 'new Europe'.[41] In the sub-field of European integration, 'new Europe' has further signified a 'more integrated Europe' throughout the 1990s.[42]

And yet, 'new Europe' as a representation of Central/Eastern

---

[38] See Daniel Levy, Max Pensky, and John Torpey, "Editors' introduction," in *Old Europe, New Europe, Core Europe: Transatlantic Relations after the Iraq War*. London and New York: Verso, 2005, pp. xxv-xxvi.

[39] See Pim den Boer, "Europe to 1914: the making of an idea," in Kevin Wilson and Jan van der Dussen (eds.), *The History of the Idea of Europe*. London: Routledge, 1995, pp. 65-8.

[40] See Gerard Delanty, *Inventing Europe: Idea, Identity, Reality*. London: Macmillan, 1995, p. 112.

[41] See, e.g., *The Paris Charter for the New Europe*, 1990, http://www.hri.org/docs/Paris90.html.

[42] For example, *NATO's Strategic Concept* of 1999 claims that "a new Europe of greater integration is emerging, and a Euro-Atlantic security structure is evolving in which NATO plays a central part."

Europe in particular has also a considerably longer history than has been acknowledged in the discussions of the most recent delineation by Rumsfeld. The founder and first president of Czechoslovakia, Tomáš G. Masaryk, along with historian Robert W. Seton-Watson had already used the term in 1916. Masaryk's book carrying the very title (originally published in 1918) advanced the concept of 'new Europe' which was to consist of an elongated zone of small sovereign nation states between Germany and Russia after the end of World War I and the collapse of the imperial *Mitteleuropa*.[43] His prescription for the new European order and a new Central Europe called for political democracy in Wilsonian terms of cooperation, open diplomacy and disarmament, and the respect for national independence.[44]

According to the Cooperian reading of new/old, however, the old EU of 15 had transcended what the Rumsfeldian 'new Europe' claimed to represent as 'new' already a while ago.[45] The Cooperian modernist/postmodernist distinction thus allocates the Rumsfeld-envisioned 'old Europe' more of a *new* quality than the US-proclaimed 'new Europe', considering the former's rejection of the traditional European *machtpolitik* and emphasis on negotiations, diplomacy, commercial ties, abiding to international law over the use of force, and multilateralism over unilateralism.[46] The American 'new Europe' is, in this framework, rather seen as

[43] Peter Bugge, "The Nation Supreme. The Idea of Europe 1914-1945," in Wilson and van der Dussen (eds.), 1995, pp. 93-4.

[44] For further discussion, see Tomáš G. Masaryk, *Nová Evropa: stanovisko slovanské* [*The New Europe: the Slav standpoint*]. Prague 1920; Roman Szporluk, "Defining 'Central Europe': Power, Politics, and Culture," *Cross Currents* vol. 1 (1982); Melvin Croan, "Lands In-between: The Politics of Cultural Identity in Contemporary Eastern Europe," *Eastern European Politics and Societies* vol. 3, no. 2 (1989); Bugge, 1999; Bo Stråth, "Multiple Europes: Integration, Identity and Demarcation to the Other," in Bo Stråth (ed.), *Europe and the Other and Europe as the Other*. Brussels: Peter Lang, 2000, p. 417.

[45] It could be argued that in the Rumsfeldian framing of 'new Europe', it sufficed to support the US in its extensions of political and military power in order to qualify for the normatively more desirable category of the 'new', or, as Susan Sontag ironically observed, "whoever is with us is 'new'". – See Susan Sontag, "Literature is Freedom," *Speech on the Occasion of the Award of the Peace Prize of the German Booksellers' Association at the Frankfurt Book Fair*, October 2003, reprinted in Levy et al. (eds.), 2005, p. 211.

[46] Cf. Robert Kagan, *Of Paradise and Power: America and Europe in the New World Order*. New York: Knopf, 2003.

embodying the *old* traditions of Europe with its allegedly continuous belief in the nation-state, attribution of primary importance to sovereignty and emphasis on the use of force and military alliances.[47] According to this frame of thought, Rumsfeldian 'new Europe' is therefore *not* referring to a new kind of exceptionalism in the European way of making foreign and security policy, but rather pointing in the direction of a *return* to traditional power politics.

Hence, the Rumsfeldian positively laden 'new Europe' paradoxically became pejorative in the mindscapes of the many designated by him as 'old Europe'. After all, 'new' and 'old' as epithets describing Europe are also inherently bounded by normative considerations, and thus, characterising parts of Europe respectively implies depicting them from a normative angle of vision. Indeed,

> 'Old' and 'new' are the perennial poles of all feeling and sense of orientation in the world. We cannot do without the old, because in what is old is invested all our past, our wisdom, our memories, our sadness, our sense of realism. We cannot do without the faith in the new, because in what is new is invested all our energy, our capacity for optimism, our blind biological yearning, our ability to forget – the healing ability that makes reconciliation possible.[48]

Rumsfeld's definition of 'new Europe' as opposed to the implicitly degenerate and obstinate 'old' one, incapable of unity and preoccupied with its own self and past, mirrored the values of the US as the 'New World', representing new time, new attitudes and new visions in the transatlantic relationship.[49] The American framing of 'new Europe' as a region in sync with the aspirations of the 'New World', or with the US as the original *new Europe*, has been rather enthusiastically welcomed in Eastern Europe although the division of Europe into 'old' and 'new'

---

[47] Cf. Umberto Eco, "An Uncertain Europe between Rebirth and Decline," *La Repubblica*, 31 May 2003, reprinted in Levy et al. (eds.), 2005; and Jürgen Habermas and Jacques Derrida, "February 15, or: What Binds Europeans," *Frankfurter Allgemeine Zeitung* and *Libération*, 31 May 2003, reprinted in ibid.

[48] Sontag, 2005, p. 217.

[49] See Rumsfeld, 2003.

is generally depicted as dangerous to European unity in the official statements of Eastern European foreign policy makers. The way the discursive 'divide and rule' tactics of the US unfolded in the run-up to the Iraq war nevertheless came to reinforce the traditional divisions of Europe. Whilst the Rumsfeldian delineation pointed to the presumable shift in the balance of European security outlook(s) after the accession of the former communist countries from Eastern Europe to the EU, emphasising the US support for their growing foreign and security political agency in Europe,[50] the old EU core members' respective responses varied from unpleasant surprise to outright rejection of the Eastern Europeans' self-definition as equal members of the Euro-Atlantic security community.

The 'old Europeans' resistance to the Rumsfeldian frame of thought was, of course, only human, as "you can never have a new thing without breaking the old".[51] Not surprisingly in that context, the tags of 'old' and 'new' Europe were dismissed as "stupid" and "dangerous" in the EU during the transatlantic rift over the war in Iraq.[52] Curiously, however, the Cooperian twisting of the Rumsfeldian delineation of Europe into 'new' and 'old' nevertheless came to re-articulate an ethical and rational hierarchy in Europe where the Eastern European 'latecomers' remain cast to their traditional position of immature 'children' who need continuous guidance from their Western European 'parents', implying thus their liminal status as eternal neophytes to the European project.[53] In a standard Orientalist move, rationality and objectivity are attributed to the EU's conceptualisation of security, while the Eastern European EU newcomers remain depicted

---

[50] Sontag has pointed to the celebration of the new rather than the old as a paradox in the "profoundly conservative" thinking of the US. – See Sontag, 2005, p. 215.

[51] D.H. Lawrence, in Sontag, 2005, p. 210.

[52] See, e.g., Günter Verheugen, "Not allow alienation between Europe and US," Interview to Hans-Jörg Schmidt, *Die Welt*, 31 March 2003.

[53] For discussion, see Alexandra Gheciu, "When the 'New Europeans' Encountered the 'Old Continent': Redefining Europe, Re-imagining the World in the Context of the War against Iraq," in Matthew Evangelista and Vittorio Emanuele Parsi (eds.), *Partners or Rivals? European-American Relations after Iraq.* Milan: Vita e Pensiero, 2005, pp. 171-201. Cf. Marybeth Peterson Ulrich, "The New NATO and Central and Eastern Europe: Managing European Security in the Twenty-First Century," in Krupnick (ed.), 2003, p. 27.

as bogged down in old, parochial concerns.[54] Symptomatically in that context, Western thought- and speech-styles tend to be described (by Westerners themselves) as pragmatic, professional, future-orientated and value-free, while Eastern Europeans are generally seen as relying heavily on history, pathos, and a sense of resentment and injustice.[55]

Against this backdrop, the continuing tendency to award the 'new Europeans' the role of liminal subjects in the post-modern security order of Europe correlates with the historical disposition of Western Europeans to depict Eastern Europe as a rudimentary and rustic version of the rational 'self' of the West.[56] However, it is important to note that just as liminality implies that the "high could not be high unless the low existed,"[57] the definition of the EU as a 'post-modern' security actor is dependent on the portrayal of Eastern European new member states as liminal entities vis-à-vis the very postmodernist European project. Hence, Eastern European states' liminal status in the European polity is not an objective condition inherent in their history and culture and thus intrinsic to their security imaginary, but a socially and discursively produced position constitutive of the European undertaking.[58] At once other and like, Eastern Europe has historically been – and continues to be – indispensable to Western Europe's self-image, serving, *inter alia*, as a mirror for the EU's self-conceptualisation as a security actor of a new, innovative kind. Indeed, as Bahar Rumelili has shown, the categories of 'self' and 'other' emerge with greatest clarity in relation to the liminal subject as it is at positions of "partly self and partly other" that the self feels the greatest need to differentiate itself. As ambiguous places of coexistence

---

[54] Cf. Barkawi and Laffey, 2006, p. 336.

[55] See George Schöpflin, *Nations, Identity, Power: The New Politics of Europe*. London: Hurst, 2000, p. 31; cf. Joenniemi, 2006, p. 138.

[56] Cf. Wolff, 1994, p. 13; József Böröcz, "The Fox and the Raven: The European Union and Hungary Renegotiate the Margins of 'Europe'," *Comparative Studies in Society and History* vol. 42, no. 4 (2000), p. 869.

[57] Victor W. Turner, *The Ritual Process: Structure and Anti-Structure*. Harmondsworth: Penguin, 1969, p. 83.

[58] Although the relative peripherality of Eastern European countries in determining the overall course of European history as compared to the central role played by the Western European states is undeniable.

of self and other, liminal entities can be threatening to the self's identity boundaries since liminal subjects, by definition, subvert any clear distinction between self and other.[59] The likeness of the liminal subject to the self thus increases the latter's fears of dissolving in the other, and therefore could give rise to the identification of the liminal entity as wholly unlike and threatening by those who cannot recognise the liminal character as simultaneously other and like.[60] The 'other' closest to the 'self' could therefore be the most threatening 'other', as an 'alike alter' could potentially replace the 'self' more easily than any other alternative.[61] It is barely surprising then that the inclusion of the historically liminal Eastern European countries to the EU, embodying the simultaneous inclusion of the degree of otherness in the traditionally defined European community, has destabilised the conventionally self-designated Western security community's claim to a distinct European identity and actorness in the global security field – especially considering that "a strongly developed inner life will be particularly resistant to the new".[62] What is more striking, perhaps, is the prominence of the interpretation of Eastern Europeans' incorporation to the EU as fundamentally different from all previous dynamics of Europeanisation also in the scholarly accounts, not merely in the statements of the policymakers and media reports.[63]

---

[59] See Bahar Rumelili, "Liminality and Perpetuation of Conflicts: Turkish-Greek Relations in the Context of Community-Building by the EU," *European Journal of International Relations* vol. 9, no. 2 (2003), pp. 219-21; cf. Ted Hopf, *Social Construction of International Politics. Identities & Foreign Policies, Moscow, 1955 & 1999*. Ithaca, NY, and London: Cornell University, 2002, pp. 130-1.

[60] See Anne Norton, *Reflections on Political Identity*. Baltimore: The Johns Hopkins University Press, 1988, p. 55.

[61] See Hopf, 2002, p. 8.

[62] See Sontag, 2005, p. 217.

[63] See, e.g. Gerard Delanty, "The Making of a Post-Western Europe: A Civilisational Analysis," *Thesis Eleven* vol. 72 (2003). Evocative of the delineation between new and old, sacred and profane, security conceptualisations outlined above is the explicitly value-laden distinction between 'eastern' and 'western' types of nationalism in European scholarship. Indeed, whereas Western or civic nationalism is conceptualised as constructive, progressive, peaceful and stabilising, the Eastern or ethnic nationalism carries the connotations of regressiveness, destructiveness and instability. – Norman Davies, *Europe East and West*. London: Jonathan Cape, 2006, pp. 28-31.

I suggest that the EU's self-designation as a post-modern security actor is indebted to the discourse according to which the contemporary 'other' of Europe is not a physical entity, a state or a grouping of states, but its own past, i.e. the Europe of 'modern' sovereign nation-states.[64] The EU's logic of *temporal othering* therefore rejects the excesses of its member states' past quests for security in order to avoid the tragic history of Europe becoming its future again. However, while allegedly entertaining only *temporal* type of othering (with an added nobleness of explicit self-reflexivity), the EU has found a *physical* projection to its past-related concerns in the Eastern European newcomers of the Union. As a small scale version of the West European self, Eastern Europe has thus come to signify an earlier stage in the evolution of the Western European self, and hence become an embodiment of the 'othered past' of Europe.[65] The depiction of 'new Europeans' as displaying the characteristics of the condemnable excesses in European history that the EU is allegedly leaving behind thus effectively camouflages the historical semi-Orientalism of Western Europe towards its eastern counterpart. As such, the EU acts on a special knowledge claim about what counts as European, and what not, which is inevitably also a claim to superordination.[66] Furthermore, it has also been argued that although the advocates of 'normative power Europe' regard the EU's foreign policy as moving beyond traditional sovereignty-centric perspective, their conceptualisation of power and norms nevertheless remains partly under the influence of a tradition of political thought where the notion of sovereignty is still at the core.[67]

---

[64] See Ole Wæver, "Insecurity, Security, and Asecurity in the West European Non-War Community," in Emanuel Adler and Michael Barnett (eds.), *Security Communities*. Cambridge: Cambridge University Press, 1998. But cf. Thomas Diez, "Europe's Others and the Return of Geopolitics," *Cambridge Review of International Affairs* vol. 17, no. 2 (2004); and Pertti Joenniemi, "Towards a European Union of Post-Security?" *Cooperation and Conflict: Journal of the Nordic International Studies Association* vol. 42, no. 1 (2007).

[65] Cf. Sergei Prozorov, *Understanding Conflict between Russia and the EU: The Limits of Integration*. Houndmills: Palgrave Macmillan, 2006, for an analogous argument in the context of EU-Russia relations.

[66] Cf. Barbara Cruikshank, *The Will to Empower: Democratic Citizens and Other Subjects*. Ithaca: Cornell University Press, 1999; Merlingen, 2007, p. 443; Jan Zielonka, "Europe as a global actor: empire by example?" *International Affairs* vol. 84, no. 3 (May 2008), p. 471.

[67] See Merlingen, 2007, p. 438.

The post-9/11 global security scene has further re-territorial-ised the EU's political discourse, shifting its conceptualisation of security closer towards the 'modern' end of the spectrum where borders as lines of exclusion and defence rather than zones of in-teractive opportunities make their renaissance.[68] Moreover, there is an apparent tension between the EU's goal of internal security which is essentially a 'modernist' (supra)-statist project, resting on the strict and exclusive delimitation of borders, and the more open and outward-oriented project of external security.[69] The inclusive orientation of the project of external security thus re-mains hamstrung by the exclusionary practices necessitated by the concern for internal security of the EU, leaving the coherence of the Union's self-characterisation as a 'postmodernist' security actor therefore vulnerable to critique.[70]

The 'new Europeans' response in the crisis of Iraq

At first sight, the 'new Europeans' course of action in the transat-lantic spat of 2003 over the invasion of Iraq apparently provides considerable support for the academic commentariat according to whom these nations generally entertain a more 'modernist' or Hobbesian/Darwinian understanding of security with their persistent fear of a possible resurgence of Russia's imperial ambi-tions. Also, vindicating the punditry's stance was the Baltic em-phasis on the sanctity of article 5 of the NATO treaty as well as their arguably "unquestioning dependence" on the US as the ul-timate guarantor of that very clause.[71] Yet, it would be premature

---

[68] See Christopher S. Browning, "Introduction: Remaking Europe in the Margins," in Christopher S. Browning (ed.), *Remaking Europe in the Margins: Northern Europe after the Enlargements*. Aldershot: Ashgate, 2005, p. 2; cf. Diez, 2004, p. 328.

[69] See Christopher S. Browning, "The Internal/External Security Paradox and the Re-construction of Boundaries in the Baltic: the Case of Kaliningrad," *Alternatives* vol. 28, no. 5 (2003); cf. Prozorov, 2006, p. 72.

[70] See Prozorov, 2006, p. 73.

[71] Cf. Bobinski, 2003, p. 240; Vaidotas Urbelis, "Changes in US Global Security Strategy and their Implications for Lithuania," *Lithuanian Annual Strategic Review 2002*. Vilnius: Strategic Research Centre, 2003, p. 49; Evaldas Nekrašas and Robertas Bružilas, "Transat-lantic Relations: Lithuanian Perspective," in *Lithuanian Foreign Policy Review* 1-2, 2003; Marcin Zaborowski and Kerry Longhurst, "America's protégé in the east? The emergence of Poland as a regional leader," *International Affairs* vol. 79, no. 5 (2003), p. 1014.

to conclude that the Baltic governments' decision to side with the US in the question of Iraq was taken easily. As the Lithuanian defence minister Linas Linkevičius described the feelings of Eastern Europeans at the time of the transatlantic crisis over Iraq, they were like "children watching their parents quarrelling over reasons for a divorce".[72]

The Baltics' self-positioning in the Iraq crisis should rather be read against the wider backdrop of their tradition of tragic understanding of their history and security as well as international politics in general. The recurring sequence of failures and traumatic experiences in the history of Baltic statehood has fed their leaders' strong sense of victimhood and betrayal by their allies, and consequently fuelled their self-definition in the vein of a tragic narrative.[73] Hence, their noticeable tendency to operate with a pessimistic view of the international system as based on the centrality of conflict and contradiction. The ancient Greeks' notion of tragedy was rooted in the empirical observation that there is no relationship between justice and suffering. A tragic vision of politics is accordingly critical of overreliance on reason and suspicious of the ability of individuals and collectivities to protect themselves against suffering through the application of power or knowledge. Therefore, a tragic sense of international politics emphasises the need to know one's own limits.[74] The official pro-Iraq invasion discourses of the Baltic Three indicate their tragic understanding of politics, based on the embittered interpretation of their pasts as a sequence of betrayals by greater powers, yet, at the same time, signifying a struggle to overcome this pattern of their historical security predicament. Whilst embracing a tragic conception of their history, and in spite of their sense of being grounded on nothing more than geopolitical quicksand and their consequently gloomy interpretation of security, they nevertheless constantly articulate their naïve faith in the logic of "if we support the US now, the US

---

[72] See Linas Linkevičius, "Euroatlantic Security: Lithuanian Perspective," *Speech by the Lithuanian Minister of Defence at the Marshall Center*, Garmisch, 24 September 2003, http://www.kam.lt/index.php/en/81620/.

[73] Cf. Olaf Osica, "Poland: a New European Atlanticist at a Crossroads?" *European Security* vol. 13, no. 4 (2004), p. 303.

[74] See Richard Ned Lebow, *The Tragic Vision of Politics: Ethics, Interests and Orders*. Cambridge: Cambridge University Press, 2003, pp. 20, 126, 309.

would similarly come to our rescue in case of need". The Baltics' siding with the US on the question of Iraq was therefore also reflective of their quest for a future protection against their atavistic Russia-*Angst*, or as Siim Kallas, the Estonian prime minister of the time, argued in February 2003, the US' goodwill would be badly needed should a "Stalin Jr." come to power in Moscow.[75]

It would, however, be a gross simplification, if not a serious misreading, to interpret their siding with the US as motivated by a mere instrumental calculation in which the odds of the security-guaranteeing efficiency of the US and the EU had been weighed, although political units indeed tend to gravitate towards those levers of influence they consider most effective.[76] The altruistic arguments that dwell on a normative sense of obligation and responsibility which themselves arise from the newly gained awareness of being part of the valued security community, did not serve as mere justification for the already given and analytically distinct interests of their decision-makers. Rather, they existed in parallel to the articulation of Baltic existential security fears; both sides of their argument being indicative of their tragic vision of security and international politics more generally. Yet again then, in the case of Iraq, the core experience of historical victimhood to European-style *Realpolitik* conditioned the Baltic 'brand' of security as a curious amalgam of a persistent fear of collaboration between Russia and the Western powers at the expense of their interests and their simultaneously strong reliance on their current alliance relationships with the West, albeit constantly questioning the solidity of these ties.[77]

But there is more. The then French president Jacques Chirac's infamously resentful reaction to the East European EU-candidate countries' decision to side with the US over the Iraq question[78] epitomised a gap between the Habermasian ideal speech situation and the actual European public sphere of debating foreign policy where the 'equal access' to discourse for all participants

---

[75] See Radio Free Europe/Radio Liberty, *Newsline: Estonian Prime Minister Says Country Must Be on the Side of U.S. in Iraq*, 12 February 2003, http://www.hri.org/news/balkans/rferl/2003/03-02-12.rferl.html.

[76] Cf. Richard Ned Lebow, "Fear, Interest and Honour: Outlines of a Theory of International Relations," *International Affairs* vol. 82 (2006), p. 436.

[77] Cf. Osica, 2004, p. 305.

[78] See Craig Smith, "Chirac Upsets East Europe by Telling It to 'Shut Up' on Iraq," *The New York Times*, 18 February 2003.

was but rhetorical window dressing. Apparently for Chirac, the Eastern European EU-aspirants' choice of sides in the question of the invasion of Iraq transgressed the existing discursive boundaries of what was acceptable for them to speak about in European foreign and security affairs. From this perspective, Eastern European states' behaviour in the question of Iraq was essentially an act of inversion with regard to the old Union of 15, a violation of the accepted discursive structure through a highly visible transgression of the previously delineated boundaries in Europe determining which security arguments were regarded as 'reasonable arguments' and who had legitimate grounds to make these arguments in the first place. Moreover, the self-assertiveness of the Eastern European governments hinted at a latent cleavage line in the security imaginaries within the enlarged Union, as well as indicating an attempt to reverse the EU of 15's very hierarchy of 'European values' and 'ethical European foreign policy making' as the 'new Europeans' publicly challenged the single, closed and non-negotiable representation of them.[79]

The intra-European rift over Iraq was indeed an acerbic reminder about the dubiousness of the claim that there was a coherent, principled and rational EU position on Iraq at all. Iraq reaffirmed the existence of a considerable heterogeneity amongst European attitudes towards the use of force, rooted in different European states' diverging historical experiences of war throughout the twentieth century in particular.[80] Furthermore, the debates over Iraq revealed a split in understanding of what counts as 'ethical European foreign policy' in the first place. In very broad brushstrokes, there were at least two distinct visions pertaining to the right of intervention extant within the EU: the more assertive position implying the necessity to confront gross human rights abuses and rogue regimes; and the anti-interventionist, more cautious and "traditionally European" stance which saw the greater evil in the resort to organised violence in the first place.[81]

---

[79] Cf. Alexandra Gheciu, *NATO in the 'New Europe': The Politics of International Socialisation after the Cold War.* Stanford, CA: Stanford University Press, 2005.

[80] Cf. Adrian Hyde-Price, "European Security, Strategic Culture, and the Use of Force," *European Security* vol. 13, no. 4 (2004), pp. 324-5.

[81] Cf. Christopher Hill, "Dilemmas of a Semi-Insider: Blairite Britain and the United States," in Christina V. Balis and Simon Serfaty (eds.), *Visions of America and Eu-*

Iraq was also a powerful affirmation of the East European EU newcomers' right to have a voice in the international community.[82] As the Latvian president Vaira Vīķe-Freiberga asserted, Latvia was expecting to join the Union of "sovereign nations that enjoy equal rights, including the right to express their opinion" that should "apply equally to all of the Union's member states: large and small, old and new".[83] In a similar vein, Linas Linkevičius, the defence minister of Lithuania, called for a "multi-polar Europe where interests and policy choices of small countries are respected," appealing on this as "the essence of democracy – an opportunity for the small states to talk and be heard".[84] Along with the rest of Central and East European governments then, it was forcefully argued that the Baltics' desire for EU membership did not amount to the preclusion of their right to speak on the foreign and security political issues of the day, nor an abrogation of their entitlement to be heard in the EU.[85] As Alexander Vondra, the deputy foreign minister of the Czech Republic, expressed his indignation with the discursive position awarded to the Eastern European EU newcomers by Chirac: "we thought we were preparing for war with Saddam Hussein, and not with Jacques Chirac". He thus affirmed the Eastern Europeans' right for a voice in the European debates over international security issues.[86]

The 'new Europeans' rebellion against the 'old Europeans' binding authority in conceptualising security in the European arena was a vivid display of what Richard Ashley and R.B.J.

rope: September 11, Iraq, and Transatlantic Relations. Washington, D.C.: Center for Strategic and International Studies Press, 2004, pp. 101-2; Tomáš Valášek, "The Meaning of Enlargement," NATO Review, no. 2 (2004) http://www.nato.int/docu/review/2004/issue2/english/art4.html.

[82] Cf. Gheciu, *NATO in the 'New Europe'*.

[83] Vaira Vīķe-Freiberga, "*Latvia and Poland: Prospects for Regional and Transatlantic Partnerships after Prague and Copenhagen," Lecture by the President of the Republic of Latvia at Warsaw University*, Warsaw, 26 February 2003, http://www.mfa.gov.lv/en/news/speeches/2003/feb/3515/.

[84] Linkevičius, 2003.

[85] Cf. Rick Fawn, "Alliance Behaviour, the Absentee Liberator and the Influence of Soft Power: Post-communist State Positions over the Iraq War in 2003," *Cambridge Review of International Affairs* vol. 19, no. 3 (2006), p. 470.

[86] See Craig Smith, "EU candidates say they will not stay silent on war with Iraq," *The New York Times*, 19 February 2003; cf. BBC News, World Edition, "New Europe Backs US on Iraq," 19 February 2003, http://news.bbc.co.uk/2/hi/europe/2775579.stm.

Walker have characterised as a *celebratory* attitude towards politics (or the analysis thereof). As "a celebratory attitude greets the event of crisis in a posture of joyous affirmation," privileging "the estrangement, paradox, ambiguity, and opportunities for creativity," and demonstrating "a readiness to explore the new cultural connections," it is essentially a festival of new modes of thinking and doing that emerges when boundaries are crossed and "hitherto separated cultural texts meet, contradict, combine in ambivalent relations".[87] This attitude of the Baltics, celebrating Iraq as an opportunity rather than a crisis, was clearly juxtaposed to – and indeed met the resentful riposte of the *religious* attitude towards the foreign and security policy making in the name of Europe.

Opposed to the celebratory attitude, a religious stance does not inherently welcome the proliferation of cultural possibilities, but receives them rather as "an irruption of unnameable dangers," greeting the event of crisis "with a sadness, a sense of nostalgia, a kind of homesickness for an institutional order that can impose stable boundaries and bring an ambiguous and indeterminate reality under control". The East European newcomers' rebellious self-positioning against the traditional European 'codes of conduct' in the context of Iraq was indeed cast by the old 'core Europe' in terms of "a collapse of foundations, a loss of a self-evident origin of meaning and authority, a destruction of a domicile of pure identity, a descent into an abyss of hopelessness". What constituted an opportunity in the case of Iraq for the Baltic states, then, was seen as a crisis for the 'old Europe', indeed, "a dangerous moment in which the institutionalised subject is made witness to the possibility of its own dissolution and death". Chirac's outburst towards the "badly brought up" former communist countries therefore reflected a symptomatic attempt in an 'orthodox European' way of conceptualising security to repress the more celebratory one; just as the East Europeans' celebratory stance, in its turn, endeavoured to seek emancipation from the very 'religious attitude' of the 'old core Europe'. For after all, the Eastern European EU newcomers' reception to the

---

[87] See Richard K. Ashley and R.B.J. Walker, "Conclusion: Reading Dissidence/Writing the Discipline: Crisis and the Question of Sovereignty in International Studies," *International Studies Quarterly* vol. 34, no. 3 (1990), p. 379.

Iraq crisis celebrated freedom for the exploration of new modes of ethical conduct in European security policy making.[88]

This can be linked, albeit with some reservations, with the thought of Pertti Joenniemi who, in a recent article, outlines three key ways of articulating security on the European scene that represent fundamentally different logics to the notion of security as well as to its political space, borders and subjectivity more generally: namely, those of *common security, liberal security* and *a-security*.[89] During the Iraq crisis, these East Europeans' more assertive, interventionist, and change-prone vision of security (i.e. *liberal* security) were in open conflict with the traditionally dominant *common security* discourse of the EU. According to Joenniemi, the latter notion embraces rather than excludes difference, conceiving security as "a joint and unifying concern rather than as a divisive issue calling for containment and elimination of a hostile other," and being, thus, more conducive to dialogue, partnership, negotiations and compromise. A liberal understanding of security, however, as encapsulated in the Baltic governments' discourses over the war in Iraq, is specifically premised on the enforcing of a set of rather normative preconditions (i.e. democracy, human rights, market economy, respect of law and good governance) for dealing with the other.

Whilst common security is described by Joenniemi as accommodating difference as a source of enrichment and the very quality that makes dialogue and togetherness worthwhile, liberal security arguably has a tendency to seek separation between inside and outside, and is consequently conducive towards change through the process of liberal reform among those not yet in the inside-sphere of security premised on liberal values – rather than the dialogue and cooperation that are regarded as insufficient to remedy the split between self and other, or internal and external.[90] Rather remarkably, then, although emphasising the importance of opening the European discursive space for different articulations of security from all sides of the Union, the Baltic Three were actually voicing a position more bent towards universalisation of a particular political orientation and hegemonisation of a specific

---

[88] Cf. ibid., pp. 380-1.
[89] Joenniemi, 2007, pp. 130-3.
[90] Ibid.

understanding of security than the one that had been traditionally prevalent in the common European security space. Although it would be too early to reach any firm conclusions over the encounters and 'inbreeding' of these different conceptualisations of security in the enlarged EU around the Iraq crisis, the more liberal conceptualisation of security seems nevertheless to be on the rise in the Union of 27 (for instance, the European Security Strategy already downplays the approach of common security in favour of a more liberal understanding of the term).[91]

The Baltics' behaviour in the crisis of Iraq could hence also be read as an attempt to be rid of a stasis of thinking and speaking security imposed from above in the 'old EU' before the inclusion of former communist states from Eastern Europe. Evoking Havel's famous "power of the powerless" and Konrád's "antipolitics," the Baltic self-positioning against the backdrop of the Iraq crisis was indeed 'the European plebs' call for a renaissance in conceptualising security in the European arena.[92] It was a quest for "a type of culture that is more centrifugal than centripetal that breaks down canons and hierarchies more than it builds them up…allowing fusions and interfaces between the individual semiotic systems which constitute it".[93]

Conclusion

Iraq represented the point of outbreak for some of the previously disguised transcripts of security in the Baltic states. According to James Scott's distinction, hidden transcripts paralleling the public transcripts of dominant discourse in a collectivity constitute the staple form of a critique of power by subordinate groups that cannot be openly avowed in the presence of their dominants.[94] As such, hidden transcripts of power relations are in fact a subtle

---

[91] Cf. ibid., p. 141.

[92] Cf. Václav Havel, *The Power of the Powerless: Citizens Against the State in Central-Eastern Europe*, ed. by John Keane. London: Hutchinson, 1985; György Konrád, *Antipolitics: an essay*, trans. by Richard E. Allen. Orlando: Harcourt Brace Jovanovich, 1984.

[93] See Renate Lachmann, "Bakhtin and Carnival: Culture as Counter-Culture," *Cultural Critique* vol. 11 (1988-1989), p. 139.

[94] See Scott, 1990, p. xii.

way of resisting the domination – short of actual rebellion, true, but nevertheless a venue for venting "unspoken riposte, stifled anger, and bitten tongues" over the subordinates' common experience of being dominated. These "weapons of the weak" could become critical in the construction of a resistance culture that might eventually catalyse broader, more openly oppositional movements of liberation.[95]

Throughout the NATO and EU enlargement processes (i.e. the liminal phase proper in the Baltic process of becoming European) we could comprehend the Baltics' responses to the attempts at post-Cold War Western 'security socialisation' and efforts to broaden their traditional understanding of security as a curious combination of public and hidden transcripts that were utilised in front of European/transatlantic and home audiences respectively. Iraq represented the eruption of security transcripts that had largely been forced offstage over the previous decade. The dominant public transcript of security in the Baltic states throughout the 1990s, as presented to the West, had to embrace the affirmation of the broad understanding of security, with a shift away from a military-centric and territorial defence-based security thinking, concealing traditional security concerns towards Russia, and thus imbuing unanimity with a more 'postmodernist' conceptualisation of security of the Western European states.

The more disguised security transcripts of the time, revealing tensions between the apparently integrated 'postmodernist' security thinking and a largely traditional and modernist domestic conceptualisation of security, were generally on display in the social sites where the control and surveillance of the West was least able to reach (such as domestic media). The formal inclusion of the Baltic Three to institutionalised Europe witnessed the outbreak into the public sphere of some of their security transcripts that had previously been relegated to the form of public hibernation during the dual enlargement processes of NATO and the EU. The most conspicuous of those is the outright rejection of the Western European euphemisation of Russian foreign and security political outlook in the official foreign policy making

---

[95] Ibid., pp. 120, 14. Cf. Albert J. Paolini, *Navigating Modernity: Postcolonialism, Identity and International Relations*, ed. by Anthony Elliott and Anthony Moran. Boulder: Lynne Rienner, 1999, p. 71.

elites' discourses that had to be meekly accepted during the liminal enlargement phase proper.[96]

The Iraq controversy therefore emerges not merely as a symptomatic rupture of the European discursive scene, but as a climax of Baltic security transcripts' 'liberation' from the restraints set on them during the dual enlargement process. What we see from the debates around the invasion of Iraq onwards is their occasionally excessive public display of a traditionally Manichean, threat-centric understanding of security. This had been quietly swept under the carpet by their foreign and security policy making officials for the sake of EU and NATO accession under the terms imposed on the European 'subordinates' by the European 'powerful'. Iraq marks the onset of fluidity and crisis in European strategic debates, as previously persuasive discourses no longer persuaded all participants of the enlarged European polity and previously prevalent sentiments no longer prevailed unchallenged either.

The 'new Europeans' self-positioning in the context of the Iraq crisis therefore emerged as a game of negation and resistance, defying general expectations about the standards of rebelliousness set for small states' behaviour in the international arena and their regard for international law.[97] Iraq thus constituted a gap in the fabric of the European discursive space for discussing security; indeed, a threat to the 'old European' order of fixed and unified understanding of security in the Union. The 'new Europeans' behaviour in the crisis therefore also appeared as something that disclosed the potentiality of "an entirely different world, of another order, another way of life," leading the European configuration out of the confines of the "apparent (false) unity, of the indisputable and stable".[98] The debates around the invasion of Iraq made it clear that these East Europeans shared hardly any nostalgia for the European order of the pre-1989-

---

[96] See, for instance, Toomas Hendrik Ilves, *Speech by the President of the Republic of Estonia on the Anniversary of the Tartu Peace Treaty*. Tallinn, Estonia Concert Hall, 2 February 2007, http://www.president.ee/et/ametitegevus/k6ned.php; and Ants Laaneots, "Riigi kaitse ja sisejulgeolek" [National Defence and Internal Security], *Eesti Päevaleht*, 21 June 2007.

[97] Cf. Fawn, 2006, p. 478.

[98] Cf. Mikhail M. Bakhtin, *Rabelais and His World*, trans. by Hélène Iswolsky. Cambridge, Mass.: MIT Press, 1968, p. 48.

period which, however, could be detected in the Habermas' and Derrida manifesto.[99]

At the end of the day, the debates over Iraq were the most conspicuous post-Cold War encounter of 'authoritative' and 'subordinate' European security discourses. As such, the crisis over the invasion of Iraq was also essentially a clearing of the air for the European polity on the eve of its enlargement to the East. The Baltic decision to support the US in the question of Iraq was also an act of protest against the 'core Europe's perennial patronage and occasional arrogance towards Eastern Europe.[100] As a spokesman for former Lithuanian prime minister Andrius Kubilius acclaimed, the US was needed as a counterbalance to help the new EU members to defend their interests vis-à-vis their Western European neighbours.[101] There was indeed a widespread understanding among the Central and East European foreign and security policy making elites that French and German diplomacy during the build-up of Iraq crisis essentially disregarded the foreign policy perspectives of the soon-to-be EU Eastern European member states, assuming simply that they would just follow the lead of the EU 'core'.[102]

Yet, any rushing for signs of change in the dominant European security discourse(s) should be held at bay with a shrewd reminder that "much of what passes for change and difference is all too often nothing more than an exchange of negative for positive which leaves old categorisations and oppositions in place, their valencies inverted by a mechanical operation of a kind characteristic of a world and a system which are supposed to have been discredited".[103] Moreover, as Bruce Lincoln has highlighted,

---

[99] Although one could nevertheless track down a certain nostalgia for clear-cut distinctions between the good and the bad of the Cold War era in Baltic self-positioning over Iraq. – Cf. Habermas and Derrida, 2003; cf. Levy et al., 2005, p. xxv.

[100] Cf. Tuomas Forsberg and Graeme P. Herd, *Divided West: European Security and the Transatlantic Relationship*. London: Royal Institute of International Affairs and Blackwell, 2006.

[101] See Rokas Tracevskis, "A Three-Way Affair," *Transitions Online*, 8 August 2003; cf. Matthew Rhodes, "Central Europe and Iraq: Balance, Bandwagon, or Bridge?" *Orbis* vol. 48, no. 3 (2004), p. 432.

[102] Forsberg and Herd, 2006, p. 72.

[103] See Peter I. Barta and David Shepherd, "Introduction to the Series," in Peter I. Barta, Paul Allen Miller, Charles Platter and David Shepherd (eds.), *Carnivalising Difference: Bakhtin and the Other*. London and New York: Routledge, 2001, p. vii.

inversion and counter-inversion eventually lead back to the initial starting point. Even the most effective and perfectly performed inversion that could result either in radical upheaval or significant reform could nevertheless be countered by the dominant orders' very ability to employ their own resources of symbolic inversion to defend themselves against precisely such threats. An order twice inverted, however, is an order restored, or perhaps even strengthened as a result of the rotation process of the kind.[104] Hence, *plus ça change, plus c'est la même chose*.

---

[104] Bruce Lincoln, *Discourse and the Construction of Society: Comparative Studies of Myth, Ritual, and Classification*. New York and Oxford: Oxford University Press, 1989, p. 159.

Why give money to the bear?
An analysis of EU assistance to Russia

Piret Ehin

This article focuses on an aspect of the EU-Russia relationship that has hitherto received little attention: EU financial assistance to Russia.[1] The Russian Federation (RF) enjoys a unique position in the overall scheme of EU external assistance. Although not part of the European Neighbourhood Policy, it receives assistance under the recently established European Neighbourhood and Partnership Instrument (ENPI). Overall amounts of EU assistance to Russia have been significantly reduced over time, reflecting EU disapproval of Russia's record on democracy and human rights, the narrowing of the EU-Russia cooperation agenda, Russia's improved economic performance, and limited absorption capacity. Attempts to get Russia to approximate the rules of the game have been not particularly successful: to the chagrin of Commission officials, Russia has refused to engage in multi-annual programming of aid, has not been eager to identify projects for financing, and has delayed implementation by withholding signatures to the financing agreements. This has led to a substantial underprogramming of aid in the first year of ENPI implementation: the projects that the parties managed to agree on are worth less than half of the amount earmarked for Russia in 2007.

Even a cursory glance at the problematique of EU-Russia financial cooperation leads to several broader questions, the most

---

[1] The article builds on a Standard Briefing for the Foreign Affairs Committee of the European Parliament made under the framework contract with the Trans European Policy Studies Association (TEPSA) by Piret Ehin and Matjaz Nahtigal, entitled " Implementation of the ENPI: analysis of the EU's assistance to Russia", 3 August 2008. The views expressed in this article are those of the author; she alone is responsible for any possible errors or omissions.

fundamental being: should the EU give assistance to Russia at all? As is often the case, the European Commission has been entrusted with the difficult task of coming up with sensible solutions amidst diverging member state interests. Views on what constitutes an appropriate EU assistance strategy reflect the broader positioning of member states between the two dominant paradigms on how to deal with Russia. The first of these views Russia as a potential partner and advocates "creeping integration" while the other regards Russia as a threat and advocates "soft containment."[2]

The military conflict in Georgia has reopened the intra-EU divide on Russia, with possible implications for EU assistance. Lithuanian foreign minister Petras Vaitiekūnas insisted that there must be consequences to Russia's "unacceptable and unproportional" use of force, such as halting EU assistance, cancelling visa talks, and freezing negotiations on the new EU-Russia Partnership and Cooperation Agreement. Russia's friends in Western Europe, including Italy, France and Germany, however, refused to engage in a "blame game" and wanted to concentrate on immediate stabilization efforts. Given Russia's energy stranglehold on Europe, it is unlikely that the EU will impose serious sanctions. In the past, however, the EU has suspended financial assistance for political reasons: following Russia's second military campaign in Chechnya launched in 1999, EU assistance projects estimated at approximately $90 million were cancelled or refocused on humanitarian needs.[3]

Even without considering the aggression in Georgia, giving financial aid to Russia has been increasingly hard to defend both on moral-ideational and pragmatic grounds. The layer of shared values has been stretched very thin by the growing normative rift in EU-Russia relations, and the EU has had to acknowledge that the long-term priorities of the Russian government are inconsistent with a transformation toward a market-based democracy. The EU-Russia strategic partnership has remained conspicuously empty of strategic content. In the shared neighbourhood, Russia has actively challenged or directly undermined EU policies.

---

[2] Mark Leonard and Nicu Popescu, *A Power Audit of EU Russia Relations*, European Council on Foreign Relations, 7 November 2007.

[3] Oana Lungescu, "EU freezes financial aid to Russia." BBC News, 24 January 2000.

Assistance is also increasingly difficult to justify on the ground of need. In the context of rapid economic growth, fuelled by soaring oil and gas prices, Russia has dramatically increased state revenues, has been running budget surpluses and has rapidly paid back its international debts. EU funding cannot be convincingly defended by reference to Russian interest and commitment, either. So far, EU-Russian cooperation in the planning and implementation of assistance has been characterized by difficulties and delays. The fact that many major international donors are reducing or completely phasing out assistance to Russia gives the EU more reasons to rethink its assistance strategies.

Arguments in favour of providing assistance (beyond simple acclamations of friendship cemented by dependence on Russia's natural resources) build on the premise that Russia is and will remain an important neighbour to whom the EU is tied by shared interests and increasingly close interaction. Trade between the EU and Russia is growing rapidly (by 25.7% in 2006) and the EU is now Russia's main trading partner. Russia is a major external energy supplier to the European Union, accounting for over 25% of its oil and gas deliveries. After the EU's eastern enlargement, the length of the EU-Russia shared border is some 2000 kilometers. The EU has good reasons to promote stability and prosperity in regions immediately adjacent to it. The EU also has a vital interest in preventing threats that are cross-border in character by addressing major problems in areas such as environmental protection, public health, and nuclear safety. Furthermore, the EU and Russia have agreed upon a mutually meaningful cooperation agenda in the form of the four Common Spaces. Here, EU assistance has the potential to make a significant contribution to the achievement of the agreed-upon objectives. All in all, the argument boils down to the claim that despite the numerous problems in the EU-Russian relationship, EU interests are better served by continued engagement, as opposed to withdrawal.

This article has two goals. First, it provides an overview of EU assistance to Russia with a particular focus on aid schemes introduced since 2007, following the reform of EU external assistance instruments. Very little has been written about the objectives, amounts and implementation of EU assistance to Russia under ENPI. Indeed, the relevant information is dispersed

among various EU assistance programming documents, many of them quite technical in nature. However, the state of play with regard to EU assistance to Russia could be of interest to a broader audience, as it illuminates the troubled strategic partnership from yet another angle. Second, the article addresses the relevance and effectiveness of EU aid, referring to available audits and assessments of EU aid programmes. It concludes with some considerations that should be kept in mind when debating the future of EU assistance at a time of renewed tensions in EU-Russia relations.

EU assistance from TACIS to ENPI: an overview

The objectives of EU-Russia financial cooperation have become more narrowly defined over time. In the early 1990s, EU-Russia cooperation agenda was defined broadly in terms of assisting transition to a market economy and reinforcing democracy and the rule of law. Later on, assistance was rooted in an equally general policy framework based on the Partnership and Cooperation Agreement which took effect in 1997. At the St. Petersburg Summit in May 2003, Russia and the EU agreed to fill the declared strategic partnership with more concrete content by creating the so-called Common Spaces in the realms of economy, freedom, security and justice, external security and research, education and culture. A set of roadmaps for the implementation of the Common Spaces were agreed at the St Petersburg Summit in May 2005. Since the adoption of the roadmaps, EU aid has increasingly focused on actions supporting the implementation of the four Common Spaces. References to this framework have been included in TACIS Annual Action Programmes since 2005. Under the new package of EU aid programming documents effective since 2007, the majority of EU financial assistance to Russia is explicitly geared towards the implementation of the Common Spaces roadmaps.[4]

Technical Aid to the Commonwealth of Independent States (TACIS) has been the main instrument of EU assistance to Rus-

---

[4] European Commission, National Indicative Programme 2007-2010 for the Russian Federation.

sia. Since 1991, over €2.7 billion of assistance has been provided and over 1500 projects implemented. Although aid under TACIS will be gradually phased out with the introduction of the ENPI, TACIS programmes remain operational in Russia until the end of the decade. Currently, the implementation of projects under TACIS AAPs 2004, 2005, 2006 is still ongoing (the implementation of projects under AAP 2004 must be completed by the end of 2009).

Table 1. Key facts about TACIS Annual Action Programmes 2004-2006

Year	Funding	Priorities/actions
2004	€ 94 m	Institutional, legal and administrative reform (€25 m) Private sector and economic development (€35 m) Social consequences of transition (€28 m) Small Projects Programmes (€6 m)
2005	€ 70 m	Special programme for Northern Caucasus (€20 m) Institutional, legal and administrative reform (€9 m) Private sector and economic development (€8.5 m) Social consequences of transition (€6 m) Institution Building Partnership Programme (€5 m) Tempus (€10 m)
2006	€ 47 m	Institutional, legal and administrative issues (€8 m) Private sector and economic evelopment (€7 m) Special programme for Kaliningrad Oblast (€9.5 m) Institution Building Partnership Programme (€7 m) Tempus (€10 m) Common Space Facility (€5.5 m)

TACIS allocations to Russia have been significantly reduced over time. For comparison, the total volume of the AAP 1991 was €212 million; in 1993-1998, the amount of available funding was around €130-160 million *per annum*. The reduction in funding is due to the improved economic performance of the Russian Federation, the improved capacity of RF authorities "to finance reform measures," limited absorption capacity of the recipient, the occasionally questionable political will to engage in financial cooperation with the EU (in particular, long delays in obtaining Russian signatures to the Financing Agreements have caused delays in the implementation of projects), and a narrower agenda of EU-Russia cooperation (now confined to the four Common Spaces).[5]

From 1 January 2007 onwards, the various geographical and thematic EU assistance programmes (including TACIS and MEDA) were replaced by a single instrument – the European Neighbourhood and Partnership Instrument (ENPI). The ENPI is designed to support the implementation of the European Neighbourhood Policy in both the Eastern and Southern neighbourhood, and to support the development of the Strategic Partnership with Russia. It is also designed to correct the shortcomings of previous assistance schemes, thus increasing the effectiveness of EU aid programmes. The Commission lauds the ENPI as a more flexible, coherent, and simple policy-driven instrument. For the next budgetary period (2007-2013), approximately €12 billion in EC funding are available to the Eastern and Southern partner countries, an increase of 32% in real terms compared to the previous assistance cycle.

Under this new framework of assistance, Russia constitutes a special case due to its non-inclusion in the ENP. For the ENP countries, EU assistance builds on the policy framework laid out in the ENP Action Plans. Assistance programming takes the form of a set of intertwined and extensively cross-referenced documents, including the ENP Action Plan, a Country Strategy Paper, a multi-annual National Indicative Programme, and Annual Action Programmes. In the case of Russia, the Roadmaps for the

---

[5] European Commission, EuropeAid Co-operation office, TACIS Annual Action Programme for Russia 2005, http://ec.europa.eu/europeaid/where/neighbourhood/regional-cooperation/enpi-east/annual-programmes_en.htm

implementation of the four Common Spaces serve as a rough equivalent of the ENP Action Plans in the sense that they list agreed-upon objectives of EU-Russia cooperation. However, in contrast to the ENP Action Plans, the roadmaps do not specify a time frame in which the objectives are to be attained, and do not prioritize among the stated objectives.

Russia has further boosted its special standing by refusing to engage in multi-annual programming of assistance, a process that the EU considers to be central to ensuring aid effectiveness. According to the Commission, "the Russian side has rejected the idea of deciding in advance on the prioritisation of objectives."[6] As a result, the National Indicative Programme (NIP) 2007-2010 for the Russian Federation bears little resemblance to a typical EU assistance programming document. Instead of listing concrete priorities and indicators of achievement for the four-year period, it simply summarizes the agreed-upon objectives of the four Common Spaces along with a list of conjectures about priorities EU assistance *could* have, the contributions it *could* make and the forms it *might* take. It states that priorities will emerge from dialogue and discussion with Russia, and emphasizes that EU assistance will be as flexible and demand-led as possible.

However, the NIP does outline earmarked amounts of assistance and stipulates how the amount is to be divided between two broad sets of objectives. Thus, the envisioned amount of ENPI assistance to Russia is €120 million for 2007-2010 (€30 million *per annum*). The NIP states that the total amount will be divided between two main objectives as follows:

- 80-90% of EU assistance is dedicated to supporting the implementation of the four Common Spaces roadmaps;
- 10-20% of EU assistance is reserved for supporting the development of the Kaliningrad oblast.

The final element in assistance programming is the Annual Action Programme 2007 (AAP) which defines the priority actions for the first year of ENPI implementation and identifies the amounts

---

[6] European Commission, National Indicative Programme 2007-2010: Russian Federation, p. 4.

allocated to these actions. The volume of AAP 2007 is approximately € 17 million (of which EC contribution constitutes € 13 m, complemented by € 3 m from the RF Government and € 1 m from non-governmental organizations and local and regional authorities). This amount constitutes less than a half of the EU allocation of € 30 million *per annum* envisioned in the NIP.

The Commission gives the following explanation for the limited volume of AAP 2007:

> *The late agreement on this Indicative Programme provided insufficient time to identify and prepare a full Action Programme that would meet the expected volume in the first transitory year. Assuming that the dialogue with the Russian authorities with respect to the identification of projects will intensify in the coming year, it is expected that Action Programmes in coming years may well increase significantly.*[7]

AAP 2007 identifies three priority areas for EU-Russia financial cooperation, including:

- Border management, focusing on border infrastructure, faster and more secure operation of borders, and improved EU-RF border service cooperation (€ 5 m EU contribution);
- Investment in road and transport infrastructure (€ 3 m EU contribution; € 3 m RF contribution);
- Institution Building Partnership Programme: fostering people-to-people contacts and links between local authorities and other non-state actors (€ 5 m EU contribution; approx. € 1 m contribution from other sources).

Evidently, the EU-Russia cooperation in planning and preparing ENPI assistance has been quite difficult; clearly, the results of the dialogue (as expressed in the NIP and AAP) do not meet the Commission's own criteria of effective aid programming in many respects. The fact that the volume of AAP 2007 is less than half of the annual allocation envisioned in the NIP shows that substantial effort is needed to be able to purposefully spend even the limited funding that has already been earmarked.

---

[7] Annual Action Programme covering the programming document National Indicative Programme 2007-2010 for the ENPI for the Russian Federation for 2007, p. 2.

Cross-border cooperation programmes

The participation of Russia and Eastern European countries in cross-border cooperation (CBC) has been funded under TACIS since 1996. CBC programmes are also a major component of ENPI: it is envisioned that 15 such programmes, identified on the external borders of the EU, will receive financial support of €1.18 billion for the period 2007-2013.

A key problem that has hampered the effectiveness of CBC funding prior to ENPI was the existence of separate financial instruments for different groups of countries on different sides of the EU external border (INTERREG, TACIS, PHARE). Under ENPI, EC financing of CBC will change considerably. The innovative features include the manner in which internal and external funding is combined in a single instrument, and the provision for decentralised programming and implementation by the local partners themselves.[8]

The CBC Indicative Programme 2007-2010, adopted in March 2007, defines the geographical scope of 15 individual CBC programmes along the EU's external border. The objectives and content of these individual programmes will be developed by programme partners from the eligible areas, through a bottom–up process. Five of the proposed land-border programmes and two sea basin programmes involve Russian regions as participants (Kolarctic/Russia, Karelia/Russia, SE Finland/Russia, Estonia/Latvia/Russia, Lithuania/Poland/Russia, Black Sea and Baltic Sea Region programmes). The envisioned Community contribution to the seven programmes that involve Russia is €307.488 million in 2007-2013 (the amount covers multiple partner countries on both sides of the EU-Russia border).

Although the implementation of the ENPI-CBC scheme is still in an early stage, some progress has been made and Russia has repeatedly declared its commitment to this form of cooperation. Legislation relevant to CBC is currently being prepared in Russia, and the recently established (2004) Ministry of Regional Devel-

---

[8] For the period 2004-2006, new Neighbourhood Programmes (NP) were developed to ensure improved co-operation among the existing instruments. The Neighbourhood Programmes are now fully operational in Russia. In North-West Russia, 171 projects were contracted or started by the end of 2007 (for a budget of around €30 million). As a result, a total of 227 projects were running at the end of 2007.

opment in Russia is taking a particular interest in this topic.[9] At the Mafra Summit, Russia announced a contribution of €122m for the seven CBC programmes bringing the overall amount to €429.488 million. The agreement to cooperate on seven joint CBC programmes was confirmed at the EU-Russian summit at Khanty-Mansiysk in June 2008.

Local and regional actors on both sides of the border have been working together on defining the content of the joint programmes. The Baltic Sea region programme was approved by the Commission in December 2007. The other programmes were submitted to the Commission by June 30th, and the Commission's decision is expected in September/October 2008. The parties intend to start implementing these Programmes in early 2009. However, on the practical level, Russian cooperation appears to be marked by delays and, in some instances, questionable commitment. Thus, the first call for proposals under the Baltic Sea region programme was launched with a suspensive clause for Russia and Belarus pending on the signature of the Financing Agreements by these countries.

Multiple factors hinder the effective implementation of the CBC programmes involving Russia. These include the limited institutional capacity and autonomy of local and regional administrations, weak civil society organizations and their subordination to political authorities, limited understanding of EU institutions and policies, poor intergovernmental relations (e.g between the Baltic states and Russia), and insufficient dialogue and cooperation with civil society organizations in the planning of the CBC programmes. On the positive side, over ten years of experience in implementing EU-supported CBC projects has, in many cases, led to shared objectives, increased institutional capacity, functioning networks and effective practices that that serve as good foundation for further cooperation. Also, the EU-Russian visa facilitation agreement, effective since June 1 2007, has made travel easier and thus facilitated CBC.

---

[9] European Commission, Cross-Border Cooperation Strategy Paper 2007-2013.

Specialized instruments of assistance

In addition to TACIS and ENPI, Russia received assistance under several specialized instruments. Under its humanitarian aid programme (ECHO), the EU has been supporting victims in the Northern Caucasus since the beginning of the Chechen conflict. Since the beginning of the second Chechen war in 1999, the Commission has allocated over €220 million, making it the largest donor in the region. However, in light of recent socio-economic improvements and the successful implementation of reconstruction projects the Commission has scaled down its funding by approximately 50%. In 2008, it allocated a €11 million humanitarian aid package, covering income-generation activities, food security as well as rehabilitation of private houses and primary health services. The recipients include internally displaced persons in Chechnya as well as refugees in the neighbouring regions.

Nuclear safety has been another EU priority. Until the end of 2006, EU assistance in nuclear safety was provided under the TACIS programme. From 1991 to 2006, €1.3 billion were allocated to the improvement of nuclear safety in the Newly Independent States (NIS) of the former Soviet Union. The Russian Federation received 44% of this funding. From 1 January 2007 onwards, as part of the reform of EU assistance instruments, the TACIS Nuclear Safety Programme was replaced by a new instrument – the Instrument for Nuclear Safety Co-operation (INSC). It is scheduled to receive €12 million under the TACIS 2006 AAP for improving safety of Soviet-designed reactors, strengthening regulatory frameworks, and improving the management of radioactive waste.

Finally, Russia is eligible to receive assistance under the European Instrument for Democracy and Human Rights (EIDHR). The EIDHR is a financial instrument that allows the EU to provide support for the promotion of democracy and human rights worldwide. Key priorities include enhancing respect for human rights and fundamental freedoms, strengthening the role of civil society, and enhancing democratic electoral processes. Approximately €1.2 m *per annum* has been allocated to supporting civil society in Russia under the EIDHR country-based support

schemes in 2007 and 2008. Recent project calls have focused on fostering a culture of human rights, promoting the democratic process, advancing equality, tolerance and peace, and on helping Russian civil society to develop greater cohesion in working on human rights, political pluralism and democratic political partici-pation.

Relevance and effectiveness of EU assistance

Any assessment of the relevance and impact of EU assistance to Russia must recognize that the volume of EU aid to Russia is very small compared to allocations to many ENP countries. For instance, Georgia (population 4.6 m) is programmed to receive the same amount of aid under ENPI (€ 120 m) in 2007-2010 as the RF (population 141.4 million). Ukraine (population 46.3 m) will receive € 494 million under its NIP for the same period. As a result, EU assistance to Russia can target "only a limited selection of the wide range of objectives associated with the roadmaps" and "there can be no one-to-one correspondence between road-map objectives and the allocation of financial cooperation."[10]

Of course, it should also be recognized that the agenda of EU-Russian cooperation as defined in the four Common Spaces roadmaps is limited to what the partners have been able to agree on and does not adequately address several key issues of concern to the EU (such as Russia's democratic development). The Euro-pean Parliament has emphasized that "a robust defence of human rights and democratic values should be a core principle of any EU engagement with Russia," urging the Commision to ensure that "any financial assistance granted to the Russian authorities takes into consideration the strengthening of democratic standards in that country."[11]

The prospects of successfully applying democratic conditional-ity in relations with Russia are very limited. Russia has repeatedly

---

[10] European Commission, National Indicative Programme 2007-2010: Russian Fed-eration.
[11] European Parliament resolution of 10 May 2007 on the EU-Russia Summit to be held in Samara on 18 May 2007, P6_TA(2007)0178
PE 389.473

shrugged off international criticism of the state of democracy and human rights. A recent report by the Bertelsmann Foundation notes:

> *As Russia is strong enough to ignore foreign pressure, external supporters of Russia's development toward a market-based democracy can either opt to accept Putin's conditions and find a niche for specific support programs, or decide to withdraw from relations with Russia.[12]*

This quote quite aptly summarizes the dilemma faced by the EU. It would be naive to expect that by offering or withdrawing assistance, the EU could sway the RF authorities from the chosen path of development. This was probably the case already in the 1990s, when Russia was weak and indebted and EU assistance under technical cooperation and development programmes averaged around € 200 million annually. It is even more true now that EU assistance has shrank substantially, and Russia has turned into an assertive and highly sovereignty-conscious great power. Democratic (or more likely, rule-of-law) conditionality can have some effect only if made an integral part of a well-formulated and effectively implemented EU common strategy on Russia and linked to goods that Russia covets (e.g. visa-free relations with the EU). The formulation of such a strategy, however, requires much greater unity and solidarity among member-states than what has been demonstrated so far.

Low effectiveness of the aid provided to Russia is another important concern. A major audit of EU assistance projects in Russia, completed in 2006, concluded that the effectiveness of the use of TACIS funds in the Russian Federation has been poor. The objective of the audit, performed by the European Court of Auditors, was to assess whether the TACIS projects managed by the Commission in Russia had achieved their objectives and created a lasting impact. The Court examined a random sample of 29 contracts implemented mostly in 2002 and 2003, with a total value of € 56 million. It concluded that only nine out of the 29 audited projects had achieved their objectives. In eight cases the objectives were partially met and in twelve cases they were not achieved. The re-

---

[12] Bertelsmann Transformation Index 2008: Russia Country Report.

sults of only five of the audited projects were deemed sustainable.[13] The Court found that the objectives of the projects were often imprecise and not measurable, and that the programming process did not facilitate real dialogue with RF authorities. Some of the equipment purchased for EU money was never used for intended purposes, and in some cases, beneficiaries accepted assistance they actually did not want. However, it was pointed out that the audit did not detect major problems with fraud and corruption; EU funds were not stolen or wasted but simply used ineffectively.

The European Commission tried to fend off some of the criticism by pointing out that the projects audited were prepared between 1997 and 2000 – a period characterized by a particularly difficult political and economic climate (financial crisis, handover of presidential power) which strongly impacted on "Russia's sense of ownership and Russia's involvement and cooperation" in the given projects.[14] The Commission also insisted that the situation has changed significantly since 2003 and that furthermore, the Commission was aware of the key shortcomings in the EU framework for financial assistance and had designed reforms to address these issues. Indeed, important changes were made with the introduction of the ENPI. The ENPI AAP 2007 for Russia refers to lessons learned from past experience, as well as to concerns raised in the Court of Auditors report. Indeed, the very limited volume of AAP 2007 may mean that the Commission is now more careful and cautious in selecting projects (and more intent on securing Russian ownership in the form of co-financing), trying to avoid similar accusations in the future.

The recent Commission progress report (March 2008) on the implementation of the Common Spaces provides additional opportunities to reflect on the relevance and effectiveness of EU assistance. The Commission's overall assessment of progress is mixed. The report argues that although there were no major breakthroughs, day to day business was conducted efficiently under all four spaces. It recognizes that "much remains to be

[13] Information note by the European Court of Auditors on Special Report No 2/2006 on the Performance of Projects Financed under TACIS in the Russian Federation. Luxembourg, 20 April 2006.

[14] Ahto Lobjakas, "EU: Audit Suggests Aid Allocated To Russia Ineffective," Brussels, April 20, 2006 (RFE/RL)

done and some important points agreed in principle are yet to be implemented in practice."[15]

The report also highlights contributions made by EU financial assistance. Examples of successful projects under the Common Economic Space include, inter alia, the construction of the Saint Petersburg Sludge Incineration Plant (€ 25 million EU contribution – the largest and most expensive project ever funded from the TACIS programme), € 2.8 million project on energy efficiency in Arkhangelsk, Astrakhan and Kaliningrad regions, coupled with another project dealing with renewable energy and the rehabilitation of small scale hydropower plants, and a large number of TACIS projects supporting SME development. Under the space for Freedom, Security and Justice, several TACIS projects have supported the reform of the judicial system in Russia. The EU has supported the development of Russian legislation on migration and asylum, as well as on the fight against money laundering, financing of terrorism and trafficking in human beings.

Under the space for External Security, the EU has helped finance the safe dismantlement or reconversion of infrastructure, equipment and scientific capabilities linked to weapons of mass destruction. In 2007, the EU contributed over € 3 million to the construction of a chemical weapons destruction site in Shchuch'ye. In the past, over € 20 million has been allocated from CFSP funds for the destruction of chemical weapons, the disposal of fissile material, and the protection of radiological sources.

The main achievements in 2007 under the EU-Russia Common Space on Research, Education, and Culture relate to Russia's active involvement in EU's science funding programmes, the introduction of the two-cycle system of higher and postgraduate education in Russia (in line with the Bologna process), and the agreement on new priorities for Tempus and Erasmus Mundus education cooperation programmes. Russia was the most successful non-associated country in the 6th Framework program for Research and Technological Development, participating in 280 projects worth almost € 2,8 billion. Russia's interest in R&D co-

---

[15] EU-Russia Common Spaces – 2007 Progress Report, prepared by the Commission and the General Secretariat, 8134/08, March 2008, at http://register.consilium.europa.eu/pdf/en/08/st08/st08134.en08.pdf.

operation is reflected in the level of co-financing, which amounted to € 20 million for the 6th FP. Hundreds of higher education cooperation and reform projects have been implemented. On average, more than 1300 academics and students benefited every year from short-term mobility opportunities. The EU continues to support the European Studies Institute (ESI) in Moscow.

Conclusions

Over the past decade, the European Union has substantially reduced assistance to Russia. A major cut occurred in response to Russia's military operations in Chechnya in 1999. Since then, assistance levels have been further diminished, reflecting Russia's continued authoritarian consolidation, its improved economic performance, and insistence on being treated as an equal partner and a great power. Even though the EU has effectively delinked assistance from any broad agenda of transformation or Europeanization, focusing on the mutually agreed-upon objectives of the four Common Spaces, financial cooperation with Russia continues to be difficult. In the context of Russia's economic growth (and compared to the revenues Russia makes from oil and gas deliveries to EU member-states), EU assistance simply does not matter that much. Russia's limited commitment to financial cooperation with the EU reflects this realization. This also means that EU assistance has very little, if any, utility as an instrument of democratic or rule-of-law conditionality. Thus, suspending assistance in response to Russian agression in Georgia would have some symbolic value as an act of protest. It would not, however, hurt the regime in the Kremlin in any way and thus would not amount to a punishment or a lesson from which Russia could be expected to "learn".

One should also consider who, in fact, would be punished by a decision to cut off assistance. Direct EU aid to the RF government is already very limited. Much of EU assistance to Russia comes in the form of support for improving nuclear safety, humanitarian aid benefiting conflict victims in the Northern Caucasus, or assistance to non-state actors including non-governmental organizations, local governments, small businesses, scholars and

students. EU funding is also increasingly geared towards support-
ing the development of the border regions. Why should Pskov
or Kaliningrad bear the consequences of Moscow's actions in
Georgia? Finally, the ENPI assistance that is implemented by
the RF government is very limited in scope and is designed to
solve specific problems and remove bottlenecks hindering trade
and everyday interaction between Russia and the EU. Thus, the
first ENPI projects focused on improving border services at the
EU-Russia border and improving road infrastructure along ma-
jor pan-European transport corridors. These projects would do
much to help the lot of truckers currently subjected to three-day
waits at border-crossings and hazardous road conditions in Rus-
sia.

There are other reasons why the EU might want to further
reduce assistance to Russia. Low effectiveness of implemented
programmes would certainly justify such a decision. Indeed, the
next major audit of EU assistance projects should produce bet-
ter results than the 2006 European Court of Auditors report for
current levels of assistance to be maintained. Above all, the EU
has every right to expect better cooperation and demonstrated
commitment from the RF authorities in the planning and imple-
mentation of aid. If cooperation in the identification of projects
is not substantially improved in the preparation of 2008 and
2009 ENPI Annual Action programmes, the volume of aid under
the next programming cycle should be further reduced to match
actual absorption capacity.

In sum, this analysis suggests that EU assistance to the Russian
Federation mirrors the general characteristics of the EU-Russia
strategic partnership: it is narrowly focused on selected issues
and sectors, is increasingly based on shared interests, not values,
and has very limited transformative ambitions, reflecting mutual
acceptance of the fact that the EU and Russia are very different
actors. Democratic conditionality, a concept often evoked in de-
bates about EU external assistance, has moral appeal but offers
little practical guidance in a situation where the amounts of EU
assistance pale in comparison to the completely non-conditional
stream of revenues accruing to Russia from its energy deliveries
to Europe. If the EU wishes to apply conditionality in relations
with Russia, it needs to change this setting first.

The Barcelona Process and the Union for the Mediterranean: A critical assessment

Tiago Marques

Introduction

This article aims at shedding light on the emerging objectives and contours of the French-led proposal for a Union for the Mediterranean, while reviewing the principles, achievements and challenges of the existing Barcelona Process, and assessing evolving Euro-Mediterranean challenges. The preconditions for the success of this new initiative depend also on the ability to overcome longstanding obstacles to deeper cooperation between EU member-states and Southern partners. This could involve a holistic strategy encouraging political reform in the South in the spirit of the principles of positive conditionality and differentiation put forward by the European Neighbourhood Policy. The question at hand is to determine if this new initiative can be seen as a real opportunity to reinforce the Barcelona Process by tackling political, social and economic issues that were not properly addressed during the past 13 years[1].

---

[1] This article also draws upon formal and informal working sessions on Euro-Mediterranean relations that took place at the European Union Institute for Security Studies from September 2007 to March 2008, and in which the author took part.

The Barcelona Process revisited

There is the idea, put forward by some analysts and politicians, that the Barcelona Process has been a failure[2]. The basis of this argument is that the Barcelona Process has been functioning for 13 years and yet today there is no peace, no stability and no shared prosperity as stipulated by the Barcelona Declaration of 1995. But should this regrettable lack of visible progress be seen first and foremost as a failure of the Euro-Mediterranean Partnership (EMP) and, by extension, of a Euro-Mediterranean regional approach?

It is true that, 13 years on, not only does the Palestinian issue remain unresolved, it seems to be getting worse. At the same time, there has been an aggravation of the overall situation in the region, primarily due to the Iraq war, with all the implications that this has for the EMP area. In areas where progress actually was achieved, as in Lebanon for example, this has not been sustained. The lack of progress on the Israeli-Palestinian conflict reflects a failure of the international governments, who in the present world order are mainly responsible for global security, and in particular the lack of diplomatic engagement from the US Administration since 2001 on this front. One can thus even put into question the effectiveness of multilateral initiatives like the Quartet. It is true that the impact of the Barcelona Process on the Israeli-Palestinian conflict has been negligible, but it should be remembered that the regional initiative and its long-term approach was just supposed to play a supportive role in helping to solve such problems. In any event, it is true that political cooperation in the Barcelona Process has been blocked, in particular due to the south-south tensions in the Middle East, and it is also the case that, apart from a few exceptions, the EU and southern Mediterranean states have not been able to find ways to engage in a relevant political dialogue.

To understand the particular nature of the Barcelona Process from the point of view of the political dialogue, one should stress that Europe's Mediterranean policies have, in many ways, been a unique experiment in the process of constructing an external pol-

---

[2] See Richard Youngs, "How Europe´s Mediterranean policy went so badly wrong", *Europe´s World,* Autumn 2006.

icy. They differ from policies in the transatlantic domain in that they are not based on assumptions of strategic partnership or dependence; they also differ from policies towards the developing world in the sense that they assume the project of the creation of a common regional group, where the goodwill and engagement of all those states involved is essential – a single state can block the entire political process.

The argument has been made that the basic problem of the Barcelona Process, from a security point of view, is that from the beginning it has been closely bound up with European border security issues. To some extent, the underlying driver for Europe's Mediterranean policies has been anxiety about the Union's border security, fuelled principally by concern over migration[3]. Over time, other security concerns have been linked to migration, ranging from drug- and people-smuggling, organised crime and the like. Political violence, too, has been a constant theme of the EU's relationship with the Southern Mediterranean since the 1970s, intensifying during the 1990s with the civil war in Algeria.

By the same token, it will be difficult to pretend that the ambitious objectives of the Euro-Mediterranean Partnership can easily be achieved in the short-to-medium term while the normative political objectives have been sacrificed to more immediate and pragmatic security concerns. At the same time, it seems that holistic inclusiveness has been replaced by bilateral dependence and an external competition for regional influence. None of this, however, necessarily reflects a failure in terms of the fundamental policy principles, although it may reflect shortcomings in terms of policy implementation. Normative objectives are undeniably appropriate, if they are effectively and consistently applied, and avoid the danger of becoming securitised.

This said, an important *acquis* of the Barcelona Process exists in what might be called the Community dimension of the Mediterranean inclusion process, which includes political conditionality, with the support to political reforms and civil society activities and initiatives in the field of human rights, like the

---

[3] George Joffé, "Whither Sarkozy´s Mediterranean Union?", *Arab Reform Bulletin*, April 2008, vol. 6 (3).

Ministerial on women's rights and a number of other initiatives, reflecting the application of the working programme approved in Barcelona in 2005[4].

Enter the European Neighbourhood Policy

But how can the EU provide an answer to the dilemmas of the Euro-Mediterranean Partnership? At this point in time, the EU's policy towards the Mediterranean appears to be a rather muddled mix of the EMP and European Neighbourhood Policy (ENP). Within the space of just a few years, the EU's Mediterranean policy has undergone deep changes as a consequence of both EU decisions about its own directions and the influence of external factors. The enlargement to Central and Eastern European countries – a policy promoted by the EU itself – has fatally entailed the downsizing of the EMP. At the same time, the dream of the EMP as a kind of 'community' has been swept away by the gradual collapse of the peace process in the Middle East.

So what should one do with the rather complex EMP/ENP mix which characterises current EU-Mediterranean policy and how to make it evolve from here towards a more successful and fitting instrument of governance? The main issue seems to be that the ENP is seen as giving more instruments to the communitarian approach but at the same being too '*à la carte*' and fragmented to give a common and coherent sense to a regional project[5].

In this respect, there are five issues that need to be examined: (a) the need to give the EMP a new profile, one less concerned with building up political ties than developing economic, social and cultural cooperation, as well as one that is less involved with broad security as opposed to soft security issues. If this shift of focus and emphasis succeeds, it can potentially enable the parties to go back to political cooperation in a hopefully not too dis-

---

[4] See EuroMeSCo Report 2, "Women as full-participants in the Euro-Mediterranean Community of Democratic States", April 2006.

[5] See also Raffaella del Sarto and Tobias Schumacher, "From EMP to ENP: What´s at stake with the European Neighbourhood Policy towards the Southern Mediterranean", *European Foreign Affairs Review*, vol. 10, 2005.

tant future and then perhaps lead to the setting-up of a regional framework for political and security cooperation; (b) the fact that the implementation of the ENP is certainly bound to make a decisive contribution to the implementation and success of any new EMP agenda. This factor must be taken into account, particularly so if such a new agenda will be primarily based on developing cooperation in the economic, cultural and social fields as well as in the domain of soft security; (c) the issue of the use of some variable geometry in EU Mediterranean policy as a result of new specific initiatives from the Southern Mediterranean and the Southern European partners poses challenges. A more active role for Southern Europe in relation to its direct neighbours only really makes sense in the framework of the enlarged EU. As with the Nordic Council experience, such sub-regional cooperation across the Mediterranean (or the Western Mediterranean) would be complementary to the EMP and contribute to its new agenda; (d) the EU's ability to focus on the Mediterranean while at the same time conceiving of a transatlantic cooperative perspective in relation to the Mediterranean is an important issue. There is a perception that the EMP has excluded the United States. This aspect should be perhaps reconsidered; (e) and finally, the EU should also reconsider the instruments and objectives of its policy towards the Mediterranean. The excessively numerous and overly ambitious objectives of the EMP should be revisited and given a new order of priority: human rights, democracy, rule of law, effective multilateralism, as well as issues of ownership and conditionality.

To a certain extent one can say that the EU has still not managed to find a coherent, effective, attractive and credible policy approach *vis-à-vis* its southern neighbourhood. There are several reasons that may help explain this state of affairs, namely: (a) an apparent lack of coherence and effectiveness of EU policies in the region. The EU has failed to give Southern Mediterranean partners one single and coherent policy reference and thus contributed to exacerbating the already existing *process fatigue* that Arab Southern Mediterranean governments have regularly displayed since the early days of the *approche globale* in the 1970s; (b) a perceived lack of attractiveness of those same policies, inasmuch as the initial 'everything but membership' approach to the

ENP (i.e. integration into the single market and thus extension of the four freedoms to reform-minded Southern Mediterranean partners) turned out to be a failure. Even in a best-case scenario in which Southern Mediterranean partners were fully granted the three freedoms, the current power asymmetry would prevail and the EU would remain in the driver's seat, simply because such integration would not imply the partners' inclusion into the exclusive single market-related decision-making process; (c) the issue of lack of credibility. While the ENP is supposed to be based on positive conditionality and benchmarking, the EU did more or less silently re-introduce the principle of bilateralism and thus effectively abandon the Barcelona Process's multilateralist approach, not to say a major part of the normative underpinnings of 'Barcelona' itself[6]. Finally, an important reference should also be made to the role played by the EU and the US in the region. The fact that both actors have different degrees of leverage *vis-à-vis* the various parties in the Southern Mediterranean and the Middle East, allied to the fact that most of the issues in the region are inextricably intertwined, calls for a transatlantic strategic bargain and thus the need for the EU and the 27 capitals on the one hand and Washington on the other to find sufficient common ground and the will to compromise.

Mediterranean security challenges and their impact on the Barcelona Process

One of the main objectives of the Barcelona Proces is to build an area of peace, security and prosperity by fostering closer ties between the European Union and southern Mediterranean states. The declared aims of the Partnership are that peace and security should be achieved through an integrated or comprehensive approach. Yet as stated Alvaro de Vasconcelos:

> *It is obvious that 'comprehensive' or 'integrated' security does not mean the same thing to people from different security cultures. All may declare their allegiance to an integrated concept that ensures security in all arenas, and*

---

[6] See also Roberto Aliboni, "Ten years of Euro-Mediterranean Partnership: What next?", *Conflict in Focus*, Regional Centre on Conflict Prevention, Issue 10, December 2005.

yet be speaking of entirely disparate things. For one person, it may mean that democratic inclusion is the only way to attain a durable peace; for another it may reflect the view that most threats are domestic and of a political oreco-nomic nature.

Vasconcelos goes on to conclude that:

The latter can be a reflection of the fact that fear of internal enemies and mistrust of civil society activism dominates the concept; but it can also reflect the view that economic development rather than political reform is the best way to combat instability – a view which is the exact reverse of the experience of the EU. More often than not, it means the involvement of the armed forces in ensuring internal law-and-order. This view of security is not really comprehensive but all-embracing, instead.[7]

The development of a shared security culture between both shores of the Mediterranean that stays close to the spirit of the Barcelona Declarion remains problematic, as the situation in the ground seems to prove.

On the one hand, the events of September 11 have contributed to the development of an all encompassing securitisation strategy that goes against what the EMP originally stood for security-wise. The ambiguous amalgamation of disparate issues such as the fight against terrorism, the securitisation of migration, the upholding of the paradigm of the clash of civilisations and the view of political Islam as a threat are cases in point.

On the other hand, the southern Mediterranean remains an area in which the use of force is seen as one of the only ways to "resolve" both inter and intra-states conflicts. The war in Lebanon in 2006, terrorist attacks in Algeria and Egypt and the Israeli-Palestinian conflict seem to underline such rationale. That is why it is fundamental to clearly define both norms and rules that should guide the use of force in line with the principles of international law and the values put forward in the Barcelona declaration. While the Euro-Mediterranean Charter for Peace and Stability failed to be adopted back in 2000, partly as a result of the worsening of the Middle East crisis, the adoption of the

---

[7] Alvaro de Vasconcelos, "Launching the Euro-Mediterranean Security and Defence Dialogue", *EuroMeSCo Brief 7*, January 2004.

Euro-Mediterranean Code of Conduct on Countering Terrorism at the Euro-Med summit of 2005 clearly stated that "the response must remain proportionate and solidly anchored within international and domestic legal frameworks that ensure respect for human rights and fundamental freedoms"[8]. The launching of the Union for the Mediterranean has the potential to become a launchpad for debating the interlinkages between the use of force and the main principles of international law.

Barcelona Plus?

There is undoubtedly a need to revitalise the Mediterranean region in the global context and to place it among the EU´s political priorities. In this context, French President Nicolas Sarkozy's call for the creation of a Union for the Mediterranean can be perceived as very timely and as a potential incentive to an in-depth consideration of EU Mediterranean policies; however, the fact that at its onset this was not an European Union policy and concerns a region already saturated with initiatives of this kind raised a number of questions on how to make it compatible with the Barcelona Process and the idea of a Euro-Mediterranean Union proposed by the Spanish Minister of Foreign Affairs, Miguel Moratinos[9]. These considerations came at a time when the identity of the Mediterranean region is at risk of being diluted by the European Neighbourhood Policy. Consequently, the ultimate aspiration should be to bring the Barcelona Process to fruition with the creation of a true Euro-Mediterranean Union, deeper and stronger in terms of both its political and institutional ambitions. To achieve this goal, it will be important to find ways to promote and structure dialogue, debate and cooperation in the fields of political and shared security, where the least progress has been made and which are fundamental in order to contribute to the resolution of the most important political issues in the region, in particular the Arab-Israeli conflict.

---

[8] http://www.euromedbarcelona.org/NR/rdonlyres/3F64E0D6-A00F-45E5-88C2-0CAA7D03D187/0/
EUROMEDCodeConductFINAL28NOV.pdf
[9] Miguel Angel Moratinos, "From the Barcelona Process to the Euro-Mediterranean Union", *El Pais,* 2 August 2007.

One way to improve the current working methods of the Barcelona Process would be to adopt a strategy of taking 'small steps' whenever developments occurring in the course of the process warrant this. Any new initiatives, in the form of *ad hoc* meetings, specially convened gatherings, invitations to high-level international political figures, or any other measures seen as relevant to improved efficiency, should be suggested and eventually decided by the EU Presidency, in consultation with partners if necessary. During the Finnish EU Presidency in 2006, the idea of local Barcelona Process meetings in different partner countries, designed to improve the flow of information and to integrate local diplomats in the work of the Presidency, was floated. This approach was adopted and later considered useful. But this 'innovation' has never been officially decided or ratified. It is not regulated by rules of procedure, proper terms of reference or any of the complicated formal frameworks upon which it is so difficult to obtain agreement in intergovernmental work. The upcoming EU Presidencies should use their influence to raise the profile of the process in order to make its real achievements more visible and widely known among civil society. The Union for the Mediterranean itself cannot be a substitute for the necessary political will of EU member-states and Southern partner countries in this respect.

Enter the Union for the Mediterranean

There continues to be much talk about the Mediterranean basin as an area of conflict and of the growing economic fractures in the region. Some go so far as to say that if it is indeed valid to talk of a clash of civilisations, one has to think of the Mediterranean as the location of such diffuse conflicts, be they political, cultural or social in nature. Advisers of President Sarkozy have hinted at the importance of rediscovering a common Mediterranean identity in order to overcome these new patterns of conflict[10]. Additionally, some considered that the failure of the Barcelona Process in addressing common concerns in the Mediterranean, as well

---

[10] On this see also the interview given by Henri Guaino, special adviser to President Sarkozy to France24 on May 9, 2008, http://www.france24.com/fr/20080509-talk-paris-henri-guaino-conseiller-plume-nicolas-sarkozy-france

as the political absence of the main EU countries in the region, to have contributed to the current state of affairs.

The question of whether the Union for the Mediterranean was actually an insidious way of rearranging the institutional linkages between Turkey and the EU, i.e. by diverting Ankara away from membership negotiations and into a privileged partnership deal, was one of the main bones of contention. These fears were proved unfounded inasmuch as talks between the diplomatic team advising President Sarkozy on the Union for the Mediterranean and Turkish diplomats took place with a view to dispelling such concerns; it all seems to indicate that Turkey is positive about the initiative and does not see the discussions as a means of deferring its own membership negotiations with Brussels[11].

As regards the reactions of EU Member States and the EU's Southern partners to the initiative, they have been mixed. Countries such as *inter alia* Italy, Portugal and Croatia underlined the importance of such an initiative and thus welcomed it, while others, such as Germany, expressed scepticism about the project. Spain, on the other hand, had demonstrated its interest as long as the new initiative did not become a separate scheme outside of the Barcelona Process. Countries from the Southern Mediterranean Basin such as Tunisia and Morocco had shown a lot of interest in the initiative, while others like Algeria, while not discounting the project and its proposed ambitions, had given it a more qualified welcome. It should be noted, however, that while many within the political elites of the Southern Mediterranean seem enthusiastic about the project, the same cannot be said of civil society and opposition parties as a whole, which fear the demise of political conditionality and thus, the demise of processes of political reform in the South. Finally, reactions from Brussels, especially from the Commission but also from Scandinavian countries, were much less enthusiastic[12]. In this regard, the initiative on the Union for the Mediterranean (UfM) should be seen in the light of the *Appel de Rome* of December 2007[13], made together by President Sarkozy and the Prime Min-

---

[11] Olivier le Bussy, "Une Union Méditerranéene recadrée", *La Libre Belgique,* 15 March 2008.

[12] Eduard Soler i Lecha, "Why Sarkozy´s Mediterranean plan is arousing suspicions", *Europe´s World*, Summer 2008.

[13] "Appel de Rome pour l´Union pour la Méditerranée de la France, l´Italie et

isters of Italy and Spain, Romano Prodi and Jose Luis Rodriguez Zapatero. Under the new framework for discussion, there seems to be no intention to build a new institutional framework, with the Barcelona Process and the European Neighbourhood Policy remaining central to the EU´s Mediterranean policy.

Furthermore, it remains of fundamental importance to work on shared principles of governance in the Mediterranean as a means to give real substance to this project. It is important to guarantee the financial autonomy of each sub-project within the UfM, as well as to consider the use of *variable geometry* in shaping specific developments and to think about the possibility of attracting substantial financial investments from the Gulf countries and from the private sector in general. In order to do so, political conditionality may have to be considered in more creative ways than in the past, and this in itself may become problematic for the EU and the Commission.

In view of these arguments, the apparently prevalent view that it would be best to do away with the Barcelona Process altogether, i.e. to make a *tabula rasa* of the *acquis* of Barcelona and the positive results that, in specific areas, were achieved with the Euro-Mediterranean Partnership, can be called into question. Despite its various shortcomings, the Barcelona Process has fostered an important degree of socialisation between partners, including at the level of democratisation processes (in specific countries) as well as at the level of civil society and the promotion of human rights, dimensions that seem to be neglected by the UfM. In the same vein, there are still questions unanswered on the concept of equality between states that seems to be at the heart of the project, which, if not properly developed and explained, may end up translating into a lack of real incentives for Southern Mediterranean states to consider a transition to enhanced democratic methods of governance. In addition to that, the security undertones present in the original proposal that pointed towards an increased securitisation of migration should also be a reason for concern regarding the overall objectives of the proposal.

---

l´Espagne", 20 December 2007, http://www.diplomatie.gouv.fr/fr/pays-zones-geo_833/afrique-du-nord-mediterranee_1062/appel-rome-pour-union-pour-mediterranee-france-italie-espagne-20.12.07_57998.html

The Barcelona Process and the Union for the Mediterranean: overlapping or complementary?

Turning back to the origins of the Barcelona Process, going for the partnership approach and the creation of a free trade area as a means of promoting a prosperous and stable Euro-Mediterranean region remains very important. The prevalence of the economic dimension over the political one was a direct result of the ascendancy of trade as the key component of EU foreign policy during the 1990s. At the same time, EU enlargement continued to be seen as the answer to a successful EU foreign policy. With the launching of the ENP, a policy framework 'in between' loose partnership and membership, there was renewed hope that the convergence process in the Mediterranean would accelerate. However, the amount of financial investment has been modest, a fact that continues to affect the development of the region. This said, there are other reasons for being optimistic about the Mediterranean, not least when taking into consideration the development of 'European demographic patterns' in the region[14].

In view of the above, any new or reformed EU policy framework for the Mediterranean should take into consideration three fundamental 'baskets', namely (a) support for political transition/reform; (b) conclusion of the current processes of economic transition in the region and (c) promotion of social integration policies, i.e. the empowerment of civil society, especially when considering issues related to identity. One should not forget that the deterioration of the political, economic and social situation in the Mediterranean is bound to affect the whole of the EU, rather than just Southern European countries.

There are, however, a set of conditions that are fundamental for the successful development of the UfM initiative. First and foremost, it is important to guarantee that projects developed under the new umbrella are able to bring together partners rather than dividing the Euro-Mediterranean community. Secondly, the Barcelona Process and the UfM should complement one another rather than become competing policies. And finally, it is equally important to preserve the *acquis* of Barcelona and of the ENP and to take into account what has been achieved through the As-

---

[14] See "Club Med – The Mediterranean economy", *The Economist,* 10 July 2008.

sociation Agreements and Action Plans. At the same time, there should be a limited number of projects developed under this new policy framework, so as to ensure that those are carefully thought through, and most importantly, that those same projects do connect with the needs of the people in the region. In this respect, both energy and environmental policies should be at the forefront of the initiative. Most importantly, social projects should also be very visible, especially in the areas of health and housing. The need to guarantee that the initiative is truly regional in nature is also central. As regards the development of concrete projects, a multi-sector approach should be envisaged. By the same token, it will be important to increase the technical and financial expertise in the area so as to optimise external and local investments.

Finally, it should be pointed out that Europe has to be clear about its rejection of the Huntingtonian theory of the clash of civilisations, and abandon a *status quo* policy for the region, which in itself is a symptom of political short-sightedness. In this regard, the progress made in the framework of Euro-Mediterranean relations was almost solely due to the *approche communautaire*, thus reinforcing the argument for the preservation and further development of this particular approach.

Concluding remarks

There is a clear consensus among the EU-27 that the Barcelona Process is far from being irrelevant, and that there is ample scope for improvement at the institutional level. There is a demand for the Process, and the idea of starting a new initiative without considering the *acquis* of the Partnership is impracticable. That said, the key merit of the proposal on the UfM was to bring the Barcelona Process back to life. The effect has been to consider new ways of operationalising the Process, and to reconsider the idea that the establishment of a free trade area will advance a reform agenda in the region. At the same time, and while South-South economic cooperation seems to be gaining new ground, the business sector is still far from performing efficiently, and there is therefore an expectation that the UfM can produce some concrete results in this specific area. And while the rise in visibility of the Barcelona Proc-

ess has been welcomed by many, it is also important to guarantee that the new initiative for the Mediterranean is not taken over by specific EU Member States.

On a more sceptical note, some analysts point out that the Euro-Mediterranean Partnership has become more securitised and less transformative, resulting in a gradual loss of the EU's normative power and, as a result, making the EU less attractive in the South. The adoption of a clearer multilateral approach by the EU in the region would help remedy this situation, as well as having the potential to foster much-needed regional cooperation. By the same token, the viability of the UfM will greatly depend on becoming a real European project rather than a power-oriented one. The warning signs coming from Turkey are important in this respect, as the EU has lost its attractiveness in Ankara and is seen as a less credible actor as a result of its apparently contradictory policies.

Equally important to consider is the impact of this revamped initiative on EU member-states that traditionally have had less of a say as regards Euro-Mediterranean policies. The initiative as it was initially put forward by Nicolas Sarkozy, which effectively excluded non Mediterranean border member countries was flatly rejected by most of the other EU states, especially Germany and the Scandinavians. Others though were less concerned about it, as the apparent benign geopolitical division of labour in the making presented the opportunity of putting forward specific national foreign policies agendas of certain EU countries fully wrapped as EU initiatives per se. The recent launching of the Polish-Swedish proposal on the Eastern Partnership speaks volumes about the present tendency of reaching out to neighbouring partners in a more tailored way that takes fully into account both the views and interests of specific EU member-states[15].

For Estonia, the Union for the Mediterranean is a promising framework for deepening political, economic and social relations with most of its Southern partners. On the surface, the UfM provides an ideal institutional structure for a country with almost no diplomatic representations in the region but with growing

---

[15] Renata Goldirova, "Eastern Partnership could lead to enlargement, Poland says", *EUObserver,* 27 May 2008.

economic interests in the area. The project based, pragmatic approach of this initiative should allow for a more user-friendly interaction between smaller states such as Estonia and its Southern counterparts. From the six main working baskets of the UfM, there are three that are particularly suited for Estonia to be fully involved with, those dealing with Energy, Environment and Transportation. As regards energy, Estonia is already involved in public-private cooperation frameworks with Jordan in relation to the exploration of oil-shale[16]. The UfM can contribute for furthering the cooperation between the two sides including at the level of project-finance. One should not forget that one of the added values of the UfM is its stipulation for the increasing use of private sector funding, as well as support by international financial institutions. On environmental cooperation, the UfM will mainly focus on depolution activities; in this specific area, cooperation between Baltic and Mediterranean states should be deepened, and in tandem, when possible, with the energy basket itself. And finally, on transportation matters, the UfM will aim at developing the so-called maritime highways, a process that also mimics the efforts being made at this level in the Baltic sea, and which should also play an important role in the forthcoming EU Strategy for the Baltic Sea[17]. Last but not least, it will be important for Estonia to play its institutional cards the right way from the beginning, most importantly by playing an active role in the working proceedings of the still to be set Permanent Secretariat, that will play a decisive role in the establishment and managing of all projects.

In sum, it is clear that the Southern Mediterranean has not yet reached its *plénitude stratégique*, an important reminder of the multidimensional potential for sustainable development that exists in the region and for the continuing need for well-coordinated EU initiatives that can tap into this aspiration for more Europe.

---

[16] "Estonia to build oil-shale plant in Jordan", *The Baltic Times*, 8 May 2008.

[17] See the speech by Swedish Minister for EU Affairs, Cecilia Malmström at the European Parliament, "An EU strategy for the Baltic Sea region", 12 December 2007, http://www.regeringen.se/sb/d/3211/a/94598

What world for EU defence in 2020?

Daniel Keohane

The world will almost certainly be a more dangerous place in 2020 than in 2008. Global security is currently experiencing a period of great flux, and a number of trends with potential military implications are likely to solidify by 2020. These include the spread of weapons-of-mass-destruction (WMD); the collapse of failing states; and the possibility of a major inter-state war. Even if wars between countries are less common than before, those that occur in the future will be bloodier than in the past, mainly because more states will have WMD and other advanced technologies. Terrorism is likely to stay with us. Some environmentalists warn that rapid climate change will cause more natural disasters, on a scale similar to the Katrina hurricane in the US and the South Asian Tsunami. Health experts caution that global pandemics like SARS and birdflu will continue to threaten human security. And the competition for energy resource is acquiring a harder edge as the world's demand for oil and gas goes up.[1]

Loose nukes

Among the challenges ahead, perhaps the greatest military threat to global security in 2020 will be the spread of weapons-of-mass-destruction (WMD). Currently, nine countries have – or are thought

---

[1] For a comprehensive analysis see Nicole Gnesotto and Giovanni Grevi, *The new global puzzle – what world for the EU in 2025?*, Paris: European Union Institute for Security Studies, 2006.

to have – nuclear weapons.[2] Since the end of the Cold War, more countries have given up nuclear weapons or weapons programmes than have acquired them. Only India, Pakistan and North Korea have joined the nuclear club since 1989 (with Israel strongly believed to have the bomb, and Iran probably trying to build one). In contrast, 14 countries – including Australia, Brazil, Kazakhstan, Sweden, South Africa and Taiwan – disbanded their programmes and signed the Nuclear Non-Proliferation Treaty (NPT).

But this positive trend is likely to come to an end. Mohamed ElBaradei, head of the International Atomic Energy Agency (the UN nuclear watchdog), has said that as many as 30 countries could have the ability to manufacture nuclear warheads within a "very short timespan".[3] Some of these countries already have civil nuclear programmes – Brazil, Japan and South Korea – and could easily make warheads. Others may try and acquire nuclear know-how clandestinely.

The world is on the cusp of a significant expansion in the number of nuclear power plants, driven by rising demand for energy and concerns about climate change. In 2007 alone China, India, Japan, Pakistan, the Russian Federation, the Republic of Korea, the United States, Canada, the Netherlands and the United Kingdom announced plans to expand their existing nuclear power facilities. Even more importantly, non-nuclear countries Estonia, Latvia, Belarus, Egypt, Indonesia, Nigeria and Turkey said they would like to participate in building new plants themselves.[4] Because power plants need the same fuel as nuclear bombs (uranium, albeit enriched to different levels) the growing number of plants means that many more countries will gain access to the key ingredients in constructing a nuclear bomb. The scarcity of these materials has been one of the most effective defences against the spread of nuclear weapons, and that scarcity now appears poised to end. To make matters worse, many of the countries building nuclear power plants – and thus moving closer

---

[2] They are the United States, Russia, China, Britain, France, India, Pakistan, Israel and North Korea.

[3] Cited in "IAEA predicts more nuclear states", *BBC News* (news.bbc.co.uk), 16 October 2006.

[4] International Atomic Energy Agency, "Nuclear Technology Review 2007", Vienna, 2007, http://www.iaea.org/OurWork/ST/NE/Pess/assets/ntr2007.pdf.

to mastering the production of a nuclear weapon – are in the most unstable parts of the world like the Middle East.

Of course, countries do not build nuclear weapons just because it is easy, they build them because they feel they need them. Desirability of nuclear weapons is just as important as the availability of their key components. But the news on this front is not good, either. In Asia, China's rise makes neighbours like Japan nervous. Should China continue to grow peacefully, others will see little need to build nuclear arsenals. But if China starts clashing with its neighbours, Japan may be tempted to build nuclear bombs as a means for deterring Chinese aggression.

In the Middle East, Iran could likely play a dangerous triggering role. If it acquires the capacity to build a nuclear weapon, as it is suspected of doing, it will likely prompt others in the Middle East to follow suit. Currently, it is impossible to say with any confidence whether Iran will succeed in building the bomb. The very understanding of Tehran's intentions was thrown into turmoil in November 2007, when a new US National Intelligence Estimate judged that Iran suspended the nuclear weapons programme in 2003. But the same estimate also states that Iran is keeping open the option of building nuclear weapons eventually, and that it continues to manufacture technology needed to generate highly enriched uranium.

Time is of essence here. If Iran is indeed determined to make a nuclear bomb, it is unlikely to be able to do so before 2010-2015.[5] In the meantime, the Iranian government is struggling to maintain its grip on Iranian society due to mass unemployment – one reason for its emphasis on nuclear weapons. A democratic revolution in Iran is not inevitable, but also not inconceivable. If Iranian moderates regain the presidency, they would probably want to develop a new security relationship in the West – although they may also wish to keep their nuclear weapons, as a symbol of national pride and power.

What is far more certain is that if Iran builds the bomb, other countries in the Middle East will surely develop their own nuclear weapons, possibly leading to an 'arms race' in the Middle

---

[5] "Iran: Nuclear Intentions and Capabilities," a US National Intelligence Estimate, US National Intelligence Council, November 2007, http://www.dni.gov/press_releases/20071203_release.pdf

East by 2020. Egypt and Saudi Arabia, for instance, do not want Iran (a non-Arab country) to become the regional superpower. The Development, Concepts and Doctrine Centre (formerly the Joint Doctrine and Concepts Centre) – a British defence ministry think-tank – estimated in 2003 that Egypt, Israel, Saudi Arabia and Syria could have chemical and/or biological weapons by 2020, and that Egypt and Algeria could be on the verge of developing nuclear weapons.[6]

In defence terms, the spread of weapons of mass destruction poses a triple challenge. Military forces are needed to patrol the air and the seas, and to prevent the smuggling of components for weapons programmes. One example of this is the US-led 'Proliferation security initiative', which was set up in 2003 mainly to conduct maritime patrolling operations, and 86 countries are participating. Military force may also be needed in extremis to destroy either weapons of mass destruction or facilities involved in their production (given the extreme sensitivity of this type of operations, they are almost certain to be conducted on a national basis rather than through coalitions). And forces may be needed again to deal with the aftermath of a WMD attack (and this is almost certain to be a multinational operation, given the many specialised skills and types of equipment that would be involved in the cleanup of a nuclear or a biological attack).

The line of instability: failing states and terrorists

Since the 1970s there has been a sharp rise in the number of conflicts within, rather than between, states. Intra-state wars now vastly outnumber inter-state wars (although sometimes a war within one state can spill over into its neighbours generating a regional conflict, such as the Great Lakes conflict in Africa).[7]

The vast majority of those wars occur in a band of instability that stretches from West Africa via the Middle East to Central and Southeast Asia. It combines the triple challenge of

---

[6] Joint Doctrine and Concepts Centre, "Strategic Trends", March 2003.
[7] Lotta Harbom and Peter Wallensteen, "Armed conflict and its international dimensions, 1946-2004", *Journal of Peace Research*, vol. 42, no. 5 (2005).

state weakness, ethnic and religious conflict, and competition for natural resources. Thomas Barnett, the American strategist, has called this area "globalisation's ozone hole", meaning the group of countries where globalisation has not taken root or made any impact.[8] Terrorists and proliferators of nasty weapons will thrive in many of these failing countries, which are struggling with war and poverty. In addition, 60 per cent of the world's known oil reserves are held in unstable countries.[9]

The prospects for sub-Saharan Africa, which is strewn with civil and regional conflicts, do not look encouraging. Over half of the top 20 countries in *Foreign Policy* magazine's 'failed states index' are sub-Saharan African states.[10] Middle Eastern prospects look more mixed. Much will depend on the development of the Iraqi state and the Palestinian authority. Some countries, such as Jordan and the Gulf states should continue to grow economically and slowly develop more democratic forms of governance. Others, such as Lebanon, Syria and Saudi Arabia, face huge internal demographic, economic and ethnic pressures, which could lead to instability.

Unsurprisingly, terrorists are most active in countries along the instability line. In 2006 there were 14,000 terrorist attacks, with Afghanistan, Colombia, India, Iraq and Thailand suffering the most fatalities.[11] Europe will remain at risk from terrorist attacks, not least from so-called 'home-grown' terrorists. Plus most analysts agree that terrorists will try to acquire and use biological weapons and/or radiological devices, which would cause mass casualties. They think it is less likely, although conceivable, that terrorists will develop and use even a crude nuclear bomb by 2020 (although some terrorists will surely try). In global terms, the regions most at risk from terrorism in the future will be the Middle East (including North Africa) and Asia (South and South East Asia).

Wars within failing states are just as likely to trigger an outside

[8] Thomas P. M. Barnett, *The Pentagon's New Map: War and Peace in the Twenty-first Century,* New York: Putnam, 2004.

[9] UK Cabinet Office, "Investing in prevention", February 2005.

[10] "The failed states index", *Foreign Policy*, July/August 2007.

[11] US National Counter-terrorism Centre, "Report on incidents of terrorism 2006", April 2007.

intervention as inter-state conflicts. The EU, NATO, the UN and the African Union have intervened to protect lives, when the government of an affected state failed to. As a result, the number of UN peacekeeping missions has grown dramatically in recent years. In 1998 the UN deployed 14,000 peacekeepers world-wide; in 2006 the figure was over 70,000.[12] Including non-EU operations in Afghanistan, Lebanon, Iraq and elsewhere 26 EU governments had 98,000 troops deployed around the world on average in 2006, according to the European Defence Agency.[13] Even though that figure amounts to a mere five per cent of EU military personnel, it is more than double the number of European troops deployed abroad a decade ago.[14]

New and old powers

Doubtless the biggest strategic change in global security by 2020 will be the rise of China and India as military powers. By 2020, the CIA thinks China will be spending close to $200 billion on defence, over four times the current official Chinese figure.[15] Beijing will be the number two military power behind the US, having transformed its military by acquiring a wide range of high-tech weaponry – although it still won't be able to deploy forces around the globe as quickly as Europe or the US.

Some in Washington worry that China will challenge US 'hegemony' in East Asia, which helps to explain China's military build-up. As two American Enterprise Institute scholars put it: "As long as China remains a closed society, it will have an opaque defence policymaking process, Washington will have to draw inferences about China's strategic intentions, and prudent policy-makers will naturally take into account worse case scenarios."[16]

---

[12] Center on International Co-operation, "Annual review of global peace operations 2007", Rienner, 2007.

[13] European Defence Agency, "European Defence Expenditure in 2006", 19 November 2007 (the EDA figure does not include Danish troops deployed abroad since Denmark is not a member of the EDA).

[14] Bastian Giegerich and William Wallace, "Not such a soft power: the external deployment of European Forces", *Survival* 46 (2), summer 2004, pp.163-182.

[15] US National Intelligence Council, "Mapping the global future", December 2004.

[16] Dan Blumenthal and Christopher Griffin, "China's defence white paper", Ameri-

But the worst case scenario, a major war between China and the US, seems unlikely for the foreseeable future. For one, the Beijing government is focussing on domestic concerns – strengthening the economy and managing social tensions. As China's economic power grows its foreign policy has actually become less rather than more confrontational. This does not rule out the possibility that Chinese foreign policy might change in the future. Economic slowdown or uncontrolled social tensions could make the government adopt a nationalist tone. But for now, that possibility is difficult to predict. For another, Washington currently sees China more as a market than an enemy. According to the CIA, the rapid growth projected for US-China trade and finance to 2020 should help quell the prospect of conflict between Beijing and Washington. The wildcard in US-China relations is Taiwan. Currently, that situation is relatively stable, and as long as Taiwan does not hold an independence referendum it is likely to remain so. However, based on current investments, the Chinese navy will be able to blockade the island by 2020, increasing the need for US involvement in a conflict if Taiwan cannot defend itself.

A more difficult question to answer will be China's relations with its neighbours: Japan, South Korea, India and Russia. Chinese-Japanese relations have gone through a difficult period in recent years. Nationalism is growing in both countries, although so is their trade. Japan and South Korea's relationship with China will greatly depend on developments in North Korea and over Taiwan. India, also conscious of China's rise, already spends some $28.5 billion on defence.[17] Indeed, if it sustains its current rate of growth in defence spending – the Indian defence budget increased by a whopping 30 per cent in real terms between 2000 and 2007 – combined with buoyant economic growth, New Delhi could be spending as much on defence in 2020 as Britain, France and Germany.[18] It should therefore have reformed its army and perhaps bought sophisticated weaponry from the US and Europe. Some in Washington like to think of India as a 'buffer' to China. But most Indians are wary of tying themselves too closely to one particular country. They are more interested in keeping

---

can Enterprise Institute, 24 January 2007.

[17] IISS, The Military Balance 2008.

[18] Joint Doctrine and Concepts Centre, "Strategic Trends", March 2003.

good relations with everyone, including China, the US and Europe, to enhance their status as a rising global power.

China-Russia relations might be characterised by closer co-operation in the coming years. The Shanghai Co-operation Organisation (SCO), which brings together China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, shows some signs that it might evolve into a Central Asian anti-NATO 'axis of autocracies'. Its members have held military exercises, and they joined forces to successfully demand the withdrawal of US forces from Kazakhstan. However, the SCO is not yet a military alliance – and it may turn out to be more like a trading bloc, such as ASEAN, than NATO. As one expert, Oksana Antonenko of the London-based International Institute for Strategic Studies, has argued, the SCO has a number of decidedly pro-Western countries as observers, which suggests it may not be seeking to balance Western power.[19] And even if the SCO became a military alliance (perhaps with Iran joining by 2020 – it is already an observer at the SCO), it is not inevitable that NATO would fight the SCO countries. After all, NATO and the Soviet Union did not fight a 'hot' war.

However, there is reason to believe that Russia and China will work more closely together in the future, which could cause great difficulties for the EU and the US. Already Moscow and Beijing have blocked US-EU backed sanctions at the UN. Both support autocratic governments in places like Burma, Belarus, Venezuela, Zimbabwe, and Uzbekistan.

Robert Kagan of the Carnegie Endowment has described China and Russia as sponsors of an informal "league of dictators".[20] But that is an oversimplification. Russia and China use both stick and carrot in their relationships with their autocratic protégés. For example, Moscow and Beijing went along with the US, France and Britain in imposing UN Security Council sanctions on Iran over its suspected nuclear weapons programme. But, equally, Beijing has been hesitant to fully use its leverage over the government of Sudan to stop the violence in Darfur. Russia can behave very responsibly (for example, it held back supplies of nuclear

---

[19] Oksana Antonenko, "The EU should not ignore the Shanghai Co-operation Organisation," Centre for European Reform policy brief, May 2007.
[20] Robert Kagan, "League of dictators?" *Washington Post*, 30 April 2006.

fuel to Iran, which helped EU's diplomatic efforts) but every so often it acts recklessly (for example, in 2007 it encouraged Bosnian Serbs to oppose efforts to integrate Bosnia).

All that does not mean Russia and China will cement their co-operation with military commitments to protect each other from the West. For one, Russia and China may find themselves in competition for affection from Central Asian and Middle Eastern governments such as Iran. For another, as Kagan points out, they both need access to Western markets and share some interests with the EU and the US.

EU defence in 2020

Where and when should EU governments be prepared to use their armed forces in 2020? Europe should be worried about the spread of weapons of mass destruction (WMD), failing states, terrorism and the possible re-emergence of major wars between states by 2020. In fact it already is. The European security strategy outlines five key threats to European security: terrorism; proliferation of WMD; regional conflicts; state failure; and organised crime. The 2003 ESS does not predict a major inter-state war involving European governments, albeit since then, a resurgent, nationalist Russia has made threatening noises against some EU member-states (see below). The ESS also says that the EU cannot afford to be myopic – what happens in North Korea and South Asia is of direct relevance to the EU.

However, Europe cannot cope with all the potential threats facing the world, nor should it plan to. The US, for example, does not plan to intervene in every conflict around the world, and even if it did it would not have the resources to act. As Frederick the Great told his generals "to defend everything is to defend nothing". If the EU is to be effective in the future, it will need a clear sense of its security priorities, and what it is prepared to do. It is much easier to predict what the EU will not do. For example, the EU will not fight wars in East Asia.

The EU should be most concerned about future developments in its neighbourhood with Russia and the broader Middle East (including North Africa). By 2020, sub-Saharan Africa will be

increasingly important too, not only for humanitarian reasons, but also because it supplies energy to meet Europe's growing demand, and because it produces terrorism. As the ESS puts it: "even in an era of globalisation, geography is still important". The enlargement brings the EU closer to the arc of instability that runs around its eastern, south-eastern and southern flanks. Romania and Bulgaria joined the Union in 2007, while Turkey, Croatia and other countries of the Western Balkans may enter in the coming decades. The EU will therefore have many weak and malfunctioning states close to its borders. It is bound to become more involved in countries such as Belarus, Moldova and Georgia. Across the Atlantic, the US will remain focused on countries such as Afghanistan, Iraq, Iran and North Korea, and potential conflicts such as China-Taiwan and India-Pakistan. Washington will be reluctant to become too involved in conflicts around the EU's eastern and southern flanks.

The EU will need to develop a more effective set of policies for stabilising North Africa, the Balkans and the countries that lie between it and Russia. Many of these policies will involve trade, aid and political dialogue. But EU strategy towards its neighbourhood will also have to include a military component. Europeans should not expect the US to put out fires in their own backyard. After all, the principal rationale for the Anglo-French initiative at St Malo in 1998 – which begat the European security and defence policy – was to improve on the EU's poor performance in coping with the Balkan crises of the 1990s.

The EU's efforts to tackle conflicts in its hinterland may require more than 'mere' peacekeeping. For example, if the delicate situation in Kosovo turned into a civil war someday, the EU should be ready to intervene with forces that could separate the warring factions. In such situations the British soldiers might be fighting alongside those from France, Germany, Italy and Spain, but not necessarily with American troops.

Many European capitals will continue to take part in operations under the UN or NATO. Even France, whose diplomacy for much of this decade tended to favour EU defence over NATO, continues to contribute more personnel and money into NATO than ESDP.[21]

---

[21] Leo Michel, "Sarko's window of opportunity", *European Voice*, 28 June 2007.

By 2020, this is likely to change somewhat. The trend in Europe is towards more common operations at the expense of national ones (because of costs and higher legitimacy) and, where common operations are concerned, towards more EU missions at the expense of NATO (in part because NATO is keen to shift responsibility for some of its operations to the EU). But non-EU missions will remain a part of the mix.

- **Europe's neighbourhood with Russia**

Russia's own trajectory may take it into some form of a confrontation with the West by 2020. Over the past several years, the Putin government has behaved with increasing hostility to the United States and, to a lesser extent, Europe. Russia's current mindset can probably best be described as 19th century great power nationalism. Observers differ on whether this aggressive nationalism is meant for domestic political audiences, or whether Russia really has an appetite for confrontation in the future (but history shows that one often leads to the other). Equally, it is unclear whether Russia's tough rhetoric to the West masks weakness or strength. While Russia spends more on defence (almost $60 billion) than Britain or France,[22] its military is largely unreformed since the Soviet days, and Russian military sources themselves say much of the investment is squandered to corruption.[23] It is possible that Russia is sounding tough as a defensive move, to forestall what it may see as European or US challenges to the post-Putin regime.

What is clear is that 'Putinism' in one shape or another, and its associated foreign policy, is set to stay in power for a while, possibly until 2020. The Russian military, while wasting much – possibly most – of the new funds Putin put in the defence budget, will grow stronger nonetheless. So the neighbourhood countries between the EU and Russia will be a contested territory between

---

[22] Christopher Langton, et al, "The Military Balance 2007", International Institute for Security Studies, 2007.
[23] See Aleksandr Khramchikhin, "New premier, old problems: the figures characterizing the progress of defense development differ drastically", *Nezavisimoye Voyennoye Obozreniye* (Independent military review), 26 September 2007.

now and 2020. As Charles Grant wrote, Moscow "will see itself as competing … against the EU (and the US) in the Southern Caucasus and in the countries that lie between itself and the EU".[24]

For the EU, this rivalry is likely to be more political than military. Should Moscow overtly undermine the independence of countries like Ukraine or Georgia, the European Union would likely respond by freezing relations, not military force. Nevertheless, the EU should be ready to put troops in places like Moldova or Nagorno Karabakh, where the resolution of frozen conflicts may necessitate the deployment of a peacekeeping force. The EU will also have a strong role to play reforming the armed forces of countries in the belt between the EU and Russia. Ukraine, Moldova, Georgia will continue to need European money and expertise as they seek to reshape Soviet-era militaries into lighter, expeditionary forces capable of dealing with regional conflicts.

As for Russia itself, there is little, if any, military role for the EU. If the Europeans felt the need for military planning and operations with regard to Russia, they would probably prefer to act individually or through NATO rather than through the EU. But the EU would feel the impact nevertheless. If Russia were to threaten Europe, some EU member-states would prioritise NATO commitments over EU ones. This matters because defence budgets are stretched extremely thin. If governments devoted more resources to NATO territorial defence, they would have less available for EU peacekeeping missions. Russia's military rise could therefore put an onus on the EU to harmonise its military plans, standards and hardware with NATO, to avoid duplication of resources.

- **The Middle East**

By 2020 the peace process between Israel and the Palestinian territories may have advanced to the point of producing an independent Palestinian state. The probability is impossible to assess. After so many false starts, neither the Israeli nor Palestinian

---

[24] Charles Grant with Tomas Valasek, "Preparing for the multipolar world: European foreign and security policy in 2020", Centre for European Reform essay, December 2007.

leaders seem to believe in the possibility of peace with much conviction. The international community, too, has been suffering from 'Middle East fatigue'. But the conflict continues to radicalise Muslims across the world, and as such it impacts security globally. So periodically new attempts at peace appear, like the US-organised 2007 Annapolis conference.

If by 2020 the peace process yields an independent Palestinian state, Israel may request that international peacekeepers be deployed on its borders. If so, the EU should be ready to send a combined military-police force. Its job would be to prevent weapons smuggling, and to prevent rocket attacks on Israel. The EU already runs an operation at the Rafah border crossing (currently suspended because of the violence in Gaza), which monitors the traffic between Egypt and Gaza. European soldiers are also leading the UN peacekeeping mission on the Israeli-Lebanese border.

By 2020, the Middle East may have several new nuclear powers. If Iran acquires the capacity to build a nuclear weapon, as it is suspected of doing, it will likely prompt others in the region to follow suit. Egypt and Saudi Arabia, for instance, do not want Iran (a non-Arab country) to become the regional superpower.

But with each new nuclear power in the Middle East the possibility that a nuclear weapon ends up in the hands of terrorists increases. Europe therefore will likely still be patrolling the sea passages from the Middle East to Europe, to intercept shipments of weapons of mass destruction or their component parts. The 27 EU member-states are already doing so through the international 'Proliferation security initiative', which the US set up in 2003. Because the United States will likely want to keep up its military presence in the seas around the Middle East, Europeans are likely to run their contributions either as a direct co-operation with the US or through NATO, rather than through the EU. However, if the US needed the Europeans to take sole responsibility for Mediterranean patrols in the future they should be prepared to do so. One member of the European Parliament – and former head of UN forces in Bosnia – Phillipe Morillon, has proposed that the EU should set itself "the medium-term objective of providing support, with a European or even a Euro-Mediterranean fleet, for the US Sixth Fleet in the

Mediterranean, until possibly taking over from it if the Americans so requested."[25]

In 2020, the EU might be also more involved in Iraq that it is today (it is currently training Iraqi police, judges and prison officers). The EU-27 and the European Commission have pledged €14.2 billion worth of financial assistance to Iraq since 2003 (including grants, debt relief and loans). After years of seemingly endless violence, the US has recently had more success in pacifying Iraq. But to build on these improvements Iraq will need more police and military trainers, and possibly more combat troops. So the EU needs to think again about its future strategy for Iraq. As Richard Gowan of the US Center on International Cooperation has pointed out: "You can pull out of Iraq, but you can't make the problem go away."[26] If Iraq failed as a state, it would destabilise the Middle East and greatly complicate the EU's relationship with key countries such as Iran and Turkey. So the EU may have to send more troops and trainers to Iraq in the coming years.

- **Oil, gas and Africa**

The European Commission says that by 2020 the EU will be importing at least 70 per cent of the oil and gas it will consume.[27] Russia, North and West Africa as well as the Middle East will supply almost all of these imports. Gas will be the most sought-after commodity between now and 2020, and while Russia provides most of Europe's supplies for now, by 2020 the balance will swing in favour of Africa. Gas-rich Algeria is set to emerge as key supplier, and to join oil-exporting Nigeria as one of Europe's most important energy providers.

By 2020 the EU could be faced with the need to intervene militarily to protect these energy sources. Already, Nigeria's oil fields and pipeline are regularly attacked by local forces hostile to

---

[25] European Parliament, "Draft Report on the new European security and defence architecture", 5 February 2003.

[26] Richard Gowan, "The EU and Iraq: Starting to find a strategy?", European Council on Foreign Relations, 26 January 2008.

[27] European Commission, "A European strategy for sustainable, competitive and secure energy", 8 March 2006.

the Nigerian government. The government of this vast, sprawl-ing nation has trouble projecting authority throughout its terri-tory, and some of the most important oil fields lie in areas like the Niger delta where government influence is at its weakest. So Western energy majors operating in the country have resorted to hiring large private security forces to protect their assets.

Algeria, an important gas source, has suffered a series of major terrorist attacks. Foreigners as well as pipelines have been specifi-cally targeted in some of these attacks. In one such attack alone, on December 11th 2007, a double car bomb attack killed over 30 people including 17 employees of the United Nations.

Will the EU assume responsibility by 2020 for helping to pro-tect energy supplies with force? It is bound to be a controversial question because the EU would certainly be accused of trading blood for oil. And that is a politically powerful charge; one that could discourage governments from sending troops. Many EU member-states are reluctant to put militaries in any line of fire (see below). So Europe will probably focus on strengthening lo-cal security forces rather than deploying soldiers itself.

To a large degree the same principle holds true for EU human-itarian interventions in Africa. Although the EU has deployed peacekeepers to protect refugees in Chad, much of the EU focus has been on building up African military and police forces. This takes the form of expert advice, financial assistance, equipment transfers or logistical help such as loaning transport planes. For example, the EU has supplied equipment and expertise to the Af-rican Union peacekeeping operation in Darfur. It has conducted three security sector reform missions in Congo to help reform the country's military and police, and is about to do the same in Guinea Bissau. The EU has also set up a 'peace facility' worth €250 million to finance peacekeeping operations managed by the African Union and other sub-regional organisations.

Will the EU fight wars?

The EU has shown that it can act outside of Europe. As outlined above, it will probably have to deploy military forces abroad frequently in the future. Furthermore, the EU is working hard

to improve its mix of military and non-military resources – such as police, judges and aid workers – for coping with crises. This makes sense since all international security problems require a combination of different policy responses. The reforms contained in the Lisbon treaty would help the EU to further develop its holistic approach to international security. The treaty would merge some of the diplomatic and military power of the member-states with the vast development assistance, state-building and reconstruction resources of the European Commission.[28]

But will the EU ever do more than peacekeeping? To date, the member-states have been very reluctant to send the EU into a shooting war. It has become a cliché to observe that Europe lacks the military capabilities and the will to conduct large-scale combat operations (see chapter 4). Critics of EU defence policy point to the 'cosmetic' nature of some current EU missions, such as the 2006 deployment to Congo. They argue that the German-led force, while intervening at one point to protect a presidential candidate (and a few European diplomats) from crowd violence, in general stayed far from harm's way. The mission was more about "European form than African substance, comforting rhetoric than relevant action", concluded one article.[29] Likewise, US scholar and senior State Department official, Kori Schake, has described the small-scale missions undertaken by the EU so far as "luxury indulgences" because they are neither central to Europe's security, nor sufficient to solve the problems in those crisis areas. Therefore the EU has "actually increased scepticism about its seriousness of purpose rather than built a foundation for more complex and more demanding undertakings".[30]

The critics are right; the use of force has been largely absent from EU thinking on foreign and security policy to date. For precisely those reasons the authors of the European security strategy

---

[28] The Lisbon treaty creates a European external action service, which will merge those parts of the Council of the European Union that deal with foreign policy with the European Commission's directorate-general for external relations.

[29] Jean-Yves Haine and Bastian Giegerich, "In Congo, a cosmetic EU operation", *International Herald Tribune*, 12 June 2006.

[30] Kori Schake, "An American eulogy for European defence", in Anne Deighton and Victor Mauer, *Securing Europe? Implementing the European security strategy*, Züricher beitrage zur sicherheitspolitik nr.77, Center for Security Studies, Zürich, 2006.

found it hard in 2003 to say anything clear on the subject. They concluded somewhat vaguely that "with the new threats the first line of defence will often be abroad", and the EU should "develop a strategic culture that fosters early, rapid, and when necessary, robust intervention".

The European defence community has debated ever since the strategy's release whether 'robust' also means 'using force'. Future events may settle the question for them. If the need arises, for example, to counter WMD proliferation in the Middle East, the likelihood is that the US would lead such missions. If the Americans chose to be supported by an international military coalition, NATO would probably be the lead institution. But if the US were preoccupied with other security concerns elsewhere in the globe (like North Korea), and if they were faced with a compelling terrorist or WMD threat in an area such as North Africa, the Europeans might have no other option but to act alone. EU governments have committed themselves to use force to stop WMD proliferation. The EU's WMD strategy, agreed by EU governments at the Thessaloniki summit in June 2003, says that coercive measures can be used – as a last resort – for preserving international non-proliferation regimes.[31]

The difficulty is that EU governments have very different military strengths, and diverse attitudes towards the use of military force. Lawrence Freedman from King's College London has argued that those differences mean that the EU would produce a dysfunctional military doctrine – a necessary requirement before using force – if it tried to create one.[32] Since the EU is now conducting peacekeeping operations, elements of an EU military doctrine for future missions are bound to emerge from these experiences. But peacekeeping is not the same as war-fighting. Offensive operations bring up unique and difficult questions: how many dead soldiers will the various countries tolerate? And

---

[31] The Presidency Conclusions from the Thessaloniki European Council, 19 and 20 June 2003, say: "The European Council endorses the....declaration....on non proliferation of weapons of mass destruction adopted by General Affairs Council on 16 June 2003". This "Declaration on Non Proliferation of Weapons of Mass Destruction" mentions "as a last resort, coercive measures in accordance with the UN Charter".

[32] Lawrence Freedman, "Can the EU develop an effective military doctrine?", in *A European way of war*, Centre for European Reform pamphlet, May 2004.

how many civilian deaths are acceptable? The risk that the 27 governments would disagree and thus produce a dysfunctional EU doctrine is high.

Also, even if the EU had a military doctrine, member-states would not necessarily share the same commitment to participate in EU operations. The former German defence minister, Volker Rühe, (in)famously remarked in the mid-1990s that the EU should not try to 're-invent the *Afrika Korps*', meaning that the EU should not get involved in operations in Africa. His remark seems outdated, even ironic, now that Germany has led an EU operation in Congo in 2006. But his general point holds true. The public will not always be aware why EU missions in faraway places are important. If disaster struck during an EU operation, and there were a number of casualties, the commitment of those governments involved would be severely tested.[33]

However, the responsibility for fighting – if the EU resorts to force – would at any rate be spread unevenly. Some countries like France and the UK are simply more willing to fight and more capable of doing so. They would probably lead any high-intensity operations, since they account for half of EU defence spending, have the most advanced military capabilities, and have the most experience of leading high-intensity missions. For example, aside from contributing to various military coalitions, Britain sent troops to Sierra Leone in 2000, while France deployed soldiers on its own to the Ivory Coast in 2002.

The countries most willing and able to use force should lead a debate in the EU on when and under what circumstances the European Union would fight wars. That is not to suggest that the EU should be in the business of imperialist-style campaigns, like Britain and France in the 19th century. The EU is not a super-state with its own zones of interest. The public in Europe would not support that kind of EU defence policy either.[34] Rather the 'war-fighting' debate should be about if and when the EU would ever have to use high-level large-scale military forces when interven-

---

[33] Richard Gowan, "Is the EU ready to take casualties?", *The Globalist*, 15 September 2006, http://www.theglobalist.com/StoryId.aspx?StoryId=5080.

[34] *Eurobarometer* polls usually show high support for EU defence policy per se, but it is questionable how many Europeans actually know what the EU is contributing to global security.

ing in another country – for example to separate warring factions in a civil war, or, in extremis, to stop the proliferation of WMD.

Thinking about robust EU operations is important for at least three reasons. First, Europe's neighbourhood might become more unstable in the coming years, and the EU may be condemned to act. If EU governments wish to be prepared for future shocks, they should be prepared to discuss the full range of potential military responses. Second, it makes sound military sense to be prepared for the worst case scenario. Even on relatively benign peacekeeping missions, there is always a chance that things might get nasty, and soldiers need to be equipped and trained for such eventualities. Third, what is the point of EU defence policy? To paraphrase Haine and Giegerich, it should not be about doing what is convenient in the name of Europe, or generating a feel-good factor among European bureaucrats.[35] If EU governments really do plan to contribute more to international security, then they cannot avoid discussing the use of force – or using force when the circumstances absolutely require the EU to do so.

---

[35] Jean-Yves Haine and Bastian Giegerich, "In Congo, a cosmetic EU operation", *International Herald Tribune*, June 12 2006.

Reforming the transatlantic defence market

Sophie de Vaucorbeil

The 27 EU governments collectively spend €200 billion on defence[1], making them the world's second biggest defence spenders after the US. Though impressive this amount of money is, the EU faces serious shortages of transport planes and communications technologies. One aspect of getting better value for defence money is for European governments to open up the EU defence market. The European Defence Agency (EDA) and the European Commission in different ways have been pushing governments to do exactly that with the Code of Conduct on defence procurement and the Commission defence package[2]. In the ongoing debate about the European defence market, the transatlantic defence market should not be forgotten. Indeed, any opening of the European defence market should be complemented by a reform of the transatlantic defence market.

Budgets

Economically, there are many reasons why a transatlantic defence market matters. Perhaps the most important one is budgets. At

---

[1] European Defence Agency, "European Defence Expenditure in 2006", Brussels, 19 November 2007.

[2] The Commission published its defence package in 2007. It includes a Communication calling for more competitiveness, a Directive on defence procurement to foster intra-European competition for national procurement and a Directive on intra-EU transfers of defence products. The EDA also proposed a Code of Conduct for Defence Procurement. It is a voluntary mechanism designed to introduce competition into those areas of European defence markets covered by Article 296.

the governmental level, EU member-states face hard budgets trade-offs. They are multiplying commitments to resolve crisis in the world. It requires soldiers, equipment and money. The more you intervene the more equipment and money you need. To illustrate, at the moment EU member states are involved in 33 operations around the globe. According to a CSIS report on European defence released in late April 2008, the total number of European forces deployed abroad in combat, counterterrorism, peacekeeping, humanitarian and other operations has gone up, from slightly over 65,000 in 2001 to 80,000 in 2006, not including the number of troops stationed overseas on a long-term basis. The problem today is that financial resources do not fall into line with deployments. The UK House of Commons reported in March 2008 that the combined cost of military operations in Afghanistan and Iraq had almost doubled to £3bn a year. The costs of operations are rising partly because the cost of equipment is increasing at a steady pace. For example, the price of tactical combat aircraft has been growing by 10% a year. However, defence budgets in Europe are static (at best). Across the Atlantic, the image is not cheerful either. The cost of the Global War on Terror puts the Department of Defense under tremendous pressure. The Iraq war alone could cost $1010 billion between 2008 and 2010 if the US does not withdraw massively. As a result, some armaments programmes are cut or delayed and budgets are revised down. In the UK, "the black hole in the defence budget is so large – close to £2 billion this year and as much as £5 billion over the next three years – that the budget increase will not prevent cuts"[3]. The new series of armoured vehicles for the UK army are delayed. In the US, for the fiscal year 2008, $200 million was cut from the Army's modernization program, the controversial Future Combat System (FCS)[4].

---

[3] Michael Smith, "MoD forced to cut budget by £1.5bn", *The Sunday Times*, 13 January 2008.

[4] FCS comprises of about 14 vehicles, including unmanned aerial planes and tanks and other ground vehicles. The technology that links them all allows the soldier on the ground to be linked through a transmitter to the senior commander during an operation. Source: Gordon Lubold, "Congress eyes defense cuts", *The Christian Science Monitor*, 11 February 2008.

Industries and exports

A transatlantic defence market already matters for defence industries. As they are suppliers to the Defence ministries, they depend on defence budgets. In order to compensate for defence spending cuts, defence industries multiply cross-border partnerships. For example, the American champion Lockheed Martin has established 8 joint ventures with European firms and participates in 20 collaborative programmes around the world from the Joint Strike Fighter to MEADS and the Future Aircraft Carrier[5]. Unfortunately, transatlantic partnerships do not grant interesting returns on investment or economies of scale yet because of the complicated legal environment. Export control policies are increasingly seen as a counter-productive administrative burden. According to the US Coalition for Security and Competitiveness, "the current system regulating the export of defence and "dual-use" items (those with both civil and military application) is administered by the U.S. departments of State and Commerce, respectively, but often involves other federal agencies. The Commerce Department processes more than 18,000 authorizations per year. The State Department processes more than 65,000 licenses each year, a figure that has been increasing about 8 percent annually. Some cases take months to process, causing a detrimental impact on allies"[6]. This administrative burden has motivated American defence companies to push harder and harder to rationalize defence spending and soften export controls.

The strategic challenge

As the question of export controls highlights, there is more to the transatlantic defence market than industrial politics. Take the word "fortress" applied alternatively to the US or the EU: on the one hand, it depicts the difficulty to economically penetrate

---

[5] http://defence-data.com/ripley/pagerip2.htm

[6] The US Coalition for Security and Competitiveness includes: Aerospace Industries Association, Association for Manufacturing Technology, Coalition for Employment through Exports, Electronic Industries Alliance, Information Technology Industry Council, National Association of Manufacturers, National Foreign Trade Council, and U.S. Chamber of Commerce.

those markets. On the other hand, it symbolizes the power of the two main defence stakeholders. Today, both the US and the EU cannot afford the luxury of a *fortress*. They still represent 75% of the global defence market business but governments can not guarantee many contracts anymore. Meanwhile China and India's industrial bases benefit from steadily increasing defence spending (think about India who joined the ranks of nations possessing intermediate-range missile capacity in May 2008). As Pierre Chao says, "when you try to prevent technologies going out, I think we have got to be very careful that you do not prevent the raw technologies from coming in"[7]. Export controls were designed for an environment that no longer exists, since they are all grounded in the military, diplomatic and political realities of the Cold War. They fail to address the many new military, economic and political challenges that currently confront both Europe and America. "The export control system as a whole is under increasing strain due to the nature of the changing environment. The high tempo of operations is increasing the volume of licences."[8]

A more open transatlantic defence market would be efficient and more coherent both politically and economically. Reconciling economics and politics would help reconcile strategy and reality. Some would argue that the US and the EU do not have the same interest. If you look at the bigger picture it is not true. The US and the EU face the same threats from terrorism to global warming and the spread of WMD. Some would argue that they have different approaches to tackle them. Even so, they are willing to work more closely. For example, George W. Bush[9] backed up Victoria Nuland's repeated calls for a stronger Europe able to take a more robust approach to defence and security. In Europe, there is an increasing recognition that soft power alone can not do much to restore stability and security (think Afghanistan). The US needs an ally willing and able to intervene in the world's trou-

---

[7] Pierre Chao, *Toward a 21st century export and technology control regime*, Center for Strategic and International Studies, 15 May 2008.

[8] *Ibid.*

[9] Vincent Jauvert, "Exclusif: le plaidoyer de Bush pour l'Europe de la Défense", *Le Nouvel Observateur*, 23 April 2008 and Victoria Nuland, 22 February 2008. http://www.america.gov/st/texttrans-english/2008/February/20080222183349eai fas0.5647394.html.

ble spots because it reckons hard power alone can not do much either for security and development. The EU could be Washington's special partner if it develops its capabilities. It has been 10 years now that the US has asked European leaders to spend more. Today, the discourse is changing along with the global economic context: European governments should spend "better". In the US, the Global War on Terrorism has increased defence spending dramatically. However, that budgetary situation may not be sustainable anymore.

How to spend it?

How can the EU spend better? One answer is that they could reduce their procurement costs through cross-border competition including across the Atlantic. This is a realistic win-win situation. The EU would beef up its capabilities and the US would save money. Savings could possibly be spent on more civilian capabilities or defence R&T.

In 2005, 25 EU member states spent roughly €30 billion a year on some 89 equipment programmes, before Rumania, Bulgaria joined with their own programmes[10]. The trend in the EU is not at increasing public spending in general and defence spending in particular. The majority of European countries are experiencing difficulties to respect the criteria of the European stability and growth pact. As a consequence, few countries spend as much as 2% of GDP on defence: only Greece, France, the UK come close to this level (dedicating respectively 2,68, 2,43 and 2,50% of their GDP to defence), followed by Poland and Italy (both 1,81)[11]. In its December 2007 Defence Package, the European Commission noted that national defence budgets within the Union have halved over the last 20 years from 3.5% of GDP to a current average of 1.75%. The problem does not lie in the overall level of spending, but in the lack of harmonised procurement policies.

Furthermore, current levels of European defence spending

[10] Impact assessment, commission proposal for a directive on simplifying terms and conditions of transfers of defence-related products within the community, Commission of the European Communities, December 2007.
[11] According to NATO figures which include pensions.

may not be sustainable. First, if globalization follows the same pattern, Europe will lose market shares. China will be the second global economy and India might take the third place, currently occupied by Japan. This relative loss of competitiveness could increase the number of unemployed and the welfare bill in assisting them, with defence budgets the most likely losers in public spending plans.

Moreover, by 2025, according to the European Defence Agency[12], the sustainability of defence budgets will be challenged by demographic trends. By 2025, Europeans will represent a mere 6% of the world population, of which 48% will be over 65 years old. Health care and pensions costs will skyrocket proportionally. Future public spending to the elderly could run to 33% of national GDP's, compared to an average of 16% today. An ageing population also implies that the taxpaying population will decrease.

Pooling resources and innovation would be the most productive strategies for European governments to maintain their position on the market. The challenge ahead will require much more coordinated efforts on the part of European governments. Today, the US is outspending Europe six to one in defence R&D[13]. In 2006, the US dedicated 11.8% of the defence budget to R&D whereas the EU26 spending in that field levelled of 5%. If one looks at the wider R&T figures they contrast sharply: the US spent 2.78% of its defence spending in R&T, the EU26 1.32% of its defence expenditure. The EDA made it clear that the EU risks losing share of market and expertise in many areas such as IT, biotechnology and nanotechnology.

How will European governments provide equipment to their armed forces in the future knowing that outfitting a soldier for battle costs a hundred times more now than it did in World War II[14]? The situation is the same in the aerospace sector: the average price of a fighter planes worldwide increased 10,000% in constant US dollars from 1945 to 1985. More recently, the real price of tactical combat aircraft has been growing by 10% a year.

---

[12] The Initial Long term vision, EDA documents, 3 October 2006.

[13] *Ibid.*

[14] Brig. Gen. Mark Brown, head of the US Army agency for developing and fielding soldier equipment, 2 October 2007, http://www.msnbc.msn.com/id/21105586.

A changing European defence industry.

The European defence industry market turnover is €70 billion compared with €150 billion for its American counterpart. The EU counts four or five prime contractors. The top 100 defence companies established every year by *Defense News*[15] ranked BAE Systems number three, EADS number seven, Finmeccanica number nine, Thales number eleven, and Rolls-Royce number sixteen. Compared to their American competitors, European firms still have room for improvement when it comes to consolidation, especially across borders. The naval sector is still organised on a national basis. Indeed, consolidation is easier to realise on a national basis too. In 2007, Thales acquired Alcatel Lucent space activities and 25% of the shipyard group DCN in March 2007. Across the Channel, Babcock International acquired Devonport Royal dockyard in June 2007. In addition, BAE Systems and VT Group are to combine their shipbuilding activities. However, in the sectors in which transnational consolidation has been undertaken, results are promising. For example, the engine sector is a peer competitor to the US one. Perhaps, because it is a less strategic sector, the US relies a lot on European engine manufacturers. Safran is now the number 22 of the top 100 defence industries but the world's fourth and Europe's second major player after Rolls Royce in the engine manufacturers branch. Transnational consolidation is more difficult because EU governments do not "think European" yet. If they did, based on what Keith Hartley of York University[16] estimates, a single defence market could save EU governments 20% of their procurement money (some €6 billion a year on current spending). More generally, a single defence market would put European Defence firms in a stronger position to face competition from their American counter-parts.

Over here

Since 2001, American investments in European companies have aroused discontent in European defence companies for two rea-

---

[15] http://www.defensenews.com/index.php?S=07top100
[16] K. Hartley, "The future of European defence policy: an economic perspective", *Defence and Peace Economics*, vol. 14, no. 2 (January 2003): 107-115.

sons. First of all Europeans were not happy to see American companies, especially General Dynamics re-shaping the European defence industrial landscape through acquisitions. Between 2001 and 2003, General Dynamics acquired three European companies: the Spanish Santa Barbara, the German EKW, and the Austrian Steyr. Today, its division based in Austria, European Land Combat Systems employs 10,650 people and symbolizes its involvement in the European land sector. Indeed, with its European arm, General Dynamics has won many contracts with European governments such as a US$64m contract to supply Air Land Spike Missile Systems for HAD Tiger helicopters to the Spanish Army in January 2008. With the (Steyr) Pandur Wheeled Armoured Vehicle, General Dynamics provides war materials to the Austrian, Belgian and Slovenian Armies.

Secondly, Europeans view with a jaundiced eye the so called "Americanization" in European defence companies' shareholdings. In 2002, the US bank, One Equity Partner (OEP) acquired 75% of German shipyard Howaldtswerke Deutsche Werft (HDW) and its much envied proprietary propulsion technology. In 2003, the US private equity group Carlyle and the US buy-out group Kohlberg Kravis Roberts & Co acquired two Europeans producers of aircraft engines, respectively FiatAvio and MTU Aero Engines. As a result, "important sections of European policy opinion remains concerned that transatlantic cooperation represents a 'Trojan Horse' for the US takeover of the European defence industrial base"[17]. European governments expressed their concerns that the share of foreign ownership in European defence be largely dominated by the US.

It is mainly because, up to now, US defence companies have been protected from much foreign investment by law. As a result, Northrop Grumman has the largest share of foreign ownership, with only 7.5 percent of its stock held by foreigners. On the contrary, European companies often "have large blocs of foreign ownership"[18] (BAE Systems fluctuates around 45% in 2006, but

[17] Joachim Rohde and Andrew D. James, *The future of transatlantic armaments cooperation*, German Institute for International and Security Affairs (SWP), Berlin, June 2004.

[18] Figures and quotes from Terrence Guay, *Globalization and its implication for the defence industrial base*, Strategic Studies Institute of the U.S. Army War College,

was as high as 59% in 2003). European governments interpreted US influence in their shareholding as a symbol of a one way street. They perceived it as an American interference to prevent European attempts to streamline and reorganize their defence industries on a European basis. Last but not least, they are concerned that the US will use its influence in European defence companies to achieve American foreign policy objectives. For example, when OEP invested in one of the world's leading manufacturers of conventional submarines, the takeover allowed the US to keep its promise to Taiwan to sell diesel-powered underwater crafts to that country. That decision particularly annoyed Germany whose position had always been to recognize the government of the People's Republic of China as the only legitimate representative of China and prohibit German arms sales to Taiwan.

Over there

If American involvement in the European defence market is important, European companies are also changing the American one, albeit to a much lesser extent. Between 2001 and 2005, European companies have acquired 67 US defence firms, collectively worth €7bn, making Europeans an increasingly important player in the US defence marketplace. The American dream attracts Europe. A company like BAE Systems has penetrated the US so successfully that not only does it sell more to the US government than any other non-US company but it sells more to the Department of Defence than to the British Ministry of Defence[19]. Its US subsidiary also employs 45,000 of BAE's 100,000 workers.[20] That is partly thanks to mergers and acquisitions over the past ten years. In particular since the London-based company has targeted early the land systems sector, acquiring United Defence. Thus, it has benefited from Iraq and Afghanistan war spending. To further strengthen its position on the US market, in 2007,

February 2007, www.strategicstudiesinstitute.army.mil/pdffiles/PUB756.pdf.
[19] David Robertson, "Milestone for BAE as its trade with America outstrips MoD business", *The Times*, Times Newspapers, 10/08/2007.
[20] James Boxell, "BAE Systems pursues its Atlantic devotion", *Financial Times*, 22 August 2006.

it declared its intent to acquire the US military vehicle maker Armor Holding. In July 2007, the acquisition was cleared by the Department of Justice. This decision was taken even though one of BAE Systems' most important contracts, with Saudi Arabia, was under investigation from the same department. On the other hand, this clearance also highlights the compromises BAE Systems made to enter the US market. One of them is the Special Security Arrangement (SSA). It means the board of the company can only be composed of both American citizens and nationals from the parent company's country. However it also means only American managers can participate when issues related to national security are raised.

In addition, the SSA requires the company to be run under American law and by American citizens[21]. In May 2006, the CEO of BAE Systems aired his views on its US subsidiary status "the British members of the corporate leadership, me included, get to see the financial results; but many areas of technology, product and programme are not visible to us. The SSA effectively allows us to operate in the US as an American company, providing the highest levels of assurance and integrity in some of the most sensitive fields of national security provision."[22] Indeed, what happen to BAE Systems in London does not have much impact on its US subsidiary BAE Systems Inc., be it a strategic orientation or a bribery case.

Apart from BAE Systems, EADS and Thales have also developed what the Pentagon calls an American "footprint." EADS has manufacturing sites in Texas, Alabama and Mississippi, where it makes helicopters for American law enforcement agencies. "Even so, the government keeps a watchful eye out. Top executives are required by the government to be American citizens. At EADS, all telephones are tapped, and computers are equipped with software to prevent any security leaks. Many technical discussions between the American executives and their overseas counterparts must first be reviewed by special advisory boards of former Pentagon officials and retired military executives".[23]

---

[21] Leslie Wayne, "British Arms Merchant with passport to the Pentagon", *New York Times*, 16 August 2006.

[22] Mike Turner, Speech to the Washington Economic Club, Washington, D.C, 2006.

[23] Leslie Wayne, "Pentagon defends its growing reliance on foreign contractors", *International Herald Tribune*, 23 September 2005.

Up to now, European sales and investments on the US market were minimal but it is slowly changing. In 2005, Thales was unable to improve much from its 9 percent of overall sales to North America. Finmeccanica's sales to North America also remained low. "They slightly edged up from 8 percent of total sales in 1999 to 9 percent in 2005"[24]. Even if they cannot indulge full return on their investment, European defence companies have not found another way to make money in the US other than opening a subsidiary in the US to make money in the US. In January 2008, the *Daily Telegraph* published an article on EADS new strategy[25]. Ambrose Evans-Pritchard describes it as an "expansion blitz in the US". EADS wants to raise its share of US operations from $2bn to $10bn in annual sales and its workforce outside Europe from 3% to 10% by 2020. In a word, both European and American industries work for a transatlantic defence market. What has prevented more open trade on the defence market up to now is European and American governments' difficulty to strike the right balance between security and competitiveness. The International Traffic in Arms Regulations (ITAR) in the US, and the absence of any common binding EU policy on export controls strangle EU-US defence trade even if they satisfy state security interests.

Reforming transatlantic rules

Governments tend to reform the legal framework in favour of defence industrial cooperation when state security interests can meet industrial strategies. In Europe, back in the late nineties France pushed hard for the reorganisation of the aerospace sector. Following the first move to implement this decision, companies lacked a legal framework to match the new industrial landscape. In response, six EU countries[26] signed the Letter of Intent in 1998.

---

[24] Seth G. Jones, *The rise of European security collaboration*, Cambridge University Press, 2007, p. 276.

[25] Ambrose Evans-Pritchard, "EADS moves into US defence market", *The Daily Telegraph*, 12 January 2008.

[26] In 1998, France, Germany, Italy, Spain, Sweden and the UK signed a Letter of Intent (LoI) that paved the way for a July 2000 Framework Agreement aimed at better co-ordination within the defence industries of these countries and to ensure that further restructuring would run smoothly without affecting any major collaborative

Across the Atlantic, the Albright Declaration of Principles and the Defence Trade Security Initiative (DTSI)[27] also aimed at fostering and facilitating defence industrial cooperation. As a result, two transatlantic programmes were launched. The Joint Strike Fighter and the Medium Extended Air Defence System (MEADS) programmes benefit from looser export controls. However, the main dilemma confronting cooperative programme remains technology transfers. A government to government transatlantic cooperative programme, MEADS, represents perfectly how tricky these negotiations can be. The US insisted on having the right to conduct on site security inspections of German and Italian facilities, and proposed the use of "black boxes" to protect US technology. The Germans refused the proposals because they considered it as a test case for US willingness to share technology with its allies[28]. After eight months of tense negotiations, Italy got an assembly chain on its soil. This hard trade-off between security and competitiveness hamper cooperative programmes because it prevents the free-flow of technology and knowledge. Technology transfers are an incentive for both sides to enter cooperative ventures. The current US licensing system prevents cooperation because the US export licence system allows only nationals of one country to access the technology.

However, the Americans have started making overtures towards European allies. For instance, in recent years, the US seems more inclined to offer contracts to European companies. Finmeccanica won a contract to provide the US Marine One presidential transport fleet with a US (US 101) version of AgustaWestland EH101 Medium-Lift Helicopter. Offsets principles grant European companies participation in the US C-130J transport aircraft. The US Coast Guard ordered five more CASA HC 235A (eight in total) from EADS. More recently, in March 2008, the US air force announced the decision to award a $35bn contract

---

defence projects. It also encouraged co-operation in the areas of supply and research as well as common equipment procurement.

[27] In May 2000, US Secretary of State Madeleine Albright launched an initiative to soften US exports controls.

[28] Andrew D. James, "The prospects for the future", in Burkard Schmitt (ed.), *Between cooperation and competition: the transatlantic relationship*, Chaillot paper 44, Paris: Institute for Security Studies, 2001.

to supply aircraft-refuelling tankers to Europe's EADS and its US partner Northrop Grumman Airbus.

The Bush Administration has also joined the US-UK treaty which has still to be ratified by the US Senate[29]. This treaty is highly symbolic of the way politics can economically influence the transatlantic defence market. This bilateral treaty offers privileges to British entities only; such a restriction could lead to a two-tier European defence market with non-British firms lagging behind. In its current form, this treaty may not boost transatlantic cooperation. As the House of Commons Defence Committee said in December 2007[30], the UK-US treaty does not apply to multinational programmes like the JSF to comply with the US habit to favour "one-to-one" agreements, no matter how many countries can be involved in a programme. In a word, it is still enshrined in the American way of cooperation. Besides, the treaty also highlights that current export controls policies are not coherent anymore in that it is not clear what they really aim at controlling: exports, technologies, industries or end users? For example, the UK-US Treaty tackles at the same time industries, technologies and end user/end destination of exports with the concept of a "Security Community". The companies who will receive this label will be obliged to ask for a specific licence if they want to re-export a product. In imposing such a rule, the US enhances the strength of its export control policy.

A right balance between security and competitiveness

In an ideal world, the next US administration would enlarge the UK-US Treaty on defence equipment to the EU and grant its defence and security companies a "licence-free label". The next administration would do so to boost cooperation within the Alliance. The main argument from an American point of view would be to

---

[29] The UK and the US signed a treaty in June 2007 to soften defence procurement rules within their "security community" (it mainly consists in streamlining the licence approval process and in providing licensing exemptions for unclassified items for certain pre-approved firms).

[30] *UK/US Defence trade cooperation treaty*, House of Commons Defence Committee, December 2007.

revitalize NATO at a time when the US chronically complains of European unwillingness to share its part of the burden. In "Allies and armaments", Ethan B. Kapstein[31] gives a convincing overview of the economics of defence alliances. The idea is that armaments cooperation is a way to entangle allies into an alliance. Countries weigh the costs and benefits associated with defence cooperation. They would cooperate as soon as costs would outweigh the benefits. Free-trade would foster more collaborative programmes, "signalling a renewed commitment to strengthening the continent military capability". As Stephen Walt[32] argued in 1985, free trade would be an important signal from the US to its Allies that would revitalize NATO. The UK-US treaty can be taken as a starting framework because it contains important steps. For instance, there is a potential to include facilities within universities carrying defence work in the approved community. Such a move would greatly improve research simply because it would avoid duplication. What's more from a Washington point of view, transatlantic partnership could be an efficient way to influence European procurement. From a European point of view, it would be a good occasion to start spending defence budgets more efficiently through pooling and cooperative programmes, especially R&T projects.

If the EU were to negotiate such an agreement with the US, it would simultaneously accelerate the consolidation of demand. An EU-US agreement would facilitate the launch and realisation of cooperative programmes. More transatlantic cooperation should encourage Europeans to move together as well. In that sense an EU-US agreement would help. The European Security and Defence Policy and growing need for armaments cooperative programmes is one of the main arguments in favour of common EU legislation. Also, a European defence industrial community can only be achieved through concrete common experiences where different stakeholders build something together, overcoming strictly national points of view. A European security community already exists to some degree in consolidated areas such as aerospace, such as EADS. A few initiatives are already on track.

---

[31] Ethan B. Kapstein, "Allies and Armaments", *Survival*, vol. 44, no. 2 (Summer 2002).

[32] Stephen Walt, "Alliance formation and the balance of power", *International Security*, vol. 9, no. 4, (Spring 1985): 232.

For example, the defence ministers of Germany, France and the UK decided on 22 February 2008 to pool the maintenance of the A400M transport plane. "Britain and France will take the idea further, developing a common stock of spare parts for the fleet of 130 carriers (out of 180 ordered), allowing the aircraft purchased by each government to be pooled for use across the partnership. For now, Germany will continue to go it alone on that element"[33]. Such initiatives should become the norm rather than the exception. If ratified, the Lisbon treaty might offer good opportunities for cooperation with the Permanent Structured Cooperation mechanism. This is because "those member-states which meet a set of capability-based entry criteria can choose to co-operate more closely after securing a majority vote"[34].

European coherence

To convince the US that they are reliable allies, Europeans should also work hard on the consolidation of demand. Cooperation is key for strengthening the European defence industry through the consolidation of demand. A European security community, complying with American standards, would require that the EU reinforce its internal regulations to strike the right balance between security and competitiveness. When it comes to defence products, and more specifically to export controls, member-states do not have to abide by any EU regulations. For example, the EU code of conduct on arms export has more or less as many interpretations as member-states.

In the medium term, greater coherence is required within the EU. While the economic side of export control is discussed and ruled by the Commission, its security side depends on Member-States intergovernmental decision-making. Nevertheless, since the Commission issued a communication with recommendations for improving export control environment in Europe in Decem-

---

[33]Brdo Pri Kranju, "Pan-European defence too often lost in translation: ministers", 22 February 2008, www.spacewar.com
[34]K. Hartley, "The future of European defence policy: an economic perspective", *Defence and Peace Economics*, vol. 14, no. 2 (January 2003): 107-115.

ber 2006[35], the balance is shifting towards more effective EU legislation at least when it comes to dual-use goods and technology. In December 2007, the balance shifted a little further towards the Commission with its defence package and more precisely with its draft Directive on "simplifying terms and conditions of transfers of defence related products within the Community". The main progress with the Directive would be to induce governments to replace their existing individual licences with a general one for those intra-community transfers where the risks of undesired reexportation to third countries are under control[36]. This system of licence is very much in tune with the UK-US Treaty and if it is pushed far enough it could even transform the European landscape; with licence-free and non licence-free companies already labelled, the US would be more likely to consider enlarging the UK-US Treaty to Europe. The draft directive offers enough security guarantees to comply with US standards. The article 3 starts by defining a "defence related product" as any product which is specifically designed for military use and which is listed in the Common Military List of the EU (adopted by the Council in March 2007). The Commission clearly wants to regulate more than dual-use goods and technology.

Moreover, this draft Directive has the potential to Europeanize defence procurement and transfers within the Union in two ways. First, the draft Directive entails that Member States would establish a common system of general licences for transfers of defence equipment and supplies to certified Member-States or other recipients (within the EU). Second, it proposes three-years-long "global" licence (Article 6) to an individual supplier authorising one or several transfers of one or several recipients in another Member State. At the end of this implementation process, European defence stakeholders would be certified as a trustworthy partner (or not). Such a process could be a trigger for the US to enlarge the "certi-

---

[35] COM (2006)828final, *Communication from the Commission on the review of the EC regime of controls of exports of dual-use goods and technology*, 18 December 2006.
[36] This encompasses: purchases by armed forces of others EU MS, transfers to certified companies of components in the context of industrial cooperation, transfers of products necessary for cooperative programmes between participating Member States.

fied community" they proposed to the UK, to all EU governments. Last but not least, it could greatly encourage more cooperative programmes. Article 5 allows Member States which participate in an "intergovernmental cooperation programme" to publish a general licence for transfers to other participating Member States. The new directive should help European defence industries to be more competitive since it would streamline licensing rules they have had to comply with even when they wanted to exchange components with one of their subsidiaries within the EU. The Directive would also have a more general consequence on rules defining exports to third countries within the EU. The 8 criteria of the Code of Conduct have already set the "European mindset" in that respect but it is very likely that Member-States would soon have to turn it into a binding tool. Such a change is the minimum guarantee required by defence products' free trade within the Union to reassure non-EU partners like the US of EU seriousness in the field of arms trade.

Conclusion

Time and money is already running out: government cannot make ends meet anymore. The Commission communication "A strategy for a stronger and more competitive defence industry" considers that "national defence budgets in isolation can no longer finance the development of a full range of top quality products and new national defence programmes have become less frequent" (i.e. the French aircraft carrier cancelled in mid-April 2008 after any collaboration with the UK failed to be agreed). The defence technological and industrial bases of both sides of the Atlantic suffer from a lack of money in R&D. Plus defence companies cannot take full benefit of their mergers, acquisitions and joint-ventures they build with their counterparts. As Professor Keith Hayward[37] underlined "Interest in reforming the US system has come with the growing realisation of defence industrial globalisation and that the US does not have a monopoly on all the key emerging military-relevant technologies. In short, there is a strategic and operational value to the US in increasing defence industrial collaboration between close

---

[37] Keith Hayward, *Friends and Rivals: Transatlantic Relations in Aerospace and Defence in the 21st Century*, London: Royal Aeronautical Society, 2005.

allies." The EU is also on track to improve it defence industrial landscape, but Europe-only reforms might not be enough in the face of budgetary constraints. The other reason why governments should move towards softening their export controls is more political. Transatlantic partnership would grant both sides of the Atlantic greater capability and consistency in their strategic partnership.

Transatlantic relations: The year of change

Andrew A. Michta[1]

> *Building a strong NATO Alliance also requires a strong European defense capacity. So at this summit, I will encourage our European partners to increase their defense investments to support both NATO and EU operations. America believes that if Europeans invest in their own defense, they will also be stronger and more capable when we deploy together.*
>
> President George W. Bush speaking
> at the 2008 NATO Summit in Bucharest

The year 2008 will be remembered as a time of change in US-European relations, not only because it will mark the election of the next president, but more importantly because it will close almost two decades of American foreign policy. Regardless of who wins, following the general election and for the first time since the end of the Cold War, American foreign policy will be driven less by an overarching vision and more by resource constraints. Under either the Obama or McCain administration, the democratic internationalism of the Bill Clinton era and the democratic universalism of the George W. Bush years are likely to yield to a more realist foreign policy paradigm. Notwithstanding the election rhetoric, the substantive foreign policy differences between the two campaigns are a matter of degree rather than fundamentals. For an America engaged in two wars, amidst a recession and an

---

[1] The views expressed in this article are those of the author and do not reflect the official policy or position of the George C. Marshall European Center for Security Studies, the Department of Defense, or the US Government.

energy crisis, with the national debt approaching $9.5 trillion, the falling dollar and an overstretched military, 2009 should be seen as a year of retrenchment.

The next US administration will be a time for rethinking the nation's global role. The kind of moral certitude about history moving inexorably towards post-Cold War democratic convergence that prompted Francis Fukuyama to declare breathlessly the coming of "the end of history" produced a collective mindset on foreign policy that was embraced by both the Democrats and the Republicans. Madeleine Albright's "indispensible nation" was much closer to Charles Krauthammer's "unipolar moment" than either would admit, as both the Clinton and the Bush administrations, albeit for different reasons, became nation-building global internationalists. Those assumptions are now being revised faster than anyone thought possible only a few years back. Regardless of the specific policies of the next president, the Bush administration's redefinition of US security policy – articulated most fully in the 2002 US National Security Strategy that focused on preemption and the imperative of unilateral action – will likely be replaced with a formula harking back to an older pattern of working in concert with other democratic partners, primarily European democracies.

The coming years will have to be a time of rebuilding transatlantic relations, reconnecting with allies and re-evaluating the scope of security commitments America has undertaken since 1990. As such, it can also be a period of great opportunity for the United States and Europe to shape a workable and sustainable relationship to replace the residual post-Cold War-era assumptions. To bring about change, the US and Europe must address three critical areas of transatlantic relations: the divergent optics on the wars in Iraq and Afghanistan and the impact of Afghanistan on NATO's future; the relationship between NATO and ESDP; and the overall shift in European public attitudes which today reflects more than eight years of complex and often strained transatlantic relations and a generational change. For the incoming US administration, the most pressing issues within these critical areas will be clearing the remaining debris from the Euro-American train wreck over Iraq, expanding European economic and military support for the ISAF mis-

sion in Afghanistan and sustaining the viability of NATO as ESDP continues to evolve.

For small states like Estonia, the coming year should offer new opportunities to strengthen both the European and US policy axes. In the rapidly changing regional environment of Central and Northern Europe, and at a time of Russia's consolidation and resurgence, Estonia's stake in strengthening the transatlantic relationship while solidifying its position within the EU will be arguably greater than at any time since the end of the Cold War. At a time when, following the August 2008 Russian-Georgian war, NATO may be rethinking its role in the region, the key challenge for Estonia will be to ensure that its security interests are articulated in allied policy.

Iraq, Afghanistan and NATO

The relative stability in Iraq in 2008, in the aftermath of the successful US surge, has set the stage for partial US disengagement, although even the most drastic reduction in coalition troops would necessarily include a hedge against a flare-up of violence, with continued small-scale American military presence in the region. Both US presidential candidates have committed to timetables for withdrawal: for Barack Obama in 16 months, for John McCain by 2013, when he believes the war would be won.[2] Regardless of how precise those numbers may ultimately prove to be, the message has been that regardless of who wins the White House, the United States is planning to wind down the war in Iraq. The outcome of the election will shade differently the specific policies Washington will implement, but the thrust remains the same: progressive disengagement in Iraq.

For Senator Obama, opposition to the Iraq war and his subsequent commitment to rapid withdrawal have become the hallmark of his presidential campaign. Hence, he has gone repeatedly on the record promising that he would task the US military to come up with plans for withdrawal as soon as he has been sworn

---

[2] "McCain: Iraq War Can Be Won by 2013," *The Washington Post*, May 15, 2008 http://blog.washingtonpost.com/the-trail/2008/05/15/mccain_outlines_troop_withdraw.html.

into office. Obama believes that Iraq has been a costly diversion from the overall goal of winning the war on terror. He sees the problem both in military and developmental terms; in addition to putting two combat brigades in Afghanistan, he wants to add $1 billion in development aid to the current level of assistance to Kabul. Senator McCain, on the other hand, sees Iraq as in fact essential to long-term American security, both in terms of the regional dynamic and access to energy sources. McCain's stated position has been that the United States should remain in Iraq until the country has become stable, while at the same time taking a page from Iraq to mount a surge in Afghanistan. But he also knows that the US military needs to substantially pull out of Iraq to complete the mission in Afghanistan. Ultimately, withdrawal from Iraq is not a question of if; it is a question of when.

The unfolding shift away from Iraq and the refocusing on Afghanistan mean that in 2009 the issue of European contributions to ISAF will become paramount for the transatlantic relationship. In the coming year, Washington and European capitals will be talking about Afghanistan to assure greater European contribution; if not, we risk the end of all conversation. And the situation will remain difficult for European governments, as there is little public support for NATO's role in Afghanistan and any increase in military contributions to the mission, especially for combat roles, remains politically poisonous.

The question of greater allied contribution to ISAF, which continues to roil the transatlantic relationship, is inextricably intertwined with domestic politics in Europe. Public views on continued military presence in Afghanistan range from general unease to strong outright opposition. In Germany the public sentiment against the country's continued participation in ISAF is especially strong, with 68% of the public against it in 2007 and only 29% for the mission; more significantly, the German public attitude changed dramatically in the five years following 2002, when 55% of the Germans supported the mission and only 44% opposed it.[3] Similar trends are apparent in other key European countries. In a poll released shortly after France declared its

---

[3] "Germans Oppose Mission in Afghanistan," Angus Reid Global Monitor: Polls & Research, May 25, 2007 http://www.angus-reid.com/polls/view/15855/germans_oppose_mission_in_afghanistan.

readiness to increase its military contribution to ISAF, data in the spring of 2008 showed 55% of the public in opposition to French participation in Afghanistan.[4] Even in the United Kingdom, traditionally the staunchest US ally, by June 2008 polls showed that 54% of the public wanted British troops in Afghanistan to be brought home.[5] More poignantly still, the same goes for the most pro-US "new ally" Poland, where polls show 72% of the public opposes the presence of their country's forces in Afghanistan.[6]

On the surface both the Americans and the Europeans seem to agree on one issue: the success or failure of ISAF will determine the degree to which NATO remains credible and will have a fundamental impact on transatlantic relations. At the Bucharest summit the alliance reaffirmed its continued commitment to transformation, adaptation and reform. It also renewed calls for greater contributions from the members to ISAF, which at present stands at some 52,000 troops from 40 NATO and other countries,[7] but of whom less than half are available for combat missions. Admittedly, the greatest challenge to ISAF remains concentrated in a relatively limited area of Afghanistan, with 91% of insurgent activity in 2008 thus far confined to 8% of the country's districts. There is also a growing concern that the conflict will widen; some analysts argue that the Taliban insurgency may ultimately prove to be a greater threat to Pakistan than Afghanistan.

To the continued serious concern of US commanders on the ground, many of the ISAF contingents in Afghanistan continue to operate under national caveats: the number of declared caveats has decreased by only ten, from 86 to 76, since the April 2008 Bucharest summit. These national restrictions inhibit the commander's ability to make effective use of some of the forces

---

[4] "French Oppose Commitment to Afghan Mission," Angus Reid Global Monitor: Polls & Research, April 16, 2008, http://www.angus-reid.com/polls/view/30452/french_oppose_commitment_to_afghan_mission.

[5] "Britons Call for Return of Troops in Afghanistan," Angus Reid Global Monitor: Polls & Research, June 24, 2008, http://www.angus-reid.com/polls/view/31051/britons_call_for_return_of_troops_in_Afghanistan.

[6] "Poles Want Troops Out of Afghanistan," Angus Reid Global Monitor: Polls & Research, October 11, 2007, http://www.angus-reid.com/polls/view/28556/poles_want_troops_out_of_afghanistan.

[7] SACEUR GEN. John Craddock, "Address to the OSCE Annual Security Review Conference," Vienna, July 2, 2008.

under his command. Even more damaging to the cohesion of NATO's ISAF mission are the undeclared caveats, invoked only under specific scenarios, that make coordinated operational planning more than problematic.

From the US perspective, NATO allies need to do more to support the current range of missions with adequate forces. The US goal has been to bring the alliance up as close as possible to its agreed goal that 40% of land forces should be deployable and that 8% should be deployed or committed to deployment at any time. NATO allies continue to suffer from under-resourcing of military capabilities. At present, no issue grates on the US side of the transatlantic relationship more than the continued capabilities shortfall and resultant disconnect between the expanding missions, especially stability operations, and the forces made available to implement them. In the coming year, this one issue will drive the transatlantic discussion on the future of ISAF and, ultimately, NATO itself.

Unfortunately, Afghanistan is only one of the problem areas, albeit the most urgent, in transatlantic security relations. Kosovo remains fragile and the Americans have been looking to Europe to take a more active role in the operation. For example, in the winter of 2008 the Council of the European Union decided to launch the EU Rule of Law Mission in Kosovo –"EULEX Kosovo." The Political and Security Committee decided on 7 February 2008 to appoint Yves de Kermabon as Head of the EULEX Kosovo mission. EULEX is being built up to support the Kosovo authorities in their efforts to build a sustainable and functional rule of law system. Meanwhile, UNMIK retains full operational responsibilities. EULEX Kosovo will not replace UNMIK: the successor of UNMIK will be the Kosovo institutions. For the United States, this has been an important step, but Washington continues to ask Europe to do more.

Both militarily and politically, Afghanistan remains the most important challenge to improved US-European relations. The issue of additional support for the mission in Afghanistan is also one on which the US and European positions can converge, as ISAF is a NATO operation, undertaken voluntarily by the alliance (in September 2006 the NAC extended NATO's operations to all of the country), and in some European capitals it is seen

as a *quid pro quo*, whereby non-participation in Iraq is offset by contributions to ISAF. In the coming year, developing a shared and sustainable plan for the future of Afghanistan will offer the greatest opportunity for Europe to build a larger shared security agenda with the Americans.

There is consensus, even among the staunchest critics of the Iraq war, that Afghanistan is the battleground that must be held, and that the detour into Iraq has contributed to the current precarious situation in Afghanistan. This makes the need to bring the Iraq war to a conclusion even more urgent. Although the current so-called "Gates Plan" stipulates a 92,000-person increase in the size of the Army and the Marine Corps, even those numbers will be inadequate to provide for the requisite increase in US troops for Afghanistan. The proposal of deploying a minimum of three additional brigades to Afghanistan – one training brigade, two combat brigades – in support of NATO operations against the Taliban is advocated by both presidential candidates and endorsed by the Joint Chiefs.

NATO's future: The legacies of Bucharest

The April 2008 NATO Summit in Bucharest addressed some of the burning concerns about ISAF and NATO support for out-of-area missions, but it did not mark a dramatic break with the past. Some US analysts were frankly bemused that the allies at the Bucharest summit would celebrate France's promise to add 700 new soldiers – about one for every 400 square miles of Afghan territory, or for every 40,000 Afghans – and that they would consider the promise of 18 additional NATO helicopters for ISAF a sign that the allies are serious about meeting their obligations.[8] The limited assistance agreed on at Bucharest came at a time when the United States had been outspoken about the continued shortfall in European contributions to ISAF. Two months before Bucharest, during the Munich Security Conference in February, US Secretary of Defense Robert Gates directly appealed for sig-

[8] Anatol Lieven, "Three Faces of Infantilism: NATO's Bucharest Summit," *The National Interest Online*, April 4, 2008 http://www.nationalinterest.org/aspx?id =17298.

nificant additional contributions. Gates warned that NATO was under "such stress over operations in Afghanistan that it risked imploding." Gates pointed out that there was no proper burden sharing in the alliance, and that many in Europe might not have comprehended the magnitude of the direct threat to European security coming out of Afghanistan. He warned that NATO was at risk of becoming a "two-tiered alliance of those who are willing to fight and those who are not. Such a development, with all its implications for collective security, would in effect destroy the alliance."[9] Coming on the heels of closed-door internal NATO arguments at Vilnius, Gates's comments were intended to put European allies on notice that America was not prepared to live with a "NATO a la carte."

Stress in the transatlantic relationship evidenced in Vilnius and Munich, and especially divisions between the United States on the one hand and Germany and France on the other, carried over into the Bucharest summit. President Bush's vocal support for the policy of continued NATO enlargement, particularly his calls for extending the MAP to Georgia and Ukraine, were blocked by Germany and France, with support from some other allies. When it came to issuing membership invitations to the "Adriatic three," the United States proved unable to overcome the resistance from Greece to allow Macedonia to join, thereby limiting the next NATO tranche to only Albania and Croatia.

US-EU security relations

The most dramatic shift of the last year of the Bush administration has been the recognition that US security strategy cannot be implemented without strong support from allies and partners, especially its traditional allies in Europe. The change was in part caused by the lessons from Afghanistan and Iraq, as well as the overall experience of the Global War on Terror (GWOT), which tempered the Bush administration's original penchant for unilateralism. To a very large extent, the change in approach has been driven by resource constraints, which are increasingly manifest on

---

[9] "US Warns of 'Implosion' of NATO Alliance in Afghanistan," *The Independent*, London, February 11, 2008.

the US side as the conflicts progress. In the aftermath of 9/11, US defense spending went up significantly for increased homeland security and to support Operation Enduring Freedom. In 2003 the expenditures went up again as the Iraq war was launched and have remained high, compounded by the added costs of stability operations in both Afghanistan and Iraq.

In 2008 US defense spending was running at close to $2 billion a day, not counting the supplementals for Iraq. Because of the Bush administration's early decision not to raise money for the war through taxes, as there were concerns that the economy rocked by the terrorist attack could slip into a recession, America's national debt exploded from about $6 trillion in 2000 to the current $9.5 trillion. Fiscal deficits, coupled with persistent trade deficits, were further compounded by the pressures building in the US financial markets in the wake of the mortgage crisis, with the final blow delivered by exploding energy prices. To put the oil shock in perspective, from 2002 to 2007 the price of oil rose $60 per barrel; then just last year it jumped another $60. The turmoil in the US economy was reflected in the declining value of the US dollar in global currency markets: from 2000 to 2008 the US dollar lost close to 40% of its value relative to the euro. By the summer of 2008, even President Bush was talking about timetables for Iraq, and the US was eager to bring any additional military capabilities online. The change in the American power position and the need for greater military cooperation with the Europeans, rather than the largely theoretical discussions of the past, have opened a pathway to a more flexible US position on ESDP.

There are reasons for guarded optimism that ESDP will be fully accepted by the US, and that the transatlantic security relationship will improve. Pro-American – or at least sympathetic – governments are today in power in Paris (some would consider it a first since 1945), London, Berlin, Warsaw and Rome. There has also been a movement from the US side towards greater acceptance of ESDP, with President Bush speaking specifically to the issue of a "distinct EU security dimension"[10] at the NATO summit in Bucharest in April 2008.

---

[10] Michael Ruehle, "Bucharest Balance Sheet," IP, Summer 2008, pp. 18-22, p. 20.

In fact, the US position on ESDP has evolved from the initial suspicious endorsement to near acceptance. In 1998 then-Secretary of State Madeleine Albright, in her initial response to Saint-Malo, famously remarked that while the US "enthusiastically supported any such measures that enhance European capabilities," the US would insist on "three D's": no delinking of European and North American security, no duplication of existing efforts and no discrimination against non-EU NATO members.[11] In contrast, in October 2007 former US Ambassador to NATO Victoria Nuland signaled a new willingness to cooperate when she asserted in Paris and London that since "we need each other and we need all of our national resources – hard and soft power, political, economic, military, good-governance tools – to solve today's problems, it only makes sense that we work together."[12]

That does not mean that Washington and Brussels are now singing from the same page; rather, it is an indication that in the environment of growing resource constraints on the US side, the Bush administration has resolved to explore the boundaries of the US-EU security partnership. The US position has remained that European commitment to soft power is not being matched on the hard power side, especially when it comes to defense spending. Reflecting the change in tone and indicative of what is likely to come, current US Ambassador to NATO Kurt Volker, the man who was a key aid under Assistant Secretary of State for European and Eurasian Affairs Dan Fried in rebuilding US-European relations in the second Bush term, went a step further in embracing ESDP as a partner for America. Speaking at the Heritage Foundation in Washington on May 7, 2008, Volker moved beyond the previous existential debate on ESDP, asserting: "We need an ESDP that works. We need one that is both effective for contributing capabilities for NATO operations (where NATO is taking the lead); and able to be used by the European Union if NATO is not involved, but with no competition or duplication of leadership, no pulling apart into separation between Europe and the rest of NATO. We need a closer integration, and we

---

[11] Madeleine Albright, "Remarks to the North Atlantic Council Ministerial Meeting," Brussels, December 8, 1998.

[12] http://nato.usmission.gov/ambassador/2007/Amb_Nuland_Brussels_101607.htm.

need an ESDP that can become a supportive part of an effective NATO and transatlantic link."[13]

The evolving US view on ESDP offers an opportunity for European leaders to begin rebuilding the battered transatlantic relationship. The burden of proof is now shifting to the EU side: as America grapples with the Iraq trauma and refocuses on Afghanistan, the EU needs to demonstrate that it is an effective partner by providing meaningful resources – forces, military equipment, funds and civilian personnel – to help NATO succeed in what has been widely regarded as a "good war" in Afghanistan. This means that in the coming year a serious debate must take place in Europe about ways to improve military capabilities and build public support for higher levels of military spending. Otherwise, the current problems will deepen, with the number of forces the EU can deploy declining as the costs of operations and military equipment continue to inflate at a rate of 6-8% a year, and the informal target of spending 2% GDP for defense remains unmet.[14]

Anti-Americanism

One of the most often repeated clichés, and arguably the least appreciated phenomenon that impacts on transatlantic relations, is Europe's presumed anti-Americanism. The argument has merit at the level of historical juxtaposition, as to some extent Europe and America have always defined themselves in opposition to each other. In the past eight years, however, two important trends have come together: (1) a generational change among Europe's elites, with the generation formed by the Cold War experience receding into the background, and (2) a strong and largely negative reaction to the Bush administration's policy choices. By the administration's second term, the anti-American sentiment in Europe had begun to reach beyond policy differences, seeping into general public attitudes towards "things American"

---

[13] Kurt Volker, "The Bucharest Summit: NATO and the Future of the Transatlantic Alliance," *Heritage Lecture # 1082*, The Heritage Foundation, May 7, 2008.

[14] Charles Grant with Tomas Valasek, "Preparing for the Multipolar World: European Foreign and Security Policy in 2020," *EU Essay*, Center for European Reform, 2007, p. 10.

and manifesting itself on an ever-greater scale. The first aspect of the new relationship – the emergence of the "'68 generation" as an increasingly important segment of policy elites during the chancellorship of Gerhard Schroeder in Germany – was not as important in the final analysis as the changing attitudes towards America at the public opinion level.

The change in European attitudes towards the United States has been most pronounced in the aftermath of Washington's 2003 decision to go to war in Iraq. According to Pew Global Attitudes Project, in 1999/2000, 83% of the British public had favorable opinions of the US; by 2006 that number stood at 56%. In France, the percentage reporting a favorable opinion dropped from 62 percent to 39 percent; in Germany, it dropped from 78 percent to 37 percent and in Spain, from 50 percent to 23 percent. In Russia, the percentage holding a favorable opinion went up in the aftermath of 9/11, from 37% to 61% in 2002, then dropped by almost half to 36% in 2003, and inched up to 43% in 2006.[15]

The second critical aspect of the strained relationship has been a clear and unequivocal rejection of post-9/11 US policy decisions by the overwhelming majority of Europeans. European opposition to US military operations in Iraq has been widespread across Europe, with at least half of those surveyed in 43 of the 47 countries polled by Pew reporting strong opposition to the war, stating that the United States should remove its troops from Iraq as soon as possible – a sentiment shared by 56% of all Americans in 2007 and over 60% in 2008. Even more interestingly, with the exception of Poland, Russia, Slovakia and Ukraine, all West and East European countries polled by Pew in 2007 shared the majority view that the United States should withdraw from Afghanistan as well.[16]

In the coming year, public attitudes will constitute the greatest challenge to improving transatlantic relations. Here more can be achieved through a concerted effort inside the EU to speak with greater unity on security policy goals, thereby ameliorating the "old Europe" vs. "new Europe" dichotomy in relations with the

---

[15] Pew Global Attitudes Project report, 2006.
[16] The Pew Global Attitudes Project report, 2007, Washington, DC, pp. 24 & 116.

United States. Small states in Europe, especially those that find themselves closer to the EU boundary and who carry a greater burden of history, have a security imperative to preserve and strengthen the transatlantic link, more so than the large Continental players. Nowhere in Europe is the need for strong linkage with the United States, as well as for being embedded in a cohesive and working EU, more evident than in Central Europe and the Baltic Region. Small states such as Estonia can play an important role in bridging the intra-EU fault lines by pursuing regional security initiatives and strengthening military cooperation, while also doing all they can to preserve the viability of the NATO alliance. For the new democracies of Europe, security requires both the EU and NATO; furthermore, their relative influence in one is a direct function of their relationship with the other, and vice versa.

Acute problems in transatlantic relations over the past eight years have put this core foundation of regional security in Central Europe and in the Baltic region in question. During the Bush administration, United States policy toward Europe put a far greater premium on dealing with individual European capitals than on working within NATO or dealing with the EU. In the aftermath of the US invasion of Iraq these bilateral relationships varied in terms of their intensity, depending on the degree of shared interests, from close partnerships at one end of the spectrum to cool but cooperative arrangements on the other. At one extreme there was an "old European" and a newcomer: the United Kingdom and Poland, both of which, albeit for different reasons, saw close ties to the United States as vital to their national security. At the other extreme, France and Belgium sought to reduce US influence and to refocus on the deepening of the European project. Somewhere in the middle at the time, Germany's position has fluctuated, with Chancellor Gerhard Schroeder coming closer to the French position and taking a strong anti-U.S. position on Iraq. Since the CDU/CSU narrow electoral victory in 2005, Chancellor Angela Merkel has moved Germany closer to the center and become a greater advocate for NATO. Meanwhile, the United States' overall military presence in Western Europe has declined, not only as a result of the post-Cold War reduction in the US armed forces of close to 500,000 personnel, but also

through deployments shifting southeast to Romania and Bulgaria to support US policy in the Middle East and the Mediterranean.

In addition to Europe's public and vocal opposition to US policy in Iraq, differences over the Middle East and the Mediterranean in general have strained Euro-Atlantic relations, especially on the Arab-Israeli issue. Soon after the outpouring of European solidarity with the US post-9/11 began to cool, the overall US Global War on Terror strategy began to polarize Europe. Prime Minister Tony Blair's decision to throw his country's support fully behind the US policy in Iraq put new distance between the United Kingdom and France. Likewise, the cooling of German-American relations in the wake of Iraq saw a concomitant deterioration of German-Polish relations, an important regional variable in Central Europe. Because Germany opted to stay out of the invasion of Iraq, while Poland stepped into the breach in an attempt to position itself as the favored American ally in the region, the decade of carefully calibrated work to foster German-Polish reconciliation was dealt a serious blow. The differences were not limited to the "new Europeans." Denmark assisted the United States in Iraq, and Prime Minister Anders Fogh Rasmussen continued to support the US policy long after Iraq became political poison domestically. A similar position was taken by Italy's Silvio Berlusconi and Spain's Jose Maria Aznar; although both suffered electoral defeats, at the time the policies of Italy and Spain belied any claim of European solidarity. Significantly, the decision of some European governments to support the US on Iraq has further undermined public support for maintaining strong transatlantic relations. As we approach 2009 the question is now more about what has divided Europe from America, rather than what still binds us together. The challenge for the next US President and for European leaders will be to reverse the order of that question.

Indeed, the cohesive idea of "Western Europe" that had provided the paradigm for the security and political integration project during the Cold War has been superseded by a much more amorphous notion of Europe, in which regional and developmental discrepancies have become ever-more pronounced. In security terms, there is no "one Europe"; there are multiple regions, each with different threats. The farther one travels east

and south, the less secure these regions appear. In the Balkans, American power was critical to concluding the series of wars in the 1990s; in the Baltic littoral it remains the essential variable for the security of the Baltic States and for Poland. The task of outlining a larger European security agenda that at least partially overcomes those regional variables is the primary task facing European leaders today as the precondition for rebuilding transatlantic relations.

Estonia's contribution to Atlanticism

The small Baltic states will have only a limited means to radically alter the transatlantic dynamic in the coming year, but those efforts can be significant in their own right. Estonia's limited ability to contribute to military missions, constrained by the size of the country's defense forces and the country's available resources, nevertheless has an important political dimension. The defense forces can offer niche capabilities providing added value disproportionate to their number. One significant initiative that will benefit both the US and its European allies is the NATO cyber defense center, established in Estonia pursuant to the May 14, 2008 agreement between seven NATO countries and to be fully developed by the Estonian Defense Forces.[17] From the US standpoint, Estonia's determination to pay for the infrastructure and the installation costs of the center is a strong signal of the country's commitment to contribute to NATO's capabilities. Other initiatives to enhance common capabilities include the planned upgrading of the Amari air base in northwestern Estonia, to be completed in 2011, with half of the total cost of approximately 64 million euro being covered by Estonia and the rest coming from NATO.[18]

Even more significant from the US standpoint was the decision by the country's parliament (*Riigikogu*) to authorize the extension of the Estonian Defense Forces' mission in Afghanistan through 2008.[19] Although those contributions are limited – maximum 150

---

[17] *BNS Daily News*, June 16, 2008.
[18] *BNS Baltic News Service*, February 14, 2008.
[19] *New York Herald Tribune*, December 4, 2007.

troops in Afghanistan and approximately 40 in Iraq – they signify Estonia's commitment to strengthen its alliance with the United States. Estonia has conducted itself as a reliable ally and a friend of the United States. At a time when US relations with some of its allies are strained, such support has real political value.

For Estonia – especially in the aftermath of the April 2007 Russian-Estonian crisis over the Soviet war memorial relocation from the center of Tallinn and the subsequent cyber attacks against Estonia's government, financial and media internet servers that caused millions of dollars worth of damage – close alignment with the United States and the continued viability of NATO remain vital national security interests. Any effort that strengthens internal cohesion of the alliance and eases tension in transatlantic relations will increase Estonian national security.

Can we get along again?

The Cold War-era thinking about transatlantic relations, whereby America and Europe constituted the collective "West" and US leadership provided the glue, stayed with us for more than a decade after the disintegration of the Soviet Union. Almost reflexively, the Cold War-era institutions were reframed but maintained, with NATO remaining the symbol of a continued transatlantic bond and – for the former Soviet satellites in particular – the newly attainable paragon of security and guarantor of freedom. The experience of the Balkan wars buttressed the American claim to continued leadership and reaffirmed Europe's willingness to defer to the US as the repository of hard power. In truth, in the post-bipolar era the United States remains the only military superpower, with the EU still in some disarray as it continues to come up short in its search for a proper security role for itself – first in the Gulf War, then in the Balkans and today in Afghanistan – and in developing the necessary military capabilities.

The collective political West continues to operate based on residual security institutions such as NATO, albeit refashioned first to accommodate the benign security environment of the 1990s and then adapted in this decade to post-9/11 threats, while ESDP remains very much a work in progress. The misread lessons from

the Balkan wars, especially from the Kosovo campaign, that the Americans "cook the meal" while the Europeans come later to "do the dishes," have given credence to the neoconservative contention that the American muscle is there to guard that hopelessly-effete postmodern Europe. When 9/11 struck and Article 5 was invoked in defense of the United States, America preferred not to bring Europe onto the battlefields of Afghanistan under the alliance umbrella: in a bizarre twist of fate, Operation Enduring Freedom did not become a NATO operation. In the words of a senior US general, "we were offered a wonderful package but didn't quite know how to unwrap it." The challenge today is to move beyond that experience.

For the past eight years US relations with Europe have been shaped by a Republican administration dominated by the neoconservative vision of how to apply American power. What should have been a gradual shift in priorities away from the Clinton/ Gore era – with some of the Democratic humanitarian interventionism already ostensibly rejected by candidate George W. Bush in 2000 – was in the aftermath of 9/11 crystallized into a morally-based unilateralism driven by democratic universalism, which in the Bush administration has bordered on dogma. The United States came out of the Cold War with a rich dowry of military capabilities – in sharp contrast to its European allies – but without the level of restraint previously imposed on it by bipolarity. The 9/11 attacks, however, removed the remnants of US constraint vis-à-vis its European allies. As America launched the "long war" in 2001 and framed it in existential terms, it left little room for intra-allied debate. In the intense political environment after the terrorist attacks on New York and Washington, the sharp choice America offered to its friends and foes alike was either being with us or with the terrorists. The Europeans learned that they could either participate in the GWOT on US terms, or be left by the wayside. The military campaigns that followed were fought by coalitions of the willing, while those less-willing or not-willing-at-all soon found themselves on the periphery of America's strategic vision. The once-cohesive West of the Cold War era began to mutate, albeit almost imperceptibly at first, long before the 2003 train wreck over Iraq.

While Afghanistan remains at the center of the US security

agenda, reconnecting the overall approaches from the two sides of the Atlantic will be the most significant challenge for the coming years. The agenda includes reaching consensus on the process and, ultimately, boundaries of NATO enlargement and enlarged partnerships, sharing in the effort to counter WMD proliferation and reaching a common platform on missile defense re-linking the US to Europe. For NATO, it means a new Strategic Concept to replace the 1999 document; but even more than that, it means an agreement on the long-term mission that is both militarily viable and politically sustainable at home in Europe and in the US. If this is achieved, it will be much easier than it has been to date to move forward on programs to enhance interoperability between US and European forces.

The US strategy after 9/11 was based fundamentally on military preponderance as a pathway to security both at home and abroad. The capabilities gap between the US and Europe made the meshing of American and European visions all but impossible. The cliché that if one has a hammer everything looks like a nail – an often repeated European criticism of the American infatuation with military solutions to security problems – was met credibly enough with the repartee that if one has no hammer, one pretends there are no nails. That framework is now up for revision, as in the wake of Afghanistan and Iraq the United States realizes that it needs Europe more than at any time since 1990. For the Europeans, the key question is whether they are willing and able to reciprocate that sentiment. Given that, the million dollar question for 2009 will be whether we have the time needed to span the Euro-American divide and to establish a shared security agenda, or if the internal divisions within NATO have become unbridgeable. As Charles Kupchan observed in the aftermath of the Bucharest summit, for many in Europe NATO is looking today "less like a vehicle for common defense than one for dragging Europe into distant and unwanted conflicts."[20] But to follow Kupchan's argument, perhaps instead of looking for the former sense of close solidarity, the question for the US and its European allies and partners today should be not so much whether differ-

---

[20] Charles Kupchan, "NATO Divided: Summit Lessons," *The International Herald Tribune*, April 10, 2008.

ences between the US and Europe can be overcome, but rather whether they can be tolerated on both sides of the Atlantic.

As the Bush administration is preparing to depart, to some extent the legacy of the past two terms is likely to live on a while longer. Today, Europe's thinking on its security relations with the United States remains locked in the framework of the 2003 confrontation over Iraq, with the attendant acrimony and a sense of mistrust. Meanwhile, the United States is focused on the present state of affairs, especially in Afghanistan, viewing what the May 2008 Congressional Research Service report called "NATO's first 'out-of-area' mission beyond Europe" as "a test of the alliance's political will and military capabilities."[21] The challenge will be to bring both perspectives closer in line with each other: to articulate shared threats as the precondition to building a sense of a shared transatlantic mission, including how to deal with resurgent Russia. For small states like Estonia, such re-linking of Europe with America will remain the key to national security for years to come, especially as the United States frames a long-term response to Russia's 2008 military offensive into Georgia.

---

[21] "NATO in Afghanistan: A Test of the Transatlantic Alliance," *CRS Report to Congress*, May 6, 2008.

The emerging cyber security agenda: threats, challenges and responses[1]

Heli Tiirmaa-Klaar

Preface

In the spring of 2007, Estonia was the target of politically motivated cyber attacks which were unprecedented in scale, and were characterized by a sophisticated level of coordination. In addition to this first occasion in history where an entire country became the target of a large-scale cyber attack, the past year witnessed also numerous other attacks and intrusions in the US, United Kingdom, France, Germany and elsewhere. In 2008, well-coordinated cyber attacks were launched to support the strategic objectives of an aggressor in a military conflict between Russia and Georgia. To add to the picture, recent years have witnessed a rapid increase of criminal activities in cyberspace, leading to the emergence of an organised cybercriminal industry, which works closely together with transnational organised crime and has some links with terrorist networks. With cyber attacks against nation states and the rapid growth of cybercrime, the years 2007-2008 clearly mark the beginning of a new era in global security, where our dependence on information technology can no longer be regarded as a mere technical matter, but has, instead, become a matter of survival for all modern societies.

---

[1] This article expresses the author's personal opinions and does not necessarily reflect the views of the Estonian Ministry of Defence.

An era of cyber security

Cyber security[2] might sound as a catchword meaning something that "has to do with computers". In fact, the intuitive connotations attached to "cyber security" are right in a sense that they convey a notion of a core issue – our sense of vulnerability in an era of rapidly changing information technology. Advances in information and telecommunication technologies (ICT) have yielded impressive rates of economic growth and innovation. However, these advances have been parallelled by an escalation in the mishandling of the same technological tools, arising from different motivations, starting with organised cybercrime and ending with mischievious behavior by schoolchildren on Internet. This growth, in the use of technological tools for criminal or fraudulent purposes, points to a widening problem for the societies in general. The cyber attack on Estonia, as well as subsequent serious cyber attacks and intrusions against various other countries' governmental and commercial infrastructure, has led to the emergence of a new security agenda. National governments, as well as NATO, EU, and other international organizations have begun to consider cyber security as one of the most vital security issues.

Increasing dependence and decreasing awareness of information technology

An era of cyber security had already begun before the widespread production of PCs and other technological devices. Information security has been always a critical component of national security

---

[2] **Cyber security** – national cyber security comprises all operations relating to electronic information, data media and information services that affect national security. Ensuring the security of a country's cyberspace includes various activities at different levels. The main objectives are to reduce the vulnerability of cyberspace, prevent cyber attacks and, in the event of an attacks, to recover the functioning of information systems as quickly as possible. In order to ensure cyber security, the following are necessary: assessing the vulnerability of the country's critical infrastructure; establishing a system of countermeasures against cyber attacks; determining the division of tasks between agencies and between the public and private sectors in combating cyber attacks; improving international legislation and institutional co-operation; raising public awareness on cyber security and threats; and developing training and research programmes on cyber security. (Estonian Cyber Security Strategy)

and defence, of internal security policies in large companies and of critical economic sectors (e.g. nuclear energy, air transport etc). In last two decades, the widespread use of Internet, the speed of development of information technologies, and lowering cost of ICT devices has brought about an IT revolution that has transformed our lifestyles, to an extent unimaginable a few decades ago. As the IT revolution transformed industrial societies into information societies, governmental regulations have unfortunately lagged behind the rapid developments in the ICT sector. Regulatory legislation is concentrated mostly on data protection, anti-trust policies in the ICT sector, and liberalization of services. Up to now, the importance of information security, as a basis of a well functioning information society, has gained relatively little attention from policy-makers and legislators, leaving the application of security measures largely to the owners of ICT systems or technical staff, with little supervision by the authorities. Thus, a whole generation has grown up who have the necessary technical skills, but rather limited knowledge about the safe use of the information and communication technology. General awareness of cyber threats remains quite limited, even as cybercrime has proliferated, war-like activities against nation states have occurred in cyberspace, and identity thefts and other types of computer crimes have mushroomed in every country. PC users in a majority of countries have not realised that their unprotected computer with a bandwidth connection can be part of a botnet[3] that is openly sold on the Internet by cybercriminals, and could be used to target other countries' critical infrastructure as a tool in cyber warfare. In contrast to the general unawareness about information security matters among wider public, there have always been professional communities who are well aware of the threats to national security by hostile IT penetration, most notably security analysts, military planners and people responsible for the protection of critical national infrastructures.

Since the latest technology is often initially employed by defence systems, the cyber component in the offensive and defensive military operations has gained a central role in modern

---

[3] Botnet – a term used for a collection of compromised computers running malicious software.

warfare. In addition to the military establishment, many industrial countries have developed elaborate systems to protect the information technology component of critical infrastructures. Safeguarding of the governmental and military communication systems, as well as protection of critical national infrastructure and critical information infrastructure, rank highly among security concerns of nation states. While all the abovementioned issues are safeguarded by governmental procedures and control systems supervised by qualified experts, the broader public usually has limited access to information concerning the efforts and initiatives by governments focused on strengthening the state's resilience *vis-à-vis* cyber threats. Up to spring 2007 when the attacks on Estonia occurred, it was widely believed that protection of governmental communication systems and critical information infrastructure, provided sufficient defensive measures that ensured the IT aspect of national security. It had occurred only to a few that with the evolving interdependence between IT-services in our societies, none of the countries can guarantee the resilience of information systems in the case when they are attacked with coordinated Internet attacks using overloading data from millions of unprotected computers worldwide. Even if the critical infrastructure remains uncompromised by such attacks, a massive cyber assault carried out to disrupt the online services of the government and businesses, in order to manipulate the contents of governmental websites and to create information barriers, can create very serious disruptions for a society.

Estonian cyber attacks and lessons for other information societies

Although the cyberattacks and intrusions in cyberspace, for political and criminal motivations, had been witnessed on earlier occasions, Estonia was the first country to fall victim to Internet attacks on such a large scale. What makes the Estonian case different is the fact that attacks against Estonian governmental and private sector information infrastructure occurred simultaneously against thousands of targets, with the flood of data and coordination of the attacks being on an unprecedented scale. Although there is some dispute among the technical experts about the

details concerning the attacks, the event marked a beginning of a new paradigm in international security. The Estonian case is still somewhat puzzling for leading security analysts, since the Estonian government has not revealed many of the details concerning the attacks to the public at large.

For those readers who are not familiar with the context of Estonian cyberattacks, it should be stressed that these attacks were carried out in a larger context of politically motivated destabilising activities from within and outside the country. Cyber attacks formed just one component of a larger information operation against the country in spring 2007. As the Estonian government started preparations for the relocation of the Soviet World War II monument from the center of Tallinn to the military cemetery, street riots and vandalism prompted the Estonian government to relocate the monument sooner than initially planned. This move triggered many events in following weeks: a massive propaganda response, blockade of the Estonian embassy in Moscow, demonstration in streets as well as cyber hacktivism[4] and severe cyber attacks that required a professional response. From April 27 to May 18, Internet attacks occurred in several waves trying to disrupt or manipulate contents of governmental websites, to close down online services of news agencies, to disturb services of biggest banks and other private sector targets.[5] Numerous attacking methods were used, most importantly distributed denial of service attacks, which involved sometimes very large botnets. Attacks took place at different levels simultaneously, involving hacktivists, amateur hackers and professional attackers. Some of the attacks could have caused serious damage to the country's critical information infrastructure if the timely application of the rapid countermeasures had failed.

To place the Estonian attacks in a larger context of similar operations, these types of attacks are usually launched in order to achieve dominance in the field of information distribution, to

---

[4] Hacktivism – use of computer systems by a hacker-activist for the purposes of propaganda and protest
[5] There is a detailed report issued on the Estonian attacks by the Swedish Emergency Management Agency, it includes also technical data and description of attack methods. The report "Large scale Internet attacks", SEMA Educational Series 2008:2, can be found at SEMA's website: www. krisberedskapsmyndigheten.se

spread disinformation and disturb functioning of society with an aim to create chaos and panic. In the Estonian case, the response by information security experts from the public and private sectors to the attacks was rapid and professional. The attacks therefore could not dramatically disturb the country's information infrastructure, and the public noticed a few disruptions in online services, but did not panic. Although the critical services in vital economic sectors and industrial control systems were not targeted, Estonian private sector experienced severe economic consequences, with some loss of revenues from disturbed online services.

The cyber attacks on Estonia, and the defensive measures taken, provide other countries with an instructive lesson in how to cope with such an event. First, with the asymmetric cyber attacks originating from different networks, the response should follow the same logic and involve both domestic and international networks to assist the country under attack. The main lesson lies in the fact that asymmetry of threats in the Internet era requires new and different approaches in addressing risks in society. The Estonian reaction to the attacks was rapid and professional, facilitated by an informal small network of Internet security community, which assembled immediately for a coordinated response. Secondly, the major practical lesson, regarding the future handling of similar attacks, would be an improvement of the crises management procedures and critical infrastructure protection plans, with a special focus on regular compulsory tests and simulations. Simultaneously with fast advancing technology, vulnerabilities will develop at the same speed, and these need regular testing. Third, in this new era of threats ensuring the country's resilience should include some of the old strategies of total defence, and close public-private cooperation in society. In defending the civilian networks against cyber threats, conventional hierarchical procedures are cumbersome, and governments need to find a way to build dialogue with the private sector, as well as with trust-based networks of IT security professionals. Fourth, in case of a serious cyber attacks on one country, an efficient response requires international coordination. It is absolutely necessary to have supporting networks abroad that have the capacity to assist in a cyber crisis.

In conclusion, the attacks against Estonia demonstrated to all developed information societies the vulnerability of civilian infrastructure when exposed to asymmetric threats. IT security analysts, policymakers and the general public in Estonia consider these attacks as a wake-up call, reminding all modern societies, heavily dependent on information and communication technology, of their vulnerability in the information age. As with many new events in the history of conflicts, the Estonian attacks are now widely being studied and used as a model for improving national cyber security response systems. Aware of growing threats in cyberspace, many countries dependent on information and communication technology are renewing domestic cyber security initiatives.

Cyber threats: types and levels of threats in cyberspace

There are some components of cyber threats that are similar to other systemic security threats like nuclear threats. Like nuclear radiation, activities in cyberspace are invisible to the human eye, cyber movements do not need physical efforts other than keystrokes and cannot be controlled and caught by kinetic devices. What makes the "cyber" very challenging, is its absolute asymmetry compared with other national security threats. First, there is an asymmetry in terms of distance. Literally, a keystroke anywhere on the planet can reach the target in a few seconds. Secondly, there is also asymmetry in terms of resources and efforts to achieve the goals in cyberspace. Terrorist groups or other malevolent actors need only a few professionals and can set the targets to be attacked from great distance with considerably lower cost compared to organizing physical attacks or using conventional warfare. The third aspect of asymmetry lies in dual use of the medium used by cyber attackers, the Internet. Global network of networks, the Internet, serves humankind in a very positive way and is a motor of the global economy. At the same time, cyber criminals are using the de-territorialised world economy cleverly for their benefit and cyber crime has become a serious problem for many industries. For instance, the globalization of cybercrime was recently demonstrated by US and French

authorities who caught an impressive network of cyber criminals, operating in a number of countries on the American, European and Asian continents.[6]

Besides cybercrime, we have entered an era where terrorists, states and state-sponsored actors have begun to use Internet and cyberattacks for the purpose of attacking other countries. Technologically complex attacks and the total asymmetry of the networks allow them to carry out massive attacks without ever revealing the actors behind the operation. In this respect, the tools of cybercrime can be used for cyber terrorism and cyber warfare. Unless some organization or country publicly claims the responsibility for the attacks, the organizers who ordered and paid for the attack, can remain anonymous and unaccountable for their actions. IT security professionals can usually trace the "cultural" origins of attacks by analyzing the methods used, but law enforcement needs more detailed and concrete evidence. In order to obtain a comprehensive appraisal of an attack, expertise on attack methods and forensics of attacks should be viewed in the context of a more strategic analysis. Because of the concomitant security issues, and the complexity of the analysis, only a handful of security analysts will see the true picture in the end, and the public will be informed about serious attacks only to limited extent and post-factum.

For reasons described above, analysis of cyber threats according to their origin and motivation can be very complicated. In order to reduce the complexity of cyber threats, it could be useful to analyze cyber security from the point of view of different threat levels, as well as different levels of vulnerabilities.

Threat levels

The cyber threats influence all levels in societies: individual, industrial, societal, national, and global. Each level has certain characteristics of threats and vulnerabilities that will have corresponding consequences. In this categorisation, origins of threats are not analyzed, but rather the magnitude of the results if the ICT solutions are not exploited in an appropriate and purposeful way.

---

[6] Brad Stone, "Trail in global theft ring leads to Miami", *International Herald Tribune*, 12 August 2008.

Global cyber threats

Global cyber threats include systemic technological failures in large interdependent information networks, which will bring about simultaneous disruption of the functioning of critical infrastructure in many countries and regions. Global IT collapses and catastrophy scenarios were popular before the turn of millennium, but fortunately the Y2K apprehensions about possible disasters were not realized, thanks to the successful coordination of many specialised agencies and efforts of experts. Since that time, the public's awareness about the misuse of technology has decreased, and the myth of all-mighty IT experts fixing every failure in the system has gained credence among the general public.[7] It might seem ironic, but the success of Y2K turned out to be counterproductive for global cyber security, by creating the illusion of cyber threats as solely technical issues.

National and state level

The concept of national cyber security captures a wide spectrum of vulnerabilities that could be attributed to threats posed by cyberattacks. In the most serious cases, countries will have to face the possibility of cyberattacks against their critical military and civilian infrastructure by the hostile states, or state sponsored actors. These attacks could be carried out independently, i.e. using only cyberspace, or as part of a larger military or information operation. In either case, nation-states will have to build capabilities to prevent and to minimize the damage created by cyberattacks. Apart from the possible physical damage created by cyberattacks, the attacks on e-services and government information channels could also be used to inflict chaos and possibly destabilize a country. The latter was one of the strategic goals behind the attacks organized against Estonia in 2007.

Compared to conventional warfare or acts of sabotage, the asymmetric nature of cyber warfare allows the targeting of critical infrastructure and information infrastructure from great distances, with significantly smaller efforts, and less risk. The attacker has an additional advantage, in that the sources of attacks cannot be easily

---

[7] Johan Eriksson & Giampiero Giacomello (eds.), *International Relations and Security in the Digital Age* (London: Routledge, 2007).

detected and the technological innovations allow for a rapid renewal of assault methods. In view of the nature and the seriousness of the threats to national security inherent in cyberspace conflicts, this issue should be addressed seriously by all nations.

Societal level
At the present time, our dependence on IT solutions has reached the point of no return, since all modern societies depend on social networks that are facilitated by the technological networks. With the increasing number of attacks and assaults against critical infrastructure, as well as the growth in global cybercrime, we are at risk of losing the confidence necessary to use advanced IT solutions, and we are gradually instilling public apprehension about the trustworthiness of most of the means of information and communication technology. These trends would, in turn, prove very counterproductive for economic growth and innovation. In democratic societies we realize that the rising number of security breaches and incidents should be addressed with balanced responses to ensure resilience of the information systems. However, the same excuses could serve the interests of the authoritarian governments to introduce further restrictions on the use of Internet, or to facilitate imposition of restrictions on individual rights and freedoms.

Sectoral and industry level
Economic interests are clearly the first ones hit by the growing number of the incidents in cyberspace. Large banks in the UK experienced massive attacks at the end of 2007, and many companies all over the world are regularly under attack. In some sectors, attacks take the forms of intrusions and economic espionage, in others, attacks towards companies fail and the end-users are at increasing risk. In any case, the frequent cyber attacks are costly for the private sector, and this situation calls for more active involvement of the governments that must facilitate information sharing and assistance in incidence response. However, the extent of public-private cooperation varies widely across countries. In some countries, the private sector has been painfully hit already, but is still in denial: they won't admit to having been attacked, for fear of losing their customers. In more

successful cases, close cooperation has been established between various public and private stakeholders, an excellent CIIP (Critical Information Infrastructure Protection) system has been set up, and the general public has a high level of awareness about cyber security concerns. In a few countries, large corporations and critical infrastructure operators are increasingly interested in joint efforts to fight cyber threats, but there is still distrust towards the close cooperation with the government. Most of the advanced industrial countries have CIIP policies and systems, whereas many of the transition economies or new economic powers are struggling with getting their act together and establishing necessary defensive mechanisms. In many less advanced economies, where the regulations and standards of information security, as well as law enforcement practices, are very weak, companies would find it increasingly difficult to operate, if they had to face incidents of serious cybercrime. Such companies could establish joint CERTs (Computer Emergency Response Teams) there, or employ other technical measures, but they cannot enact or amend national laws, or ensure that police can deal effectively with cybercriminals. Thus, as in many other areas, the role of an efficient public service is a crucial component in the global fight against cybercrime.

Individual level
At the individual level cyber threats might emerge from a compromised PC at home that is used by somebody else as a part of botnet, or it could lead to the loss of personal data etc. Many small and medium sized businesses have no means to employ competent information security specialists, but might have sizeable non-professionally protected servers. For such businesses the real hazard arises when the company's server is hijacked for the purpose of an assault towards another company, or country. Of course, the Internet environment could be also used for intimidation or harassment of an individual. Such individual cases embody an important aspect of threat perceptions that have evolved with increasing exploitation of ICT. These concerns about individual harassment could be addressed by more effective awareness programs for the general public, and by the imposition of stricter rules for the use of the Internet by children and teenagers.

An examination of the different levels of cyber threat demonstrates that the global cyberspace connects all these levels simultaneously, therefore, the threats at the individual level can quickly escalate to national level if the botnet of unprotected computers assaults a country, or if a server of a company is used to attack another company, or another country's governmental networks. Recognizing this interconnectedness between the levels, it becomes evident that addressing the challenges and organizing responses to cyber threats requires the concurrent involvement of all these levels.

Cyberattacks carried out to support a military operation

Cyberattacks have only been used in a few military conflicts so far, e.g. the Palestine-Israel conflict in 2000 and most recently, in the Russian war against Georgia in August 2008.[8] There have also been attempts to carry out cyberattacks as supporting elements of the larger peacemaking effort in Kosovo 1999. The recent conflicts demonstrate the trend of using cyber attacks against critical civilian infrastructure and governmental communication infrastructure as a part of a military operation. As one reads reports about another successful cyberattack against a country's websites and simultaneous attempts of rerouting and spreading disinformation, an inevitable question arises: to what extent will cyberattacks be used in future military conflicts.

From the point of view of military planning, cyberattacks could be used as any other offensive method to achieve strategic goals of a specific operation. If the goal was to destroy the country's civilian infrastructure, air raids or heavy artillery would be more effective than cyberattacks to obtain this result. But if the goals were to create chaos and impair the functioning of civilian infrastructure, cyber attacks could be easily used to achieve these

---

[8] Although the clear evidence of attack organisers is hard to find in case of DDOS attacks, as millions of unprotected computers all over the world are used for attacking, a number of information security experts indicate the involvement of Russian criminal networks behind the Georgian cyberattacks. See for instance John Leiden, "Bear prints found on Georgian cyber-attacks", http://www.theregister.co.uk/2008/08/14/russia_georgia_cyberwar_latest/

objectives. It is quite likely that in the future, cyber operations will become natural supporting elements of other offenses in conventional warfare.

There are several categories of cyberattacks that are likely to be included in military conflicts. The first category is based on the vulnerability of the Internet infrastructure, and includes attacks that aim to disrupt the adversary's public communication networks. The methods used in these attacks include distributed denial of service attacks, defacements, rerouting etc. For destabilising the country and terrorising civilian population, the computer network operations that concentrate on mass media, disruption of online services and spreading propaganda will be used. For instance, in the Georgian case these methods were launched at the beginning of the conflict to prevent the Georgian government and the national media from communicating their messages inside the country as well as to the international audience. In the Estonian case, the attacks reached beyond the government infrastructure, and included the commercial banks as well as other targets, with an aim to disrupt financial services and civilian information infrastructure.

The second category includes attacks on critical civilian infrastructure such as power stations, transport systems, banks, water supplies etc. If the strategic goal prescribes disruption of the functioning of phone lines, mobile network, banking, food and water supply or transport and energy infrastructure, one can use cyberattacks, electromagnetic pulse or cyberattacks combined with physical attacks. Based on interdependencies between infrastructure objects, the cascading effect of such attacks, when combined with physical attacks, can achieve damage similar to that obtained in an attack by conventional weapons. If the tactic is to preserve the buildings, but damage information infrastructure only, one can successfully disrupt civilian infrastructure using electromagnetic interference or cyberattacks. It could be organised also in a way that avoids substantial physical destruction of infrastructure.

Although the control systems of critical infrastructure are usually not connected to the public Internet, recent reports on security applications of SCADA systems show that there are seri-

ous security gaps in automated supervisory systems.[9] However, in order to inflict serious damage, using Internet-attacks focused on critical infrastructure, requires careful preparation and skilled hackers, only actors with vast resources can materialize these threats.

The third application of cyber component in military operations includes offensive and defensive cyber activities on the battlefield, such as securing one's own and impairing the enemy's communication systems, misguiding one's adversary's weaponry, using electronic weapons etc. Unlike exploitation of criminal botnets in targeting governments' infrastructure, these activities should be covered by conventions of war, and the rule of proportional response should apply here.

One of the factors that will increase the likelihood of using cyber warfare elements in addition to conventional military weaponry is the relative cost-efficiency of cyber tools. Compared to the cost of modern equipment and military technology, cyber attacks are a rather inexpensive option for gaining tactical advantage in warfare. For instance, in order to damage your enemy's public relations and disrupt communication with outside world, the easiest way to accomplish this would be to organise DDOS attacks in the beginning of the military conflict. One only needs to create or hire botnets from the criminal market and set them on the targets. The cost of a decent botnet that could be hired from criminal networks is only between $200-400. It could cost more, depending on hiring time, capacity and complexity of targets, but the total cost would be well below that of using military equipment. If we consider the fact that most of conflicts since 1991 have been small regional wars, the skills and resources needed to impair Internet traffic and disrupt information infrastructure in these territories by cyber attacks remain very modest.

---

[9] Krisztina Cziner, Edward Mutafungwa, Jan Lucenius, and Risto Järvinen "Critical Information Infrastructure Protection in the Baltic Sea Area: The Case of TETRA", Helsinki University of Technology, CIVPRO, Working Paper 2007:6.

Challenges in addressing threats and vulnerabilities in cyberspace

In addressing cyber security risks one has to be aware of threats and vulnerabilities, which serve as cornerstones of any threat assessment that forms an essential platform for developing a prevention and response system. Prevention activities should be spread across all levels described earlier, they should include all professional communities involved in safeguarding cyber security, as well as society at large. One of the first challenges that needs to be addressed is the prevalent misperception in most societies, that cyber security is only a technical problem that can be fixed by technical methods. Once that bridge is crossed, and the top policy-makers are aware of vulnerabilities in information age, new challenges arise. First is a need to raise nation-wide awareness on cyber security, and the second is to create dialogue between different stakeholders interested in securing cyber space. Unless all concerned professional communities are involved in this effort, national cyber security response system cannot be functional. These communities include regulators of critical sectors, critical private sector operators, lawyers, law enforcement agencies, national security authorities and technical experts. To achieve a truly nation-wide response we have to add also research and development community, and leaders from higher education system, as well as people responsible for running public awareness programs. All in all, it takes enormous effort to create a common knowledge base among people from so many different walks of life, in order to build a system that will work at the national level.

In addition to a comprehensive national response system, each country also needs up to date procedures for cyber crises management. The Estonian attacks provided a good example by revealing the importance of rapid response capability which can avoid most of the hierarchical decision-making procedures. There are many areas of importance in developing the national system for coping with cyber threats, but the following ones have proved most essential.

Building a dialogue with the private sector

Best practices for ensuring cyber security include improving the incidence response system, upgrading security measures and bolstering the resilience of critical information infrastructure.

All these activities need a comprehensive approach by government departments and specialized agencies in charge of supervision and regulation of the private sector. One of the challenges that most governments meet in implementation of security standards is how to include stakeholders in private sector and how to strike a balance between growing security concerns and the economic rationale of a private company. Depending on a country's history, and traditions of public-private partnership, the solutions could be very different. In most continental European countries, laws and regulations have been enacted, with obligations and standards for critical operators. In the US, various joint programs and initiatives of public-private partnership have been launched by state authorities and the federal government in recent years. Since cyber security is of vital importance for both national and international security, it would be desirable to have a more active exchange of best practices and information sharing on public-private cooperation in the various international security forums.

In addition to governments' urgent need for dialogue with the private sector, the asymmetry of cyber threats is accelerated by the fact that most of the ICT sector has become a global industry. In a time of deregulation of national telecoms, and with global mergers of the telecommunication companies, the governments find it very difficult to protect their critical information infrastructure and services. How do you protect your critical information infrastructure that is operated by a global company, which has outsourced its IT services to India? Or, if you were a CEO of a critical company, how do you guarantee that the fiber optic cables in the Red Sea connecting IT service providers in Asia with your customers in Europe will not suffer a breakdown? As a CEO you can, in case of failure, opt for bankruptcy, but that is not an option for a government. At the end of the day, all these unforeseen private sector IT risks will have to be resolved by national governments. In the case of a major disruption of IT services in European information infrastructure, or in the case of massive cyber attacks towards one country, many other countries or regions might become affected too, and finally, governments will be responsible for managing the situation. Therefore, the governments need to cooperate and find solutions how to guarantee

operability of critical providers in times of crises, as well as how to coordinate an international cyber incidence response.

Although mainstream approaches to cyber threats stress terrorist and criminal activities, risks can originate also from technological failures or human mistakes. Recent analyses are so preoccupied by the origin of attacks that the option of technological malfunction seems to get less attention. However, in all cases of severe disruptions of critical infrastructure so far, i.e. electricity blackouts, explosions in chemical industry etc, the reasons were found in technological problems and negligence. According to private and public sector risk analysts, the majority of IT security incidents originated from mistakes of employees.[10] To minimize such risks, the governments could provide assistance to the private sector by sponsoring cyber risk awareness programs and supporting training programs for IT personnel of critical operators.

International response by governments and international organizations

The major lesson from the cyber attacks in 2007 and 2008 confirms the acknowledgement that vulnerability of cyberspace is a serious asymmetrical security threat, which can affect all nations and which must be confronted on a global level. Unlike terrorism, nuclear weapons or land-mines, cyber security is something that concerns all of us and everyone can contribute to a more secure cyberspace. Securing global cyber space is possible only if there is a general international awareness of the potential threat, and condemnation of cyber attacks that disrupt the normal functioning of society.

If actors at all levels of cyber threats and vulnerabilities take necessary security measures, it will be possible to shape a more secure global cyber space. In order to achieve this goal, every citizen, every company, every country and corporation must work towards this goal with a common understanding that if you do harmful acts in the cyber space, or do not secure your own information systems, you harm also yourself. In this respect, there is a clear analogy with anti-pollution and environmental issues. In or-

---

[10] A presentation by William Pelgrin, Director of the New York State Office of Cyber Security and Critical Infrastructure Coordination (CSCIC), *Cyber Warfare 2008,* London, 31 March 2008

der to achieve a healthier environment, we have created numerous regimes and international laws. A similar regulatory regime is necessary, if we are to cope successfully with the growing threats in cyberspace. In order to create a less dangerous cyber environment, we have to find ways of cleaning it up and punishing the polluters. So far, the Council of Europe Convention on Cybercrime is the only formal international agreement that addresses at least some of the threats in cyberspace. The convention, however, deals only with cybercrime, and does not apply to large-scale attacks, or attacks towards critical infrastructure or governmental information systems. It might take few more years and many more incidents, but there will surely arise a shared understanding about the need for new international regulations in this field. In order to continue benefiting from a free global Internet, it is necessary to develop international norms, measures, and instruments aimed at strengthening global cyber security.

Astonishingly, so far the fight with global cybercrime has been managed very unevenly: in many cases the IT security professionals have had to act as investigators, judges and police at the same time, while watching criminal activities in the networks. This situation is rather odd, and sooner or later, the governments must intervene, and develop some sort of global incidence response system. The successful development of such a system will have to rely on the support of trust-based networks of information security experts.

Towards an international regime in cyber security
A key challenge in achieving an international approach on Internet governance and adoption of international norms rests on the ability to reach political consensus among nation states. From the history of international relations, we know that the creation of international regimes has usually been spurred by tragic events in history, with the painful events providing the motivation for the countries to commit themselves to an international regime. The Bretton Woods institutions were created after World War II to stabilize the world economy, the International Atomic Agency was created after Hiroshima in order to avoid nuclear catastrophies etc. After the Estonian attacks many countries have realized the need for concerted international action, but as of now,

consensus on the creation of a cyber security regime has not yet emerged among the international community.

International security organizations and governments aware of cyber threats have a clear responsibility to pursue common action to prevent cybercrime, cyber terrorism and state sponsored cyber terrorism. The lack of such common action is the weakest link in the system and can prove costly in the global cyberspace. Criminals have realized this long ago, and in many cases, the countries with weak regulations and weak law enforcement are used as safe heavens for cyber criminals and terrorists. The Estonian Cyber Security Strategy therefore emphasizes the centrality of international awareness and cooperation in securing global cyberspace.

The Estonian Cyber Security Strategy[11]

In order to enhance Estonian cyber security, the Estonian government adopted a Cyber Security Strategy in May 2008. The strategy stresses the importance of a high level of information security for both public and private sectors in Estonia, supported by information technology solutions. The Estonian Cyber Security Strategy sets strategic goals for the various organizations in order to reduce the vulnerability of cyberspace in the nation as a whole. This is accomplished through the implementation of domestic action plans, but also through active international cooperation, which supports the enhancement of cyber security in other nations as well. The Strategy is divided into five policy areas where specific objectives are raised for all public and private organizations in the country.

1. **Bolstering security measures for critical information infrastructure and other information systems in Estonia.** Activities under this policy area concentrate on critical information infrastructure protection and application of information security standards for all other information systems. The following measures will be taken by the government: strengthening the infrastructure of the Internet, enhancing

---

[11] The full text of the strategy is available at http://www.mod.gov.ee/static/sisu/files/ Estonian_Cyber_Security_Strategy.pdf

the security of control systems of critical infrastructure, improving security solutions to meet new technologically complex attack methods and enhancing inter-agency cooperation and coordination, with a special focus on public and private sector cooperation in protecting critical information infrastructure.

2. **Increasing competence in cyber security.** In order to enhance competence in the field of cyber security, the strategy stresses the centrality of providing a high quality of training in information security. It is necessary to increase competence both in the public and private sectors, and establish common requirements for the competence of IT staff in information security. The strategy also seeks to intensify research and development of cyber security and enhance international research cooperation.

3. **Improvement of the legal framework for ensuring cyber security.** Legal framework in the field of cyber security needs to be improved, focusing on the protection of critical information infrastructure, as well as on initiatives to develop international legal instruments in the field of cyber security.

4. **Development of international cooperation.** The strategy stresses the convention on cyber crime and EU legislation on cyber attacks, and encourages the development of international cyber security initiatives. A high level of political support should be given to the cooperative networks of information security professionals, CERT networks, international efforts of law enforcement and the fight against cybercrime. Cyber attacks should be morally condemned by the international community.

5. **Raising awareness in cyber security issues.** The strategy aims to raise the level of awareness of information security among all computer users, with particular focus on individual users and small and medium enterprises. The goal is to inform the public about the threats in the cyber environment and to improve knowledge about safe use of computers.

Conclusion

The global cyberspace has formed a very complex network, with much of human activity and everyday life depending on the smooth and reliable operation of the systems in that environment. With societies increasingly dependent on cyber space, vulnerabilities and the likelihood of asymmetric attacks towards civilian infrastructure have grown. In order to address the cyber threats nothing short of a global response will suffice since the cyber threats are global and asymmetric. The idea behind international cooperation is simple – more countries adopting the legal approach towards cyber criminals and terrorists, will bring about a more secure cyberspace. In the current situation, only the USA, Japan, Canada, South Africa, and most EU countries have adopted the only existing international convention regulating this area, and there is still no universal international instrument condemning cyber attacks towards critical civilian infrastructure. One of the future tasks for international lawyers is to develop more comprehensive international rules that could, if adopted by a sufficient number of states, be applied in cases of cyber warfare. As more technically talented generations grow up, the number of technically skilled people with limited cyber security standards is increasing, a statistic which underlines the urgency for action by the governments to avoid a likely future catastrophe caused by cyberattacks.

With increasing insecurity that accompanies technological advancement, there are new research areas emerging also for social scientists, e.g. how dependency on technology influences human behavior, how the social machinery in society can avoid or facilitate the threats related to cyberspace, how the frequent attacks will influence the confidence in reliance on ICT etc. Considering the degree of dependence of our societies on information technology, attention paid to comprehensive security policy analyses that also includes a cyber security component, remains surprisingly modest. In view of the dependence of states on information security and growing cyber threats, it is surprising to find that the leading research on security studies and international relations have been quite detached from such issues.

In conclusion, threats mounting in global cyberspace can be met only by comprehensive approach by national and international actors alike. At the national level, an adequate response system should be developed that reaches beyond critical information infrastructure protection, and covers the whole society with information security education, cyber threat awareness campaigns and promotion of cyber security culture. At the international level, a greater degree of cooperation between states and international organizations, as well as launching new international instruments or regimes is desirable to attain more secure cyberspace. As it is unthinkable to close down the Internet for security risks, the threats in cyberspace could be addressed only by systematically reducing vulnerability of this cyberspace that is under one's control, be it one's country, company or home computer.

Estonian options in climate policy

Peep Mardiste

Introduction

Environmental protection has enjoyed a sharp increase of attention over the last decade. Within the last few years climate change has became one of the key discussion points in global politics. This is analogous to the reaction to the oil crisis in early the 1970s, when it was suggested that over-consumption of non-renewable natural resources will make environmental considerations a vital and growing concern. There were numerous events which supported the idea that environmental issues are of paramount importance. In 1972 the UN held its Conference on Human Environment in Stockholm, which raised the issue and eventually led to the establishment of the UN Environment Programme (UNEP) in Nairobi, Kenya. Even more groundbreaking was the 1972 report "Limits to Growth" by the Club of Rome. Based on careful modeling, the report suggested that many key non-renewable natural resources will be depleted sooner than expected if current over-consumption is maintained. [1] However, the raising environmental consciousness of early 1970s didn't lead to political action necessary to implement changes in consumption, hence the same issues are being discussed again, three decades later.

Contrary to the days of the oil crisis in the early 1970s, the environmental issues will not fade from policy-makers' focus in

---

[1] P. Mardiste, "Mis suunab keskkonnapoliitika evolutsiooni?" *Lehed ja Tähed IV*. Tallinn, 2007, pp. 140-5.

21st Century, as it has become widely recognized that climate change will be shaping the very way our societies function. The rather relaxed attitude towards use of limited natural resources is slowly changing, and that change is probably irreversible. Having caused the major part of historical pollution, the developed countries are assuming the leading role in planning and implementing action designed to combat climate change.

For a relatively small country, Estonia is a rather big air polluter. The magnitude of the potential challenges caused by man-made atmospheric pollution has been widely recognized globally just in last decade or so. However the cause of today's challenges is the cumulative pollution load released into atmosphere throughout the last century. Thus, in view of the historical or cumulative perspective, the claim, sometimes used, that Estonia's responsibility for challenges such as climate change are small, as it's current pollution load is relatively small, is invalid. Estonia's main historical man-made source of both carbon and sulphur emissions is the oil shale industry which dates back to the 1910s. The extremely heavy pollution loads during Soviet industrialization period, especially in 1970s and 1980s, should also make Estonians feel some responsibility, and encourage them to assume an active role in today's actions to curb climate change. If judged by practical implementation of practical measures for limiting climate change, such recognition is unfortunately not evident in Estonia.

Evolution of global climate policy and Estonia's role

The principal anthropogenic cause of climate change is the release of carbon to the atmosphere via burning of fossil fuels such as coal, oil or gas. The major contributors here are the energy sector (both in process of extraction of fossil fuels and in energy production in power plants), and the transport sector, through the burning of gasoline or diesel oil in engines. The magnitude of the problem became slowly recognized as a potential global challenge, leading to the first major global attempts, in the 1980's, to introduce measures for limiting the use of fossil fuels. Lengthy discussions and proposals for some kind of international carbon

tax were unfortunately not successful. Thus, the preparations for the creation of a global regime for climate protection were delayed by almost a decade.

As the idea for carbon tax had failed, somewhat less ambitious measures were considered, and in 1992 at the Rio Conference, the UN Framework Convention on Climate Change (UNFCCC) was adopted. The climate convention is an international treaty aiming at international cooperation for stabilizing and ultimately decreasing the emissions of greenhouse gases that cause climate change. The long-term goal of the convention is to achieve stability in atmospheric concentration of greenhouse gases at a level which would avoid dangerous anthropogenic interference with the natural climate system. Such stability has to be achieved on a timeline that allows ecosystems sufficient time for natural adaptation to the changed climate, and enables humans to continue feeding a growing global population, while, at the same time, allowing sustainable economic development.[2]

From a historical perspective, the major part of the emissions of greenhouse gases originated from the developed countries in the northern hemisphere. Thus it was fitting that those countries would take the lead in initiating international action to reduce such emissions. While negotiating the setup of the climate convention in early 1990s, it became quite evident that in the near future, many of the industrializing countries in the developing world were about to become major polluters. In 1994, the total anthropogenic emissions in the developed countries[3] were 11.7 Billion CO2 equivalent tons of greenhouse gases.[4] To compare, the emissions of the single biggest polluter, the USA, were 6.5 billion tons in 1995. As a compromise, only developed countries took a binding commitment with the Kyoto protocol to start limiting the emissions of greenhouse gases.

---

[2] A. Kratovitš, "Eesti ja rahvusvaheline kliimarežiim", *Eesti rollist rahvusvahelises kliimamutuste poliitikas*. Tallinn-Tartu, 2007, pp. 4-11.

[3] Non-annex 1 countries of UNFCCC.

[4] UNFCCC secretariat, *Sixth compilation and synthesis of initial national communications from Parties not included in Annex I to the Convention*. Montreal, 2005.

Under the UNFCCC the participating governments are:[5]
- gathering and sharing information on greenhouse gas emissions, national policies and best practices
- launching national strategies for addressing greenhouse gas emissions and adapting to expected impacts, including the provision of financial and technological support to developing countries
- cooperating in preparing for adaptation to the impacts of climate change

To create a practical framework for achieving the aims of UNFCCC, the Kyoto protocol was signed by the signatories of UNFCCC in 1997. As an average, developed countries agreed to cut emissions of greenhouse gases by 5.2% by 2012 compared to original emissions in 1990. The enormous difficulties involved in the implementation of such wide-ranging global agreements the Kyoto protocol, are illustrated by the fact that it entered into force only in 2005, 14 years after the climate convention was signed by heads of state at the Rio Conference. Major challenges remain, largely because the biggest emitter of greenhouse gases, USA, has not yet ratified the Kyoto protocol.

Despite the rapidly growing anthropogenic emissions of greenhouse gases in industrializing countries such as China or India, the developing countries have no international commitment to limit their emissions. However, it is increasingly evident that these countries are likely to commit to some kind of limitation of emissions during the second stage of Kyoto protocol after 2012.

After re-gaining its independence in August 1991, Estonia started to develop its approaches to international environmental policy. Estonia joined the preparations for the UN climate convention at a rather late stage, but did become a signatory to the convention at its launch in Rio de Janeiro of June 1992. The Rio Conference was the first United Nations summit where Estonia participated at the highest political level, and it was this conference that led to the official birth of two of the most important

---

[5] *United Nations Framework Convention on Climate Change*. New York: United Nations, 1992.

global environmental regimes – the climate change regime and the biodiversity regime.[6]

The development of a national climate policy has actually been a rather relaxed exercise for Estonia. As in many other policy arenas, Estonia started to follow the example of the EU in its approach to international negotiations long before it joined the EU in 2004. When the Kyoto protocol was negotiated and signed in 1997, Estonia's commitment of 8% reduction of greenhouse gases emissions was identical to the European Union's average. After joining the EU, Estonia has not been noticeably active in the development of strong climate policy.

Key parties in international climate policy

As in any other international policy field, there are key players whose commitment is vital for success in climate policy. The French economist, and current member of the European Parliament, Alain Lipietz has very strikingly classified countries into different camps when describing the situation in the early years of climate policy formulation.[7] According to him, the initiative was taken by the wealthy countries whose energy production was already greenhouse gas-efficient, but who were willing to support further development of their technologies. This group, which included the Scandinavian countries, Germany, France, Switzerland and Japan, called, already in the late 1980s, for the use of a precautionary principle, although at the time, climate change was not as visible or considered to be the unquestionable challenge it is today. Lipetz also identified another distinctive group of countries who began to hinder and block the development of international climate regime. Those included the USA, ex-Socialist countries, South Africa, and China: countries who were considered fossil energy wasters and who, at the same time, were not among those who would be the first ones

---

[6] A. Kratovitš, "Estonia and the International Climate Change Regime", in *The Estonian Foreign Policy Yearbook 2007*, Tallinn, 2007, pp. 195-205.

[7] A. Lipietz, "Enclosing the Global Commons: Global Environmental negotiations in a North South Conflictual Approach", in *The North, the South, and the Environment*. London, 1995, pp. 118-42.

adversely affected with the negative effects of climate change.

One could safely state that the driving force in international climate policy, as in most global environmental issues, has been the European Union. With the strong backing of the EU's environmental policy champions, the EU has provided the impetus for ambitious and binding emission cuts in the Kyoto protocol. The German red-green federal government of 1998-2005, and the attention to climate by Tony Blair in his last years in office, surely played a positive role. In its March 2007 Summit, the European Council voluntarily assumed rather ambitious targets for limiting the emissions of greenhouse gases, hoping that its positive example would inspire other key players will follow. Although the strong commitment by the EU is welcome as encouragement to others, its action alone can not bring about significant change. In 2007 the EU counted for only 12% of global anthropogenic emissions of greenhouse gases.

Next to the European Union, the key player in global climate policy is the US, with a global share of 21% of greenhouse gas emissions in 2007. The US has been classified by Lipietz as the key party working against the creation of global climate treaty in the 1990s, and has been heavily criticized throughout the last decade for undermining international joint efforts to combat climate change. Perhaps the most notorious illustration of the US attitude was the statement by George Bush senior at the 1992 Rio Conference: 'Our way of life is not subject to negotiation.' Nevertheless, it would be misleading to view the US position in strictly black and white terms: recent shifts in US public opinion, and statements by politicians, are indicative of a growing willingness to limit greenhouse gas emissions, and to support international efforts to do so.

An interesting example of the undefined nature of US climate policy could be observed during the ongoing 2008 presidential race, with evident similarities to the disputed election back in 2000. Perhaps everyone interested in politics carries his own memories of the epic of counting disputed votes in Florida during the 2000 American presidential election. Environmental policy scholars and practitioners have perhaps very specific memories of the lengthy uncertainties of the election results. As the counting and recounting of votes dragged on in Florida, the

annual UN climate convention conference of the parties was held in the Hague, Netherlands. One of the key questions was once again whether, and under which circumstances, the United States would join the Kyoto protocol. The rather large US delegation at the conference had to maneuver aimlessly, unable to take any firm positions until the election results were known. Republican presidential candidate George W Bush promised to stay out of the Kyoto protocol, while his Democratic contender Al Gore was expected to instruct the negotiating team in Hague to support the Kyoto protocol, if elected as the president. As days passed, with the various re-counts of votes in Florida, the US delegation had a difficult time in setting clear goals in the negotiations. By the end of conference, the victory of Bush junior was announced and the US delegation resumed its earlier position of continuing with a bilateral approach to climate policy.

Yet, the harsh rhetoric of George W. Bush has not played the US hopelessly into a corner. Even though the Republican administration considers the Kyoto protocol to be detrimental to the competitiveness of US business, it is increasingly the private sector that is the driving force for the implementation of climate policy in the United States. It didn't take long for private sector to realize that, while their competitors abroad are forging ahead with innovations in order to become more carbon neutral, by not participating, US business is weakening its position in the globalized marketplace. As the markets are becoming increasingly environmentally conscious and call for carbon neutral products, it would be difficult to win market-share if one does not offer such products. The earlier Global Climate Coalition, an anti-Kyoto business group, has been overshadowed by other business initiatives such as the US Climate Action Partnership which helps to inform the public, and calls for strong national legislation.[8] The range of practical measures initiated by Governor Arnold Schwarzenegger in California[9], as well as the ongoing legislative discussions in Congress, suggest that the deadlock may soon be over.

I am confident that the US will join the next international climate treaty no matter who takes the seat in the Oval Office in

---

[8] See www.us-cap.org.
[9] See www.solutionsforglobalwarming.org.

January 2009. It's important not only because US is the second biggest source of anthropogenic greenhouse gases, but also because it would be taken as a strong signal by the emerging economies, and throughout the southern hemisphere. It would be far easier to persuade China and India to consider targeting greenhouse gas emissions if both the EU and US are part of the game. According to Lipietz, China, along with countries like India, Brazil, Mexico and Malaysia has, since the 1990's, been using an 'accusation strategy', holding the developed countries responsible for the accumulation of the high concentration of greenhouse gases in the atmosphere, thereby avoiding participation of the emerging economies in any preventive measures. Recently, however, China has shown some interest in becoming more greenhouse gas-efficient. The country which opens an average of one new coal-fired power plant a week, surely must be the target of much needed technology transfer from the North.

Climate policy options and Estonia

According to scientists, the outlook for climate change looks rather grim. The predictions by the most respected collection of climate scientists, the Intergovernmental Panel on Climate Change (IPCC), are getting more alarming by the year. After difficult bargaining, the signatories of the Kyoto protocol made a commitment to reduce emissions of greenhouse gases by 5.2% on average, however, the IPCC calculates that a 50-85% global reduction, based on the 2000 levels, is needed by year 2050 in order to stabilize the climate.[10] In a report commissioned by the UK government, Sir Nicholas Stern showed in 2006 that the annual cost of global action for stabilizing the climate would be 1% of global GDP up to 2050, whereas taking no action would cost at least 5% of global GDP annually as result of climate change.[11]

As Kyoto expires in 2012, preparations are underway for a new

---

[10] Intergovernmental Panel on Climate Change, "Mitigation of Climate Change", *Fourth Assessment Report: Climate Change 2007. Working Group III Report*, Cambridge, 2007.
[11] Nicholas Stern, *The Economics of Climate Change. The Stern Review*. Cambridge: Cambridge University Press, 2006.

global climate regime to take effect after 2012. While negotiations are continuing within the framework of the UN climate convention, there are voices calling for an agreement to be achieved outside the clumsy UN system. Recently, in September 2007 and in January 2008, the US conducted high-level discussions with the major greenhouse gas emitting nations outside the UN negotiating framework. However more recently the declaration of the Hokkaido G8 Summit of July 2008 hinted that G8 member states (US included) wanted to continue discussions within the UNFCCC framework.[12] The goal of achieving at least 50% reduction of global greenhouse gas emissions by 2050 was repeated by the Chair's summary of the G8 Summit. One can thus expect that the post-Kyoto deal will be reached in annual meetings of signatories of the convention during Conferences of Parties (COP), the most crucial of those being probably the one to be held in Copenhagen in late 2009. It is possible that the universal goal of keeping global warming below 2°C (as compared to the average air temperature before the industrial revolution) will be reached, accompanied by a range of measures designed to achieve that goal.

In the short term, the key issue is the ability of developed countries to unite and agree about ambitious targets for fast reductions of greenhouse gas emissions at home. Even more vital is whether the developing countries will commit themselves to binding emission limits that are more than just symbolic. According to some researchers, China overtook the US as the largest greenhouse gas emitter in 2006.[13] With its booming economy backed by electricity from a growing number of extremely polluting coal-fired power plants, China is the key player in future of the global climate policy. In 2007 China's CO2 emissions accounted for two-thirds of global carbon dioxide increase of 3.1%.[14]

While ongoing UN climate negotiations are concentrating on practicalities of emission cuts in the coming decades, questions about historical responsibility, emission and development rights are crucial in longer term. Developing nations have every right to claim that since the developed countries were able to advance

---

[12] See www.mofa.go.jp/u_news/2/20080709_121006.html.

[13] Netherlands Environmental Assessment Agency, press release of 19 June 2007.

[14] Netherlands Environmental Assessment Agency, press release of 13 June 2008.

economically, while degrading the climate, they have no moral right to call for emission limits from today's developing countries. Transfer of efficient technology from North to South is one of the solutions, but not the only one.

Most likely, at some point in time (probably later, rather than sooner), a global system of equal pollution rights is inevitable. In 1990s the Wupperthal Institute came up with a simple, yet radical concept of 'environmental space'.[15] In essence, it is a socio-economic concept for equal distribution of global natural resources among the planets' inhabitants. For every resource a sustainable rate of use would be calculated and use permits "distributed" equally among people. Ideally, the global resource use would be at a sustainable level, and people would be able to trade the permits.

Numerous experts have suggested that a similar concept of equal per capita pollution rights should become the cornerstone of global climate policy. According to a respected international NGO network specializing in climate issues, Climate Action Network (CAN), one of the key principles in climate policy should be equity. According to CAN,[16] the equity principle requires, among other things, that all have equal access to the atmospheric commons. Those that have already contributed to the climate change problem substantially need to create the space for others to develop and to emit more in the future. In addition, the setting of the relative emission targets for countries should be designed to give increasing weight to the aim of per capita emissions convergence over the course of the 21st Century. According to CAN, the intergenerational equity is important and that it implies that the present generation should not pass unfair burdens to future generations. Delaying action on climate change now would transfer large costs to future generations.

While the reaching of per capita emission rights and accepting of historical responsibility are important, the urgent nature of the problem calls for immediate action from all. For Estonia it means no less than a revolution in the way its daily policy-making is carried out vis-à-vis global climate stability. The attitude has to be

---

[15] J. Spangenberg (ed.), *Towards Sustainable Europe. A Study from the Wuppertal Institute for Friends of the Earth Europe*, 1995.

[16] See www.climatenetwork.org/about-can/index_html/three-track-approach.

changed so that 'climate change' is genuinely considered as a key challenge to be solved, rather than just an obligatory expression to be used in public speeches by government representatives to audiences outside Estonia.

It sounds trivial, but as the first step, the Estonian government has to recognize that climate change is a major challenge that requires a resolute response. Somewhat surprisingly, it seems that as of Summer 2008 such recognition is not yet there. When discussing Estonia's positions towards the legislative climate package of the European Union in February 2008, the government agreed to push for 1990 to be used as the base year for calculation of reduction targets for greenhouse gas emissions. Compared to 1990, a year of peak Soviet industrial production and related pollution, greenhouse gas emissions in Estonia were 54.6% lower in 2006.[17] Keeping 1990 as the base year may help Estonia avoid serious investments into climate safe energy solutions. Thus the prioritization of year 1990 as base year (over other options of 2005 or 2007) for negotiations in the European Council is a clear indication of the governments' reluctance to act. Another illustration comes from a few years ago when Estonia was given a very generous greenhouse gas emission limit by the European Commission, as part of the first phase of EU's Emissions Trading Scheme (ETS), which helped to generate 2.7 billion kroons (173 million EUR) worth of revenue from selling the unused emission rights. Unfortunately, the money earned wasn't earmarked by the government for investments into climate protection measures.

In addition to the recognition of the urgent need to act, there is a need for some sort of masterplan in Estonia. The central objective of a drastic reduction of the carbon intensity of Estonia's economy needs to be integrated into daily routines in many fields. Not surprisingly, the energy and transport sectors are key areas where purposeful moves towards a smaller carbon footprint is needed. Perhaps a more ambitious nation-wide goal is needed, similar to the one Sweden set, when it established a Commission on Oil Independence, chaired by then Prime Minister Göran Persson. The purpose of such a commission, would be, as it was

---

[17] European Environment Agency, *Annual European Community greenhouse gas inventory 1990-2006 and inventory report 2008*. Copenhagen, 2008.

in Sweden, to determine the best strategies for reducing dependence on oil and actual use of oil by the year 2020.[18]

Decisions made by Estonian policy-makers over the next few years regarding the energy sector will be crucial for climate impact. 92% of Estonia's total CO2 emissions originate from the energy sector, mostly from large oilshale-fired power plants in North-East Estonia. Estonia can, and should, decrease its dependence from fossil fuels in the energy sector. The option for large-scale use of renewable energy are there, waiting to be prioritized and implemented. According to a study to be published soon by the Stockholm Environment Institute Tallinn Centre,[19] the share of fossil fuels in electricity generation can be reduced in Estonia from 99% in 2005 to 39% in 2020. The study estimates that wind energy could cover 51% of electricity needs in 2020 while biomass covers the remaining 10%. The study sees no need for new nuclear units in the Baltic States.

Preparations for the development of wind energy, particularly at offshore sites, is gaining speed. Both state-owned Eesti Energia and a private company Nelja Energia are investigating the seabed in potential locations off Estonia's west coast. Nelja Energia is preparing a project with estimated total capacity of 600-1000 MW[20] which would count for roughly a quarter of today's Estonian electricity consumption. In Spring 2008 Eesti Energia started investigating the feasibility of offshore windfarms at 8 locations in the Baltic Sea, each with a capacity of some 200-300 MW. As a pre-requisite, Estonia needs to speed up the adaptation of legislation, and set up a regulatory regime for construction such large-scale offshore installations. It is equally important to develop new electricity connections to neighboring Nordic countries. For large offshore wind developments in Estonia's West coast to be successful, it would be vital to establish a direct link from those windfarms to Sweden.

With decreasing transmission losses due to developing new

---

[18] Commission on Oil Independence, "Making Sweden an Oil-free Society", Stockholm, 2006.

[19] Stockholm Environment Institute – Tallinn, 2008. *Baltic Sustainable Energy Strategy*. Tallinn-Riga-Kaunas (in process).

[20] See www.4energia.ee/index.php/lang/eng/article/hiiumaa-windfarm.

technologies, the idea of an European offshore supergrid[21] is no longer just a vision, and Estonia should actively promote the concept.

It would likely be good for the environment, and its current account balance, if the Estonian government would redirect its attention from investment in the potential new Ignalina nuclear plant in Lithuania, toward creating the legislative and business environment necessary for realizing the large available potential for renewable energy. To meet the challenge, the poorly staffed energy department at the Ministry of Economy urgently needs extra human capacity, including independent foreign experts. Otherwise, it is likely that national policy will be driven by the narrow interests of the powerful Eesti Energia and by local scientists from the predominant oilshale school.

As new, renewable energy sources, assume an increasing share of Estonia's energy mix, a parallel decrease of carbon emissions from fossil fuels must take place. In common with the rest of Europe, Estonia will most likely be unable to avoid a temporary increase in the use of natural gas as an energy source. As relevant utilities are relatively easy and quick to construct, the gas can be used as "bridge" to cover the energy gap over the next decade or two. A gas pipeline from Russia is probably not a politically realistic option, due to the desirability of avoiding energy dependency on Russia. Other sources of natural gas can be found, even if economically slightly more costly. The Estonian government might thus consider an investment in infrastructure for the purpose of using liquefied natural gas (LNG). A re-gasification terminal, and possibly an own LNG tanker, could be used for a decade or two until renewable energy sources, such as large-scale offshore wind have gained a substantial share of the energy mix. Even though a fossil fuel, LNG shall be considered as an alternative to replacement of further oilshale boilers. In comparison to the oilshale boilers, a LNG plant would be easier to switch on and off, as needed. This would make it more suitable as a backup or supplementary power source for the times when, because of fluctuations in weather, wind power cannot meet the demand.

While changes in the energy sector are usually the outcomes

---

[21] See www.airtricity.com/ireland/wind_farms/supergrid.

of centralized policy choices, decisions affecting the transport sector require a more complex approach. Approximately 12% of the overall EU anthropogenic emissions of CO2 come from passenger cars. Besides obvious attempts to prioritize public transport, great attention is currently paid by the European Union to make cars and fuels less damaging to the climate. Relevant car design and fuel quality requirements are moves in the right direction but do not solve the problem *per se*. At the present time, car users do not pay for all problems that car use creates for societies, and such indirect external costs should be internalized into the costs of car usage. Perhaps the idea of a carbon tax, abandoned in the early 1990s, has some merit as a market mechanism that would limit developments in the transport sector that cause climate change. Leaders of the European Union need more political courage in order to explore ways for including car transport in its Emissions Trading Scheme.

In Estonia it would be important for all levels of government, national, provincial, and municipal, to begin to see the interconnectedness between transport sector investments and climate change. Since 1990, Estonia's CO2 emissions from road transport have almost doubled. Implementing changes in the road transport sector are likely to be a more difficult paradigm shift for Estonian policy-makers than in case of energy sector. Policies emphasizing integrated transport planning, and support of public transport are to receive priority over huge public sector investments in infrastructure for private car usage. Some limitations on private car usage, and support of non-motorized transport, would also be priorities. A graduated system of taxation of automobiles, according to their energy use and pollution load, could be a first step that would demonstrate the governments' willingness to seriously tackle climate change.

Like other developed industrial countries, Estonia cannot avoid making the difficult choices necessary to achieve climate stabilization. At this point in time, it appears that Estonian decision-makers have not fully recognized the importance and urgency of this issue. Hopefully, Estonia's obligations, as a member of the EU, will serve to alter its policy choices, resulting in wide-ranging economic measures that would serve to limit the scale of climate change.

About the Authors

Piret Ehin is Senior Researcher at the Institute of Government and Politics, University of Tartu and Research Associate at the Estonian Foreign Policy Institute. She holds a PhD in Political Science from the University of Arizona (2002). Her current research focuses on legitimacy and political support both at the national and supranational level as well as international relations in the Baltic Sea region. Her work has appeared in the *European Journal of Political Research, Cooperation and Conflict* and *Journal of Common Market Studies.*
    (piret.ehin@ut.ee)

Martin Kala has been working in the European Parlament since 2004, where he originally served as assistant to Toomas Hendrik Ilves. He holds a PhD from Université de Paris XI du Sud, Faculté Jean Monnet (2003). He is a regular contributor to the Estonian daily *Postimees* and has edited two collection of essays on Estonian political, social and cultural thought, entitled *Eesti mütoloogiad* (2008).
    (martin.kala@free.fr)

Andres Kasekamp is Director of the Estonian Foreign Policy Institute and Professor of Baltic Politics at the University of Tartu. He holds a PhD in modern history from the School of Slavonic and East European Studies, London University (1996). As a Visiting Professor, he has worked at the University of Toronto and Humboldt University, Berlin. He has served as the editor of the *Journal of Baltic Studies* (2002-2005) and Chairman of the Board of the Open Estonia Foundation (2006-2008).
    (andres.kasekamp@ut.ee)

Daniel Keohane is a Research Fellow at the European Union Institute for Security Studies (EUISS) in Paris. At the EUISS he specialises in EU security and defence policy, counter-terrorism and the defence industry. He was previously Senior Research Fellow for security and defence policy at the Centre for European Reform in London, and a research associate at the Institute for National Strategic Studies, National Defense University, in Washington DC. He has also worked at the Aspen Institute in Berlin.

(Daniel.Keohane@iss.europa.eu)

Maria Mälksoo gained her PhD in International Studies from the University of Cambridge in 2007. She currently works as a Researcher at the International Centre for Defence Studies in Tallinn, covering transatlantic relations, NATO and the EU's strategic developments, European memory politics, and the role of 'New Europe' in the 'Global War on Terror'. She also lectures on critical security studies and international relations theory at the University of Tartu.

(maria@icds.ee)

Peep Mardiste is a PhD candidate and Lecturer at the Faculty of Science and Technology at the University of Tartu. While studying environmental policy, his teaching focuses on development geography. During 2007-2008 he worked as an environment and energy adviser at the European Parliament. He is a civil society activist and has been leading many NGOs, including the Estonian Green Movement / Friends of the Earth.

(pepe@ut.ee)

Tiago Marques is a Lecturer in International Relations at Tallinn University and Research Associate of the Estonian Foreign Policy Institute. He holds a MA in history from the University of St. Andrews and a MA in international studies from Uppsala University. Previously, he worked as a Researcher in the Euro-Mediterranean Study Commission in Lisbon and as Research Associate at the European Union Institute of Security Studies in Paris.

(tiago.marques@iiss.ee)

Andrew A. Michta is Professor of National Security Studies at the George C. Marshall European Center for Security Studies in Germany. He is also the Mertie W. Buckman Distinguished Professor of International Studies at Rhodes College in Tennessee (on leave 2005-2009). He holds a PhD in International Relations from the Johns Hopkins University School of Advanced International Studies (1987). Professor Michta is the author of several books on European security and transatlantic relations; his most recent book *The Limits of Alliance: The United States, NATO and the EU in North and Central Europe* was published 2006. He has contributed articles and book chapters on NATO enlargement, U.S. national security policy, European security, post-communist transition, and civil-military relations.

(michtaa@marshallcenter.org)

Heli Tiirmaa-Klaar is a doctoral candidate in international relations at the University of Helsinki. She has been working at the Estonian Ministry of Defence since 1995 where she has held various positions. Currently, she is an Advisor to the Ministry in Critical Information Infrastructure Protection and was leading the interdepartmental working group responsible for commencing the Estonian Cyber Security Strategy. In 2005-2006 she has helped to establish the Department of International Relations at Tallinn University.

(heli.tiirmaa-klaar@kmin.ee)

Sophie de Vaucorbeil is a Research Assistant at the European Union Institute for Security Studies in Paris. Her research focuses on armaments cooperative programmes, ESDP matters and defence industry in general. She holds two Master degrees from Sciences Po Bordeaux on geopolitics and geostrategy and in governance of institutions and organisations.

(sophie.devaucorbeil@iss.europa.eu)