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Preface

Andres Kasekamp

The *Yearbook* is to provide a forum for journal-length scholarly articles and in-depth policy analyses that will reach an international audience. As such, it offers a perspective that is different from the Yearbook published by the Estonian Ministry of Foreign Affairs which consists primarily of brief overviews of the ministry's accomplishments during the past year. Emphasizing our desire to examine future challenges, the Institute's *Yearbook* carries the number of the year of its publication, the year it reviews.

For the Estonian reading audience, the Estonian Foreign Policy Institute publishes the monthly international affairs magazine *Diplomaatia* which contains commentary and opinions on topical issues. In the past year, the Institute has tried to broaden the horizons of the Estonian public on global affairs in various ways: e.g., organising lectures, seminars and conferences on relatively new topics such as democracy promotion and development cooperation in places both near and far, such as Belarus and North Africa. For further information about the activities of the Estonian Foreign Policy Institute please visit the website: www.evi.ee

This fourth edition of the *Estonian Foreign Policy Yearbook* contains articles which give an Estonian perspective on a wide range of subjects which can mostly be encompassed under the broad heading of European Union Common Foreign and Security Policy. Individual articles address questions such as how do Estonians view the future of the Europe Union, in what direction does Estonia want the EU to move, how new EU member states can most effectively transfer their knowledge and experience of reforms and integration to their "new neighbours" in the East, what priorities a new donor country like Estonia should have globally for assisting less developed countries, what are the prospects for improving Baltic-Russian relations, is cooperation in political and military fields among Estonia, Latvia, and Lithuania redundant now that all three countries are in the EU and NATO? What the areas in which Baltic cooperation could give added value?

As the *Yearbook* was just about ready to go to print, Lennart Meri, Presi-

dent of Estonia from 1992 to 2001, passed away. Undoubtedly, he was Estonia's greatest foreign policy visionary. More than any other individual, Lennart Meri was responsible for Estonia's "return to Europe". Therefore, it is fitting to include a tribute from one of his closest collaborators, Toomas Hendrik Ilves.

Estonia and the crisis of European construction

Piret Ehin

For more than a decade, the EU has been involved in a full-fledged transformation. The year 2004 was a culmination of the long process of simultaneous deepening and widening. Ten new member states joined in May, following a series of yes-votes in national referendums on accession. The constitutional treaty, a product of the innovative Convention method as well as drawn-out intergovernmental bargaining, was signed in October 2004. There was a sense of accomplishment, confidence and optimism. But things change quickly. By mid-2005, the EU was a union in crisis. After the French and Dutch no-votes, the constitution was effectively dead, talks on the new financial perspective had failed, deepening was brought to a halt, and opposition to further enlargement quickly gathered momentum. In addition, the continued economic underperformance in many old member states contributed to a growing political malaise to which the London bombings and the riots in French *banlieues* added a complex ethnic and racial dimension.

This article has two goals. First, it examines the link between the recent round of enlargement and the EU's current problems. Is the crisis that the EU experienced in 2005 linked to the accession of ten new countries in 2004, and if so, how? Has enlargement left the Union overextended, paralyzed, and polarized, as many feared? After comparing pre-enlargement prognoses with post-accession developments, the article argues that overall, the Eastern enlargement has been a great success. Objectively, the accession of ten new members has little to do with the current problems in the EU and the old member states. However, enlargement has been used as a convenient scapegoat for a range of social and economic ills, contributing to an increasingly xenophobic, nationalist and protectionist outlook among the dissatisfied publics.

Second, the article examines Estonian reactions to the crisis, and its positions towards further deepening and widening of the EU. A bad year for Europe has been a good one for Estonia. At a time of extraordinary economic

growth and relative political stability, the crisis at the Europe's core seems far away. Public support for membership is high; anti-globalization sentiments are an alien problem; and the crisis of Western multiculturalism makes the relations between Estonians and the large Russian-speaking minority look harmonious in comparison. This favorable domestic climate seems to have contributed to the emergence of a more positive EU-policy. The occasionally belligerent intergovernmentalism, pursued by the Estonian government in the previous years, has given way to a more constructive and pragmatic approach. The government expresses hopes that the Constitutional Treaty can be rescued and calls for carrying on the ratification process. There is virtually no opposition to further enlargement among political parties or the general public.

Pre-enlargement expectations and post-enlargement realities

Most of the discussion before enlargement focused on how EU accession was changing the candidate countries. This process was examined through the multiple lenses of Europeanization, conditionality, external governance, transition, normalization, and "return to Europe." The impact of the accession of ten new members on the EU as a whole received much less attention. Yet, three broad sets of expectations can be distinguished in the pre-enlargement debate on the topic. The first set of arguments portrayed enlargement as a win-win game and emphasized the benefits accruing to the old member states and the integration project as a whole, including bigger markets, more trade, greater security, and enhanced international influence. This view constituted the EU's official position and was used to sell enlargement to the often recalcitrant citizens of the old member-states. A rival view, adopted by diverse critics of the pro-enlargement establishment, emphasized the negative consequences of EU expansion, ranging from a simple watering down of the integration project to out-right disaster-scenarios, such as institutional paralysis, impending bankruptcy or unmanageable immigration flows. The third set of arguments claimed that the impact of enlargement should not be overestimated. The political and economic influence of the ten newcomers remains small. None of the newcomers, aside from Poland, is big enough to play an important political role in the enlarged Union. Furthermore, this approach emphasized that since accession is a gradual process unfolding over a decade, much of the actual integration occurred well before May 1, 2004.

A year and half later, it is clear that the disaster scenarios have not materialized. None of the three safeguard clauses written into the accession

treaties (focusing on economic disturbances, the internal market and justice and home affairs) have been invoked nor is it likely that they will be. In fact, Eastern Europeans proved to be better prepared than anyone expected and even the Union's institutions and policies seem to have accommodated the newcomers without major problems.[1]

Since the 2004 enlargement, economic growth in the EU has shown huge regional variations, with many of the large economies of old member states suffering from stagnation and the new member states enjoying sustained, robust economic growth. In 2004, Latvia registered the highest growth rate at 8.5% in 2004. Lithuania, Estonia, Slovakia and Poland also fared well at 6.7%, 6.2% 5.5% and 5.3% respectively. [2] Excellent performance continued in 2005, with the three Baltic states continuing to show highest rates of GDP growth in all of the EU (at the same time, these three remain the poorest countries in the EU, with GNI per capita just below 50% of the EU average.)

The effect of Eastern Europe's high growth rates on the EU's vital statistics, however, remains negligible. Potentially more important is the fact that the example of (and competition from) the candidate countries is spurring economic reform in the big eurozone countries. Experienced reformers with a "can-do" attitude, it is argued, bring to the EU the right mentality for survival in the conditions of global competition. [3] Examples of enlargement-induced reforms can be found in the area of taxation. The flat tax revolution that started in Estonia is spreading across the continent.[4] Slovakia and Lithuania have introduced flat tax rates on any kind of income. Austria has slashed its corporate tax rate from 34 to 25 per cent, and Germany from 25 to 19 per cent. [5] While many factors, both domestic and international, account for the current difficulties of large eurozone economies, enlargement has undoubtedly been one of the factors creating pressure for more structural reform in countries such as Germany and France.

The biggest changes in European economies result from the huge differences in labor costs between the East and the West. In countries that border the new member states, the relocation of production was well advanced even before accession. According to a report by the Economist Intelligence

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[1] The Commission's Swedish Vice-President Margot Walstrom has called it the best prepared enlargement in the history of the Union. For facts and figures confirming the point, see "One year on: The impact of EU enlargement; A report from the Economist Intelligence Unit", www.eiu.com

[2] "Enlargement one year on: state of play / éléments d'analyse", 20/04/2005,http://europa.eu.int/enlargement/memo_en.htm

[3] Graham Bowley, "Letter from Estonia: Changed by joining EU, and changing it, as well". *International Herald Tribune*, August 17, 2005.

[4] "The flat-tax revolution", *The Economist*, April 14th 2005.

[5] Katinka Barysch, "One year after Enlargement", April/Mary 2005, Centre for European Reform bulletin, issue 41.

Unit, "almost 2 billion hours of work disappeared from the manufacturing sector in Germany between 1995 and 2003, a drop of 14%. Factories making vacuum cleaners, shoes and electronic goods, have virtually disappeared in Western Europe and have shifted either to China or to the new member states. In car production, the shift is underway."[6] While in manufacturing, the single market is well advanced, the prospect of freeing up the services market instills new fears about massive job loss in the "old Europe".

Immigration has been another key factor souring the mood of Western European in the wake of enlargement. To date, there has been no mass exodus from the East - but this is at least partly due to the fact that most old member states continued to protect their labour markets. Britain, Ireland and Sweden, the three countries that opened their labour markets fully from May 1st 2004 have seen a significant inflow of workers from the new member states. The numbers have often been higher than the authorities predicted. More than 230,000 Eastern Europeans had registered to work in the United Kingdom by July 2005. An estimated 128,000 Poles, Latvians, and Lithuanians had applied for work in Ireland as of August 2005 while Sweden had registered about 16,000 individuals from the new member states, mostly from Poland, as of October.[7] Due to sound economic performance and low levels of unemployment, Britain, Ireland and Sweden have not had to regret their decisions. Fears of East-West migration are much more prevalent in countries that have high unemployment rates (France, Germany) or have already received massive numbers of Eastern European (and other) immigrants and asylum-seekers since the fall of the iron curtain (Germany, Austria). Predictions about further immigration from the East vary but most macro-analytical model-based studies estimate that around 3-4 per cent of the population of CEE states will move to Western Europe in a longer term.[8] However, much depends on when the old members open their labor markets. The longer the delay, the smaller the wage differentials (assuming that rapid economic growth in CEE will continue), and the weaker the incentives to migrate.

However, migrants from the East will not be a sufficient solution to the labor shortages that Western Europe is predicted to experience by 2010-2012. The CEE countries also have stagnant or shrinking populations and some of the lowest fertility rates in the world. This, obviously, has implications for emigration potential. As the workforce numbers decline in CEECs, employment opportunities and wages improve at home. According to Heinz Fassmann and Rainer Münz, demographic projections clearly show that CEE

[6] "One year on The impact of EU enlargement; A report from the Economist Intelligence Unit", www.eiu.com

[7] See "Top 10 migration issues of 2005," www.migrationinformation.org, December 1, 2005.

[8] For an overview, see H. Fassmann and R. Münz (eds.), *Ost-West Wanderung in Europa*, Böhlau-Verlag, Vienna-Cologne-Weimar, 2000, p 38.

cannot be considered a region from which massive emigration to Western Europe can be expected. In the medium and long run, they argue, the interesting question for Western Europe will not be: "Will we have to worry about East-West migration?" but "Where will we find the migrants we are looking for?"[9]

Coping with diversity: old and new fault lines in EU-25

Enlargement, which added 75 million citizens to the EU and brought twenty-five states around the negotiating table instead of fifteen, has not brought EU decision-making to a standstill. Since May 2004, the EU has taken major decisions – signing the constitutional treaty, closing membership talks with Bulgaria and Romania, deciding to open accession negotiations with Turkey and Croatia, relaxing rules on the common currency, taking over peace-keeping in Bosnia, and reaching an agreement on the rapid-reaction forces. The major stalemates in EU-25 have been produced by the elites or the electorates of the old member states, not by the newcomers. The constitution was shelved because of the "non" and "nee" of the French and Dutch voters. Old members took center stage also in the budget row. "The references to 'national interest' and to 'financial considerations' came not from the 'money-hungry' EU-10 but instead from the old, established and relatively well-off European democracies," notes one of the many analyses that appeared after the EU summit in June 2005.[10] In the budget row, Poland tried to salvage the budget by offering to forgo some of the subsidies reserved for it under the proposed plan. "Nobody will be able to say that for Poland, the European Union is just a pile of money," said Polish PM Marek Belka, commenting on the failed talks.[11]

However, the stalling of decision-making in the EU could result not from individual vetoes, but from a conflict of interest among groups of countries. The accession of ten new members has raised new questions about the dominant dividing lines in EU-25. To what extent has enlargement reshaped political cleavages in the EU? Has it accentuated the gap between wealthy and poor, large and small, federalist and intergovernmentalist, Atlanticist and Europeanist, liberal and statist member states? Are the New Member States (NMS) voting and acting as a cohesive bloc?

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[9] Fassmann, H., Münz, R., "EU Enlargement and East-West Migration in Europe," in F. Laczko, I. Stacher, A. Klekowski von Koppenfels (eds.), *New Challenges for Migration Policy in Central and Eastern Europe*, International Organization for Migration, Geneva, 2002, p.83.

[10] "New member states sour about feuding summit," Euractiv.com, 20 June 2005.

[11] Ibid.

A thoughtful analysis by Michael Baun addresses these questions. He points out that most of these cleavages are not clear-cut and often do not produce dichotomous divisions. Distributional conflict over budgetary and spending issues, for instance, will not be fought along a simple rich-poor divide. Instead, it will be complicated by the divergent interests produced by the EU's highly differentiated economic structure.[12] The large vs. small state dimension is likely to divide member states into three, not two categories. The traditional federalist vs. intergovernmentalist divide has not been fundamentally transformed as a result of deepening and enlargement. While new members are generally highly "sovereignty conscious," they also want strong supranational institutions and "wish to be included in all integration arrangements, in order to avoid second-class membership in a multi-tier Europe."[13] The fact that these cleavages are cross-cutting, not mutually reinforcing, and often fluid, reduces the likelihood of prolonged and debilitating stalemates. Furthermore, significant differences in historical the experiences, geopolitical situations and economic and political conditions in Eastern Europe suggest that the NMS will not act a cohesive bloc. In sum, enlargement is unlikely to dramatically transform EU intergovernmental politics; instead, it reinforces the status quo.

This position is confirmed by other assessments. Zielonka and Mair argue that increased diversity following enlargement should not be regarded as a problem. Diversity has been the "normal state of affairs" in the EU for decades.[14] According to some scholars, greater heterogeneity may even facilitate interest accommodation and compromise-seeking, increasing the likelihood of agreement, not stalemate.[15] Thus, enlargement has reinforced the pattern of cross-cutting cleavages and alliances, generally regarded as a positive feature of the EU political landscape. Coalitions and alliances continue to be largely issue-specific, and their composition varies greatly from one policy area to another. There is little evidence of the NMS acting or voting as a bloc. In the words of Zielonka and Mair, the "map of unity and diversity in the enlarged Union proves extremely complex, and does not simply correspond to the old East-West divide."[16] As noted by Wallström, "Compromises aren't made by old and new countries, but by 25 countries, all with their own positions and interests."[17]

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[12] Michael Baun, "Intergovernmental Politics" in Neill Nugent, *European Union Enlargement*, Houndmills: Palgrave Macmillan, 2004.

[13] Ibid, p. 138.

[14] Jan Zielonka and Peter Mair, "Introduction: Diversity and Adaptation in the Enlarged European Union." *West European Politics*, April 2002, vol. 25, no. 2.

[15] See, for instance, Adrienne Heritier, *Policy-Making and Diversity in Europe. Escaping Deadlock*. Cambridge: Cambridge University Press, 1999.

[16] Zielonka and Mair.

[17] "A year in the EU: European Commission Vice-President: no more new and old members" http://europa.eu.int/comm/commission_barroso/wallstrom/interviews/europap_20050429_en.htm Brussels, 29.04.2005.

The impact of enlargement on the liberal vs statist division, however, deserves to be examined more closely. It is widely perceived that enlargement has contributed to the clash between two different models of economy and society in the EU, pitting the advocates of a "Social Europe" against the proponents of "Anglo-Saxon" free-market capitalism. The two sides advocate different responses to globalization. Proponents of the "Anglo-Saxon" model, such as the UK, resist any attempts of tax harmonization or further labour market legislation by the EU. France and Germany, struggling with high unemployment and economic stagnation, seek to protect jobs and regulate employment conditions. This schism is now regarded as central to European politics, producing stalemate inside the EU's very "core." Manifested in heated debates on the Lisbon agenda, the Stability and Growth Pact, tax competition/harmonization, the financial perspective, CAP reform, the Constitutional treaty and further enlargement, the clash amounts to a virtual "war of ideologies:"

> *The battle over money and the shelving of the bloc's historic constitution, after the crushing no votes in France and the Netherlands, stripped away all pretence of an organisation with a common vision and reflected the fears of many leaders in the face of rising popular opposition to the project called Europe ... The failure of the summit laid bare the deep divide ... between grand but competing visions of Europe.*[18]

It is true that enlargement may make it more difficult to preserve the "Social Europe" of generous welfare states, shorter work-weeks and well-developed public services. Yet, this effect is due to the "iron laws of demographics and competition," not the inherent hard-core neoliberalism of the new members. East European politicians and publics may indeed have been hardened by years of tough reforms and the domestic barriers to implementing belt-tightening measures may be smaller in the NMS. However, by the late 1990s the social costs of transition had become blatantly evident, and the political debates in many NMS are characterized by a new sensitivity to social issues. As a result, the impact of enlargement on the economic and social policy cleavage is likely to be mixed and national positions may change as governments come and go (the Polish presidential election of 2005 being a good example). In sum, this political cleavage, like the others, is unlikely to be fundamentally transformed by enlargement.

Finally, many analysts have been interested in the extent to which the new members have converging views on the construction of Europe, and might influence the process by voting and acting as a bloc. In analyzing the positions of old and new members towards deepening and widening, the

[18] Elaine Sciolino in *The New York Times*, June 19, 2005.

following conceptual chart by Anne Faber is useful.[19] It suggests a classification of member states according to willingness and ability to pursue reforms contributing to closer and wider integration, producing categories such as the *avant-garde* (those who can and want), *les frustrés* (want to but cannot); veto-players (can but do not want to) and potential drop-outs (cannot and do not want to).

ability willingness	Can	Cannot
want to	the avant-garde	"les frustrés"
don't want to	veto-players	potential drop-outs

Figure 1. **Types of member-states in the "new" European Union, according to positions on deepening and widening (A. Faber)**

What category do the new members fall in? In a 2003 article, Moravcsik and Vachudova regarded constraints on deepening as a plausible outcome of enlargement, arguing that "new members are unlikely to support great strides forward in European integration"[20] They argued that in the past, the richer core countries have generally promoted new reforms while "newer and poorer member states" have assumed the roles of "effective veto-players" who extract concessions and side-payments from old members in return for their consent to further integrative projects.[21] The events of summer 2005 proved them wrong, at least in the short-term. Obviously, the greatest obstacles to both deepening and enlargement to date have come from the old member-states, while the governments and publics of the NMS are generally more favorably disposed towards the Constitutional Treaty as well as further enlargement. In the end, however, it will prove to be impossible to place member-states on a single scale of support for closer integration – the fundamental question is not more or less integration, but what kind of Europe should be constructed, and in which sectors, respectively, integration should occur.

[19] Anne Faber, Wolfgang Wessels, "Wider Europe, Deeper Integration? A common theoretical and methodological framework for EU-CONSENT", Paper for the Kick-off Meeting, Nov 18th, 2005, Brussels.

[20] Andrew Moravcsik and Milada Anna Vachudova, "National Interest, State Power, and EU Enlargement." *East European Politics and Societies*, 17 (1), pp. 42-57.

[21] Ibid., pp. 52-53.

The challenge of public opinion

With the growing use of referendums in the post-Maastricht period, a country's position in the above willingness and ability matrix (Figure 1) increasingly depends on the attitudes held by the general public. The increasing reliance on referendums coincides with the collapse of the "permissive consensus" that characterized earlier decades of European integration. The public has become an influential player, although the impact of public opinion varies according to different domestic institutional arrangements. Referendums, in particular, are a powerful policy instrument that turn the publics into collective veto-players. As a well-known institutionalist approach in comparative politics posits, the likelihood of policy change decreases as the number of veto-points and veto-players in the policy process increases.[22]

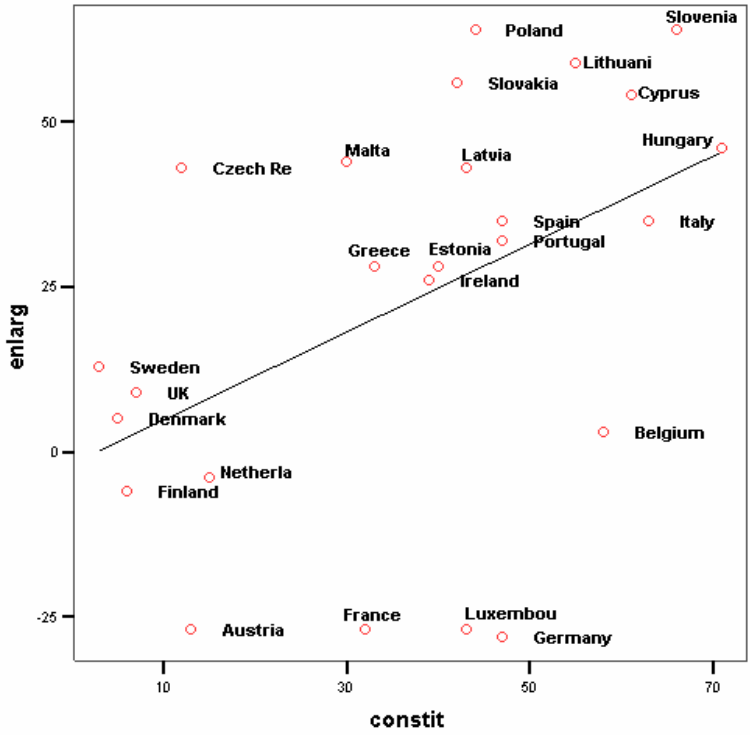

Figure 2. Support for enlargement by support for the Constitutional Treaty *(data points are net scores, obtained by deducting % opposed from % in favor)* Data from Standard Eurobarometer 63 (fieldwork conducted May-June 2005).

[22] Tsebelis, George. *Veto Players: How Political Institutions Work*. Princeton: Princeton University Press, 2002.

Figure 2 is an attempt to summarize the views of member state publics with regard to deepening and widening. Using recent Eurobarometer data (fieldwork conducted in May-June 2005), I have plotted member-states according to public support for enlargement and the constitutional treaty. The data points reflect net support (obtained by deducting the per cent opposed from the per cent in favor of enlargement/constitutional treaty).

The results suggest that member states can be divided into three groups, according to public views on deepening and widening. Public opinion in France, Germany, Austria and Luxembourg is characterized by a clear "negative consensus" on enlargement.[23] In these countries, less than a third of respondents are ready to welcome any new countries into the Union.[24] In all four countries, the integration of immigrants and ethnic minorities has become a serious concern, and further enlargement is unpopular namely because of the prospect of more unwanted immigration. It should be noted, however, that the countries in this group do not share a similar opinion on the Constitutional treaty: support for the Treaty is very low in Austria but much higher in Luxembourg and Germany.

In the second group, consisting of Sweden, United Kingdom, Denmark, Netherlands and Finland the publics are highly divided about the desirability of both enlargement and the Constitutional Treaty. The result is not surprising given the well-established traditions of Nordic and British euroskepticism. For at least a decade, Eurobarometer surveys have shown that Nordic and British respondents are least likely to consider EU membership a "good thing" and least convinced of the benefits of EU membership for their countries.

Finally, all of the new member-states with the exception of the Czech Republic, can be characterized as having a "positive consensus" on both deepening and widening. Spain, Portugal, Ireland, Greece, and Italy also belong to this group. The results thus clearly show that at least as far as public opinion is concerned, the new members can be regarded as the "avant-garde" of European construction, not the laggards. Support for the Constitutional Treaty is particularly high in Hungary (78%) and Slovenia (76%). Enlargement beyond 25 members enjoys the support of at least two thirds of respondents in all new member-states (with the exception of Estonia, where 56% are in favor and 28 % opposed to enlargement). Polish and Slovenian respondents are particularly optimistic about further enlargement, with over three quarters in favor.

Finally, the Czech Republic and Belgium constitute outliers: the Czech

[23] I have borrowed the "positive consensus" and "negative consensus" from Jose Torreblanca. "Positive consensus" occurs when net support (i.e. the difference between the % in favor and the % opposed) exceeds +25, and "negative consensus" is defined as net support below -25.

[24] Eurobarometer 63, July 2005, http://europa.eu.int/comm/public_opinion/index_en.htm

public appears to favor enlargement, while being hesitant about the Constitutional Treaty. Belgians, in contrast, are positive about the constitution, while divided about the desirability of enlargement.

The greater optimism of new member states about further integration is often attributed to the positive domestic climate of rapid economic growth, pay-offs from accession and the completion of transition. The media has occasionally presented a polarized picture of Eastern and Western public opinion, depicting the Eastern Europeans as riding a wave of economic growth, increased self-confidence and optimism about the future, while "many of the 15 old European states are mired in self-doubt, lumbered with sluggish growth rates and resentful toward the plucky newcomers from the east."[25] While the "good times" at home certainly contribute to positive attitudes towards the construction of Europe, one should not forget that Eastern living standards, incomes, and social security are still significantly below Western European levels. In other words, the concerns that have made Western publics rebel against plans of further integration, are not at all absent among Eastern European citizens. Fears of unemployment, for instance, are much more prevalent in the new member states (mentioned by 63% of respondents) than in the old member countries (48%). Yet, the fact that these concerns have not been translated into opposition to the European project, suggests that (a) Eastern and Western Europeans attribute the same problems to different causes – unemployment in the East is not seen as a product of delocalisation, globalization, etc, but is attributed to difficult structural adjustments related to post-communist transition; (b) satisfaction with the status quo depends not so much on the objective well-being but also on the point of reference (often historically determined) and the direction of change.

Estonia's reactions to the EU crisis

While the Western press has often portrayed the situation as a deep crisis beyond historic precedence, statements by Estonian political leaders and analysts have been much more restrained. Prime Minister Andrus Ansip has constantly tried to de-dramatize the issue and to pacify and reassure the public. He claims that the negative referendum results in France and the Netherlands were indicative of a "natural, open and transparent process", and "respecting the voice of the people" reflects the core values of Europe.[26] Ansip says he does not believe that the Treaty is dead and has repeatedly expressed hope that Estonia – and other member-states - will ratify the treaty regardless

[25] Gareth Harding, "Analysis: EU enlargement one year on," *The Washington Times*, 30 April, 2005.
[26] "ELi põhiseadusliku leppe ratifitseerimistähtaeg pikenes," *Postimees*, 18.06.2005.

of French and Dutch no-votes.[27] Estonia has remained opposed to reopening the text, arguing that a new debate on institutional questions would only distract attention from crucial issues such as the financial framework, economic growth and competitiveness. There has been no discussion of a new IGC or a new convention. Since the Treaty is not officially regarded as dead, there has been very little discussion about what parts of the treaty could be separately implemented.

The restrained tone and lack of alarmism characteristic to these statements can be attributed to a number of factors: (a) the history of hesitant public support for the EU and hence, governmental incentives to keep the genie of popular euroskepticism in the bottle; (b) a national euro-fatigue following lengthy accession-related debates and referendum campaigns – few people are interested in debating complicated issues related to the constitution; (c) broad satisfaction with national economic performance in the context of rapid economic growth (7.8 % in 2004 and 8.7 in the first half of 2005, 10.7 in third quarter of 2005); (d) the perception that the ratification failures happened "somewhere else", are really not "our problem", and all we can do is wait and see.

In fact, it seems that Estonians watched the shelving of the constitution with interest but with limited understanding and empathy. In part, this can be attributed to the fact that many of the key issues that stirred emotions in the "core" European countries are virtually absent from the political discourse in Estonia and thus remain distant and alien to the general public. Anti-globalization sentiments, for instance, are a profoundly alien idea for the average voter in a country that has been subject to 50 years of forced international isolation and where post-communist transition has been synonymous with the "opening up" of the world. "We like globalization", said Prime Minister Andrus Ansip after the informal Council meeting at Hampton Court Palace in October – and the society as a whole seems to agree.[28]

The realization that in many old member states, the fear of globalization translates into a resentment towards Eastern Europeans, adds to this lack of empathy. In an influential article, Toomas Hendrik Ilves, one of Estonia's representatives in the European Parliament, castigated the political leaders of France and the Netherlands for going along with populism that blames new member states for a range of economic and social ills threatening "old Europe".[29] In reality, Ilves claims, these problems are "not related to Estonians, Poles and Slovaks, but the rapidly changing world." The article compares the "Polish plumber" to racial and ethnic stereotypes such as the "Jewish banker" and argues that the

[27] See "Ansip: euroliit on kriisis, aga mitte katki", *Postimees*, 21.06.2005; and "Ansip: Eesti jätkab ELi põhiseaduse ratifitseerimisega", *Postimees*, 17.06.2005.

[28] Krister Paris, "Andrus Ansip: Euroopa majandusedu võtmeks avatus," *Eesti Päevaleht*, 28.10.2005.

[29] Toomas Hendrik Ilves, "Après nous, le déluge" *Diplomaatia* nr. 22/23, July/August 2005.

construction of such enemy figures is indicative of Western European paranoia, xenophobia, and unwillingness to treat new members as equals.

The state of ratification in Estonia

The Estonian government decided that a referendum on the Constitution was not necessary - a decision approved by a majority of the political parties. The official reason was that by the time the Estonian accession referendum was held, the result of the Convention and the prospect of an IGC were already known and voters could take this into account when voting on accession. The government had approved the ratification bill on May 5, 2005 and presented the Constitution to Riigikogu, the Estonian Parliament, for ratification on May 10, 2005. The Parliament's constitutional committee had formed a working group to analyze the compatibility of the treaty with the Estonian constitution already in December 2004. The working group was asked to produce a legally justified position on whether the Estonian constitution and related acts allow the Parliament to ratify the constitutional treaty without amending the Estonian constitution. Initially, the Parliament was expected to ratify the treaty before the summer recess. In June, however, the parliament postponed the ratification until autumn. Although officials denied that the delay was influenced by the French and Dutch rejection of the text, it is likely that the delay was a deliberate one, enabling Estonia to take stock of external developments during the "reflection period." By the end of 2005, the working group had finished its work, deciding that the ratification of the Treaty does not require any amendments to be made to the Estonian constitution and that from a legal point of view, there is no need to hold a referendum. Eager to send "positive signals" to his European counterparts, Urmas Paet, Minister of Foreign Affairs, sent a letter to the Constitutional committee of Riigikogu in early 2006, asking the parliament to speed up the ratification process. None of the parliamentary parties has expressed any significant concerns about the Constitution. In light of this, as well as the positive verdict produced by the Constitutional committee, it would be surprising if the ratification of the Treaty faces any serious obstacles.

The future of EU Enlargement

The constitutional crisis is regarded as having a negative effect on further enlargement, with Turkey, Ukraine and the Balkan countries as the main losers.

However, Estonia's supportive stance towards further enlargement seems to have grown even stronger: the government is "deeply convinced" that EU enlargement should continue and argues that the process "must be furthered by all necessary means."[30] Estonia regards enlargement – with its built-in conditionality principle – as the best way to promote democratization and to project stability and security in "wider Europe":

> *By setting ourselves up as an example, we can explain how the sole hope of becoming an EU member, the hope of belonging to a union based upon democratic values spurred Estonia on to carry out steady-handed reforms. By using ourselves as an example, we can explain how the European Union made us, our region, and thereby all of Europe a better place even before we actually became members. The same will definitely also take place in the case of those states, with which the EU holds accession negotiations today or tomorrow.*[31]

Estonia greets the launching of accession negotiations with Croatia and Turkey as well as continuing assistance to Western Balkan states to help them to fulfill accession criteria.[32] Estonia has not ruled out future membership of any country but emphasizes strict conditionality and commitment to reforms and European values.[33] In contrast to heated debates in many old member states, there is no strong societal interest or opposition to further enlargement in Estonia. The question of Turkey is regularly brought up in the media, but the attitude of political elites towards Turkey's membership is generally positive, and popular mobilization on the issue is highly unlikely. The Foreign Minister also emphasizes Europe's moral responsibility regarding the fate of countries that Samuel Huntington has called civilizationally "torn states":

> *But the main question (both with regard to Turkey and Ukraine) is that if a nation, a society, has decided to be European, to share European values, and has proven this with its actions, then we, in the EU, must be especially careful, and consider all possibilities especially thoroughly, before responding negatively to these endeavours. … If we say that no, this or that state cannot get into Europe, then we must consider the consequences and, at least partially, accept responsibility if the state makes other choices.*[34]

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[30] Urmas Paet, Minister of Foreign Affairs, "Main Guidelines of Estonia's Foreign Policy," address to the Riigikogu on 13 December 2005. http://www.vm.ee/eng/kat_140/arhiiv/kuup_2006

[31] Ibid.

[32] Aims of the Estonian government during the UK Presidency, approved by the government July 14, 2005, www.riigikantselei.ee

[33] "Ansip: euroliit on kriisis, aga mitte katki", *Postimees*, 21.06.2005.

[34] Paet, "Main Guidelines of Estonia's Foreign Policy".

On a related note, Estonia's interest in the European Neighbourhood policy remains keen. In particular, Estonia is interested in supporting the development of Ukraine, Moldova and Georgia, as well as strengthening civil society in Belarus and assisting in solving the disputes in Transnistria, Abkhasia and South Ossetia.[35] Estonia's strong support to the European Neighbourhood Policy is also related to the country's search for an active foreign policy niche. The new framework allows Estonia to gain more visibility and influence by presenting itself as an "expert" of post-communist transition and serving as a "gateway" between the East and the West. This argument has been part of the public discourse for several years and is clearly evident from statements made by key officials, now backed up by concrete activities such as training Ukrainian or Georgian civil servants or providing advice on how to build up IT-infrastructures and information society, modeled after Estonia's e-government and other e-services.

Estonia's post-accession EU policy

For a long time, Estonia's position among other candidate states was characterized by a paradox: while often regarded as a "model student" among the post-communist accession countries, it has also been Eastern Europe's "greatest euroskeptic" in terms of public opinion. Although the accession referendum eventually produced a solid result of two thirds of voters in favor of membership, by 2003-2004, popular euroskepticism seemed to be spilling over to policy-makers and policy-making, especially under the government led by the populist Res Publica. The "unprecedented confusion" and "erratic behavior" characteristic of the government's EU-policy during this period have been analyzed at length by Ahto Lobjakas in the *Estonian Foreign Policy Yearbook 2004*.[36] A stable feature of the government's policies in the Convention and at the intergovernmental conference was a concern, occasionally bordering on obsession, with the principle of self-determination and the equality of member-states. The tough line towards Europe also characterized party campaigns before the 2004 European Parliament elections. Many campaigns (notably by Res Publica, Centre Party, and the People's Union) cast a negative or cautious tone, depicting membership as a continuous struggle to defend Estonia's interests in "yet another" Union.

Estonia's EU policy in 2005 has been considerably more positive. While

[35] Aims of the Estonian government during the UK Presidency, approved by the government July 14, 2005, www.riigikantselei.ee

[36] Ahto Lobjakas, "Estonia Adrift: Caught in the Crosswinds of the EU's Constitutional Debate." *Estonian Foreign Policy Yearbook 2004*. Tallinn: Varrak, 2004, pp. 85-98.

it is still characterized by a certain "toothlessness," the overall tonality has changed. The defensive posture has been replaced by a more constructive and cooperative stance. This is evident from Estonia's now supportive positions towards the constitutional process, the almost complete disappearance of rhetoric opposed to the political union, greater readiness to forge compromises and support EU common positions. Particularly meaningful is the fact that despite serious setbacks in Estonian-Russian relations in 2005 (the voiding of border treaty by President Putin, repeated violations of Baltic airspace by Russian aircraft, etc), Estonia has made no attempt to block advances in EU-Russian relations, such as the visa facilitation agreements. Estonia has a lot to gain from a united EU stand, even when EU positions are less than perfectly aligned with Estonia's own interests, argues Foreign Minister Urmas Paet.[37]

Estonia's EU policy is structured around reasonably well-defined priorities – the list is generally topped by competitiveness, cohesion, and the Neighbourhood policy. The adoption of the euro remains a key priority, as is joining the Schengen zone in 2007. While in the immediate post-accession period, a discussion of Estonia's objectives in the EU often sounded like all rhetoric, no action, these national priorities have gradually acquired actual policy content and are increasingly elaborated in national action plans, convergence programmes and implementation schemes. Although it could always be argued that these priorities should be pursued more vigorously, the often repeated accusation that after achieving the historical goal of EU and NATO membership, Estonian foreign policy lacks objectives and substance, is beginning to sound empty. The new foreign policy priorities may be more mundane than what a society emerging from an era of "extraordinary politics" of post-communist transition is used to, but that makes them no less relevant.

This change of tonality in Estonia's EU-policy can be attributed to a number of reasons. The most significant is the change of government in April 2005, when a new coalition, led by the Reform Party, took office. The new government quickly distanced itself from the aggressive EU posturing of Res Publica whose popularity had plummeted since the spring of 2004. Second, there were the lessons from the European Parliament election campaigns: a tough campaign run by the then governing Res Publica left it with no seats in the European Parliament. The relatively small Social Democratic Party (7% of the vote at national parliamentary elections of 2003) that ran a strongly pro-European campaign, pocketed 37 per cent of all votes, and got half of Estonia's seats in the European Parliament. Although it is likely that personalities played at least as important a role in influencing voting choices

[37] Paet, "Main Guidelines of Estonia's Foreign Policy".

as party positions, the results clearly signaled that EU-bashing is no longer a popular or a politically feasible strategy. Finally, the government benefits from a changed climate of opinion. Now that referendums and election campaigns are over, and certain irrational fears related to accession have subsided, the general atmosphere is less politicized, making it easier to pursue a more pragmatic and less declaratory EU policy. On the other hand, this situation also facilitates the concentration of EU competence in the hands of the government, the daily caretaker of EU-affairs, whose positions and actions often go undebated and unchallenged.

Conclusions

The eastern enlargement has been a success but it has occurred at a difficult time for some of the EU's "defining" member-states. Enlargement has become a catalyst of change in the stagnant eurozone economies and has accentuated some of the existing political cleavages. Change, however, is often scary. Politicians and publics in many old member states have not been able to digest enlargement, politically and psychologically. Further enlargement, of course, may be the first casualty.

In wake of the failed Constitutional process, many feel that the current crisis is caused by the excessive influence granted to mass opinion. Few dare to raise the question whether the referendum is a policy instrument well suited for taking decisions on complicated international issues. The Commission seems to believe that the EU legitimacy crisis is, above all, a marketing problem. A comprehensive communication strategy overhaul, led by Commissioner Wallström, is designed to produce "right consciousness" through "better communication". Better public relations alone will not be enough. In order to win back support for both deepening and enlargement, the EU must address the needs of the "losers" of today's complicated transformation processes and tackle the unemployment problem with effective economic and social policies. Getting the EU out of the current crisis also requires competent and dedicated leadership. A commentary in *Frankfurter Rundschau* argued: "The European Union's problem are not its citizens, but its leaders /…/. The current heads of state and government lack the necessary willpower and courage to throw off their habit of seeing Brussels as a battlefield for national interests."[38]

While the pursuit of narrow-minded national interests aptly characterizes Estonia's EU policy in 2003-2004, a government changeover in spring 2005 seems to have ushered in a more constructive and competent phase. While

[38] *Frankfurter Rundschau*, commentary entitled "Clueless decisiveness," 18 June, 2005.

Estonian behavior in the Convention and during the IGC was characterized by firm opposition to strides towards closer political union, and a wariness of common policies and positions, Estonia has now become a staunch defender of the Constitutional Treaty. Another notable feature of the Estonian EU-discourse is the absence of key themes that dominated political debates in old member-states from the Estonian political arena. It is not an exaggeration to say that in this corner of Europe, further enlargement, globalization, and the European social model have been political non-issues, at least to date. The lack of popular opposition to widening and deepening has made it easier for Estonia's elites to behave as "good Europeans". On the downside, this diversity of national experiences has the potential to contribute to further tensions along the East-West, Old-New axis.

A bleak version of enlargement: The EU's democracy promotion policy in the eastern neighbourhood

Kristi Raik

Today, almost 15 years after the dissolution of the Soviet Union, the Baltic States are the only post-Soviet republics that have successfully completed transition to democracy. The European Union has actively supported the democratisation of post-communist countries in east central Europe (ECE), but until recently it has shown little interest towards the CIS countries other than Russia. Now that the enlarged EU shares a long border with the CIS (which will become even longer after Romania's accession in 2007), the fate of the new eastern neighbours has acquired new significance for the Union. According to the European Neighbourhood Policy (ENP) strategy, one of the main aims of the EU in the neighbouring countries is to support their democratisation and commitment to the "values of respect for human dignity, liberty, democracy, equality, the rule of law and respect for human rights"1. However, besides enlargement, the EU does not seem to have effective instruments of democracy promotion at its disposal.

This article argues that the ENP has many weaknesses as a tool of democracy promotion, but there is still scope for enhancing the EU's support to democratisation within this framework. The EU's efforts to promote democracy obviously need to respond to the different conditions and needs in the neighbourhood. Thus the article starts with an analysis of the state of democracy (or lack of it) in the different eastern neighbouring countries of the EU. It focuses on three cases that represent three types of neighbours in the east: Ukraine that is a case of "re-transition", Moldova where we find prolonged transition, and Belarus that is an outright authoritarian regime. Secondly, the article discusses the opportunities of external actors in general, and the EU in particular, to really make a difference to democratisation that is primarily

[1] European Commission, *European Neighbourhood Policy: Strategy Paper*, COM(2004) 373, Brussels, May 2004.

a domestic process. Thirdly, we shall scrutinise the EU's policies towards the eastern neighbourhood, compare them to the policy of enlargement, and assess the potential of ENP to contribute to democratisation. As we shall see, there are several problems related to supporting the eastern neighbours that have to do partly with the nature of ENP and partly with the EU's democracy promotion policies in general. One of the main challenges for the EU is to develop new instruments for supporting civil society; there are strong arguments for a European foundation to be established for this purpose. Finally, the article outlines some possibilities to develop the ENP into a more effective instrument for democracy promotion, and highlights that a successful neighbourhood policy will increase pressures to continue enlargement.

The challenges in the east: three types of neighbours

Democratisation theory outlines an ideal, linear process of regime change where subsequent phases follow neatly each other: once non-democratic leaders have been overthrown, a new constitution is designed, the first free elections determine the composition of the parliament and government, and the new rulers start to govern in a democratic manner. Transition is followed by consolidation, democracy becomes accepted by all notable political actors as "the only game in town", and the uncertainty that nevertheless always characterises democracy becomes institutionalised. The rule of law, pluralist media and civil society are gradually strengthened, state institutions and party system become stabilised and routinised, and the rights of minority groups are safeguarded. Democratic rules and decisions are respected by political opposition as well as economic actors and security forces. A strong majority of citizens value democracy as the best possible political system (although with many failures) and are both able and willing to take part in public life and practice their civic rights and freedoms.[2]

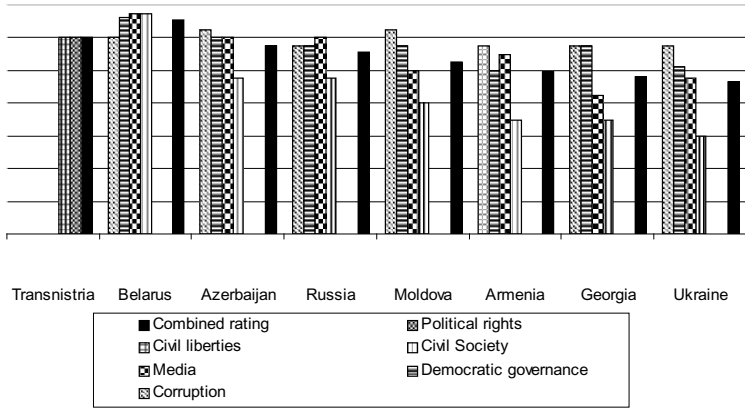
Those countries in central and eastern Europe that have by now joined the EU have indeed moved forward along this path rather consistently, with only Slovakia having experienced considerable setbacks in the 1990s. Bulgaria and Romania that are expected to become EU members in 2007 have been lagging behind, but moving in the same direction. In most of Western Balkans, as we know, democratisation did not even get started in the 1990s. The EU, having blatantly failed to stop the atrocities in former Yugoslavia in

[2] See e.g. Philippe Schmitter (1998) "Some basic assumptions about the consolidation of democracy", in Takashi Inoguchi, Edward Newman and John Keane (eds), *The Changing Nature of Democracy*, Tokyo — New York — Paris: United Nations University Press, pp. 23–36; and Juan J. Linz and Alfred Stepan (1998) "Towards consolidated democracies", in the same volume, pp. 48-67.

the past decade, is now determined to stabilise the region by using its most powerful foreign policy tool: enlargement. The first criterion for membership, and a precondition for the start of accession negotiations, remains democracy, as set by the Copenhagen political criteria[3].

In the meanwhile, there is a third group of post-communist countries further in the east where the EU is far more reluctant to become more engaged. The new eastern neighbours of the Union are for the time being excluded from enlargement and included instead in the European Neighbourhood Policy. The democratisation of these countries has for the most part stalled or moved backwards since the early 1990s, never making it from the transition to the consolidation phase. Before the revolutions in Ukraine and Georgia, an increasing number of experts started to question whether one should talk about the CIS as transition countries any longer or accept that they had established hybrid systems that fell into a grey zone between democracy and authoritarianism[4]. According to the widely used Freedom House classification, most of the CIS countries were "semi-free" and combined elements of democratic competition with authoritarian leadership.

Figure 1. Freedom House ratings for the eastern neighbouring countries of the EU



Sources: for the CIS countries, *Nations in Transit 2005*; for Transnistria, "Disputed and Related Territories", in *Freedom in the World 2005*, Freedom House.

[3] The Copenhagen European Council decided in June 1993 that the first precondition for membership is "stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities".

[4] E.g. Thomas Carothers (1999) *Aiding Democracy Abroad: The Learning Curve*, Carnegie Endowment for International Peace, Washington D.C.; Marina S. Ottaway (2003) *Democracy Challenged: The Rise of Semi-Authoritarianism*, Carnegie Endowment for International Peace, Washington D.C.; Steven Levitsky and Lucan A. Way (2002), "The Rise of Competitive Authoritarianism", *Journal of Democracy*, Vol. 13, No. 2, pp. 51-65.

The "colour revolutions" disproved the pessimistic assessments and raised hopes about a renewed wave of democratisation in post-communist Europe. Ukraine and Georgia have undoubtedly had a huge impact on the whole post-Soviet space. Pro-democratic forces in many countries have been inspired by the revolutions and gained new belief in the possibility of change. On the dark side, several (semi-)authoritarian leaders, including Belarus and Russia, have tightened control over political opposition and civil society and introduced new restrictions of political freedoms as a "vaccine" against the spread of the "democracy virus".

As a result, the differences among the CIS countries in terms of the level of democracy have grown bigger. These may be temporary cleavages, as the pressure to move towards democracy has also grown in the whole region. Nonetheless, for the time being we may distinguish between *three types of countries in the eastern neighbourhood*. The key difference from the viewpoint of civil society and democratisation is the commitment of leadership to democratic reforms.

Renewed transitions of Ukraine and Georgia

First, there are two post-revolutionary or *"re-transition"* (renewed transition) cases, Ukraine and Georgia, where the new leaders are committed to democratisation, but the system is unstable and fragile. The revolutions were a widespread reaction of citizens against corrupt and discredited leaders, and a popular call for a new political culture. The problems of the previous regime do not, however, disappear overnight. Above all, it is the high level of corruption – one of the main reasons for popular protest during the revolutions – that continues to plague both Ukraine and Georgia (see Figure). Ukraine as well as Georgia are still categorised as "semi-free" by the Freedom House, although their ratings have slightly improved after the revolutions. Before the Orange Revolution, Ukraine was less democratic than, for example, Moldova, and represented a typical case of "competitive authoritarianism" – a regime combining political competition with authoritarian government[5]. The fact that political opposition and independent NGOs were allowed to exist, in spite of harassment and discrimination by the powerholders, was a crucial factor behind the Orange Revolution.

These countries are comparable with the east central European countries in the late 1980s and early 1990s. There are some differences, however, that make their transition more complicated and uncertain. First, there is not as

[5] Levitsky and Way 2002; Way (2005), "Kuchma's Failed Authoritarianism", *Journal of Democracy,* Vol. 16, No. 2, pp. 131-145.

strong and broad-based commitment to democracy among the political elites and the population as there was in ECE countries[6]. Second, the previous regimes in the current re-transition countries were home-grown, as opposed to the externally imposed communist regime in east central Europe, and enjoyed considerable support among the people. We should not forget that in the presidential elections of 2004 close to half of the Ukrainians (44% of those who participated in the final round of elections) favoured the opposition candidate, the former Prime Minister Viktor Yanukovitch, and a year later, in December 2005, his party was supported by one fourth of the population[7]. Third, western support to Ukraine, not to speak of the other smaller CIS countries, is much weaker than it was, for example, to Poland in the late 1980s and early 1990s. The third difference does not, however, concern the Baltic countries that received little support from the West in their fight for independence and were not seen as potential members of the EU and NATO until the latter half of 1990s. The Baltic countries thus serve as an encouraging example to the other former Soviet republics, although one has to acknowledge that their historical, social and economic preconditions for democratisation were in many respects better than in the rest of the former Soviet Union.

Bearing the differences in mind, the governments of the re-transition countries need similar support for implementing political and economic reforms as was given to the ECE countries since the late 1980s. It is worth noting that most of the Phare assistance to the latter was initially directed to economic restructuring and the rebuilding of infrastructure, which supported economic recovery and integration with the West. Institution building in accordance with European norms became an important priority of assistance in the 1990s.

Prolonged transition of Moldova

Second, we find countries of *prolonged transition* that are relatively stable and have adopted some elements of democracy, but have not completed the

[6] For example, belief in the capability of democracy to deal with the problems of the country has been considerably lower and readiness to accept authoritarian rule considerably higher in Ukraine than in east central European countries. See Dieter Fuchs and Hans-Dieter Klingemann (2002), "Eastward Enlargement of the European Union and the Identity of Europe", in Peter Mair and Jan Zielonka (eds.), *The Enlarged European Union: Diversity and Adaptation*, London and Portland, Or.: Frank Cass, pp. 19-54; Peter A. Ulram and Fritz Plasser (2003), "Political Culture in East-Central and Eastern Europe: Empirical Findings 1990-2001", in Detlef Pollack, Jörg Jacobs, Olaf Müller and Gert Pickel (eds.) *Political Culture in Post-Communist Europe*, Aldershot: Ashgate, pp. 31-46.

[7] Radio Free Europe, 9 December 2005.

transition – for example Moldova. There is considerable variation within this group; Moldova has always been one of the most democratic countries in the CIS and is now moving closer to the re-transition countries. Russia, by contrast, which has also been in the grey zone between democracy and authoritarianism since the collapse of the Soviet Union, has recently shifted towards authoritarianism.

In Moldova, the elections held between 1990 and 2001 all brought about serious changes in the political landscape, and the parliament was relatively strong and able to constrain the powers of the president. The regime was never as repressive as in Ukraine, not to speak of Belarus, which is at least partly explained by the weakness of government: the leadership simply lacked the resources and capabilities required for imposing authoritarianism. On the other hand, the political opposition and civil society have also been relatively weak, not posing a serious threat to the semi-democratic government.[8] The Communist party that won the elections in 2001 introduced new restrictions of political freedoms. In the following years, the media, especially television, was to a considerable extent controlled by the state, corruption remained widespread and political competition weakly developed.

The latest parliamentary elections held in March 2005 were won again by the Communist party with 46% of the votes. Yet the elections marked a decisive turn: the communists renounced their orientation towards Russia and made a choice in favour of European integration. There is thus new willingness among the Moldovan political elite to carry on with reform, but not the kind of rigorous commitment that motivated for instance the Baltic leaders in the early 1990s. The government is looking towards the EU for support in its renewed reform efforts, but ironically the same weakness that did not allow it to establish more authoritarian rule is also a hindrance to effective democratic and economic reforms. Moldova's capacity to absorb external assistance is limited. One of the main challenges is therefore to strengthen the state and help the government to develop better skills of policy planning and implementation. Another major challenge is to carry out economic reforms that would make the country more attractive for foreign companies, help to curb the exceptionally high level of emigration and eventually lift Moldova from its present status of being the poorest country in Europe.

The weakness of the state and the economy are largely explained by the internal split of the country. The breakaway region of Transnistria has been a *de facto* separate state since the early 1990s, but the regime is illegimate and lacks international recognition. It has survived thanks to military assistance from Russia and the presence of Russian troops, and illegal trade of drugs and arms. The government is authoritarian and severely restricts political

[8] Lucan A. Way characterises the Moldovan system as "pluralism by default"; see Way (2002), "Pluralism by Default in Moldova", *Journal of Democracy,* Vol. 13, No. 4, pp. 127-141.

and civic freedoms. For several years the OSCE was the only Western institution engaged in attempts to solve the conflict together with Russia and Ukraine. Recently the EU has become more involved, and the European turn of Ukraine and Moldova has raised hopes about reaching a solution[9]. However, it remains an extremely complicated task to find a peaceful solution that would not legitimise the Transnistrian leadership and satisfy the interests of all parties.

The most serious threat to the Transnistrian regime would probably be successful democratisation and Europeanisation of Moldova. If Moldova were to become an attractive model in the eyes of the population of Transnistria, it would be far more difficult for the Transnistrian leaders to maintain their current position. The attempts to solve the Transnistrian conflict should thus not be prioritised over the promotion of political and economic reforms in Moldova, and the former should not be seen as a precondition to the latter.

Authoritarian regimes in Belarus and Transnistria

In terms of the level of democracy and civil society, Transnistria belongs to the third category of countries in the EU's eastern neighbourhood: hard-line *authoritarian regimes*. Of course the fact that Belarus is a sovereign state, whereas Transnistria not, makes these two cases very different and requires different strategies of democracy promotion by external actors. While the key issue in the latter case is to reach an international agreement on the status of Transnistria, in Belarus the change has to be initiated by domestic forces. The prospects are not positive considering the firm position of president Lukashenka, extensive government control over all public life and the weakness of opposition.

President Lukashenka came to power in 1994 as a result of relatively free and fair elections. He soon established authoritarian control over the state machinery and the media and imposed restrictions on the opposition and civil society. Over the years he has developed an extensive policy of *preempting* political opposition – which differs essentially from the semi-authoritarian CIS leaders who have rather *reacted* against rising political competitors.[10] Lukashenka has not only succeeded in repressing opposition, but he has also maintained his popularity among a large share of the population – independent sur-

[9] See Nicu Popescu (2005), *The EU in Moldova – Settling conflicts in the neighbourhood*, Occasional Paper No. 60, October 2005, European Union Institute for Security Studies, Paris.

[10] Vitali Silitski (2005), "Preempting Democracy: The Case of Belarus", *Journal of Democracy,* Vol. 16, No. 4, pp. 83-97.

veys show that he is supported by approximately 40 % of the population. He is popular especially among the rural population and elderly people who are afraid of becoming the losers of transition if major changes were to occur.[11]

Most of the Belarusian population has little contacts with the outside world and is effectively brainwashed by the authorities. Nearly all information channels, including all television channels, are controlled by the president (also the Russian television that is popular among the people has been censored). Furthermore, many Belarusians value the relative welfare and social stability ensured by the current regime[12].

Unlike in Ukraine before the Orange Revolution and in other semi-authoritarian CIS countries, the Belarusian opposition is excluded from public institutions. Before 2006, the opposition was fragmented and unable to offer a viable alternative to Lukashenka's rule. In run-up to the latest presidential elections that were held in March 2006, the pro-democratic groups made an effort to learn from past mistakes and joined forces behind a common candidate, Alyaksandr Milinkevich. In the campaign and the demonstrations that followed the elections, the opposition was indeed stronger and better organised than ever before. However, Lukashenka strengthened repressive and preemptive measures in order to ensure that nothing similar to the Orange Revolution would occur in Belarus[13]. As opposition candidates had hardly any access to the public media and were not allowed to campaign freely, Lukashenka managed to maintain his popularity. The official election results that claimed Lukashenka won 83 % of the votes were obviously falsified[14], but even according to independent surveys, Lukashenka continues to be supported by at least 50 % of the population[15].

In an authoritarian country such as Belarus, external support to democratisation obviously needs to be directed to civil society, independent media and pro-democratic opposition. It is essential for pro-democratic groups to maintain independent communications and try to reach broader public

[11] Surveys conducted by the Belarusian National Institute for Socioeconomic and Political Studies (the institute has been forced to close down by the Belarusian authorities in 2005) and the Pontis Foundation of Bratislava; see Centre for Eastern Studies (2005), *Belarus: the EU's unknown neighbour. The political, social and economic situation of Belarus*, Warsaw, August 2005; David Marples (2005), "Belarus: Prospects for Change", *New Europe Review,* Vol. 2, No. 5.

[12] GDP per capita and average wages are higher in Belarus than in Ukraine. See IMF statistics at http://www.imf.org/external/pubs/ft/scr/2005/cr05218.pdf and http://www.imf.org/external/pubs/ft/scr/2005/cr05417.pdf

[13] See Vitali Silitski (2005), "Internal developments in Belarus", in Dov Lynch (ed.), *Changing Belarus*, Chaillot Paper No. 85, November 2005, European Union Institute for Security Studies, Paris; Pontis Foundation, *Anti-Revolution Legislation in Belarus: State is Good, Non-State is Illegal*, Legal Memorandum, Bratislava, 22 December 2005.

[14] OSCE/ODIHR: International Election Observation Mission. Presidential Election, Republic of Belarus – 19 March 2006.

[15] Independent Institute of Socio-Economic and Political Studies, http://www.iiseps.org/

through alternative media. This is needed above all for spreading information about their own goals and activities in order to mobilise support and make people believe that they offer a credible alternative to the authoritarian regime. It is also necessary to delegitimise the incumbent leader by making available uncensored information about corruption, nepotism, violations of human rights and other kinds of misconduct by the regime[16].

Largely because of repressions and harassment, the number of NGOs is lower in Belarus than in neighbouring countries, and it has decreased in the recent years as a result of new restrictions[17]. Belarusian civil society may be divided into two categories: first, politically oriented groups that are not allowed to act publicly, but that work for democratic change more or less hiddenly; and second, groups that are allowed by the regime to be active, but are autonomous and do not work for the regime – usually such groups are non-political. Thirdly, there are fake NGOs, established and supported by the regime, that do not, of course, classify as civil society.

It is a complicated, but all the more essential task for external donors in such circumstances to find reliable partners and to deliver assistance to independent pro-democratic forces. It is estimated that there are a few hundred really independent NGOs in Belarus. Some of them are not officially registered; many have been closed down by the authorities but still continue to operate. As independent NGOs are not allowed to operate legally, many of them exist informally. The state makes propaganda against NGOs in the media, accusing many well-known organisations or their active members of breaching the law and damaging national interests.

The legal conditions are extremely unfavourable for NGO activity. The registration of organisations is complex and costly (100-200$), and NGOs are frequently fined by the authorities. Foreign assistance needs to be approved by officials and is subject to taxation (up to 30%). The government has drawn up black lists of organisations that are not allowed to initiate projects or receive foreign aid. It is thus difficult to support Belarusian NGOs from outside, and representatives of many donors have left the country. There is bitterness among activists because of the low level of external support and little interest of the West in their efforts. The donors that still do operate in Belarus, however, can fairly easily find local partners; there is a huge demand for support among the still existing NGOs. The situation differs from Ukraine where civil society is not able to absorb all the assistance that is available from foreign donors.

In addition to the political and legal restrictions, the low level of civic activity is explained by the passive mentality of people and the lack of national

[16] Freedom House (2005), *How Freedom is Won: From Civic Resistance to Durable Democracy*, New York.

[17] Centre for Eastern Studies 2005.

and civic awareness. The image of NGOs is not good either. People are not just afraid of participating in organisations, but also sceptical towards political parties in particular as well as NGOs connected with politics. The reason is not only the state propaganda but also the low level of success of the organisations. It is commonly believed that NGOs do not offer solutions to the problems of ordinary people. Furthermore, the Western neighbours and institutions that support civil society are seen as hostile.

In a repressive environment, external actors can obviously do very little through formal channels of assistance that are approved by the non-democratic government. Hence, assistance has to be given more or less secretly or indirectly. As it is difficult to allocate aid on the ground, it may be channelled through neighbouring countries or NGOs based outside the target country. Events organised outside the target country and support for study trips to individuals are common forms of assistance in such cases. As a general rule, it is crucial to ensure the independence of civil society aid from the recipient country's government – a principle that has not been possible under the main EU assistance programme to Eastern Europe, Tacis (see more below).

Can external actors really make a difference?

During the past two decades democracy promotion has become an important part of the foreign policies of Western states as well as the activities of many international organisations. The overall democracy assistance given by Western countries has multiplied. Yet there is a considerable amount of suspicion among foreign policy makers and researchers alike about the effectiveness of these efforts. One of the leading experts in the field, Thomas Carothers, calls for "modest expectations", reminding that "democracy aid generally does not have major effects on the political direction of recipient countries"[18]. Domestic factors continue to be decisive for the success, failure or absence of democratic reforms. External support may contribute to democratic reforms, and it may help pro-democratic forces in authoritarian countries to pursue their goals, but it does not bring about change if the domestic will to democratise is not there. Furthermore, it is quite impossible to measure the impact of external actors or even to maintain a boundary between domestic and international factors - to quote Philippe Schmitter on the international context, "its causal impact is often indirect, working in mysterious and unintended ways through ostensibly national agents"[19]. In the same vein, Alex

[18] Carothers 1999, 308.

[19] Philippe Schmitter (1993) "The International Context of Contemporary Democratization", *Stanford Journal of International Affairs* 2, p. 3.

Pravda notes that external factors are "mediated by the domestic environment", which makes it hard to judge the "weight of the two sets of factors". We should thus just aim to "illuminate the role international factors have played"[20].

Michael McFaul concludes from his work on three recent cases of democratic breakthrough – Serbia, Georgia and Ukraine – that western democracy aid had no decisive impact on these events, although it did play "a visible role"[21]. He identifies a number of domestic factors that were present in each case and thus help us predict future transitions. According to his analysis, a democratic breakthrough is more likely to occur if the following preconditions are in place: the regime is not fully authoritarian but allows some civic freedom; the incumbent leader is unpopular; there is a united and organised opposition that is able to mobilise mass protest; independent NGOs are able to monitor elections and expose fraud; there is at least some independent media; and the regime is not united and cannot rely on the military, police and security forces in case of mass demonstrations.[22] While all these factors contributed to change in the three cases, the situation in Belarus looks far less promising: Lukashenka enjoys wide popularity, the opposition is fragmented and weak, independent NGOs are not allowed to exist, and the media as well as police and security forces are under the president's firm control.

The decisive role of domestic factors does not mean, however, that external support does not matter. Taras Kuzio, for example, argues that although the Orange Revolution of Ukraine was "unquestionably homegrown" and to a large extent funded from domestic sources, international support was indispensable for the Yushchenko camp[23]. Taking a broader perspective, a recent Freedom House report urges international donors to significantly increase assistance to political-reform-oriented NGOs. Based on a comparison of the pre-transition environment in 67 countries where transition has occurred, the study underlines the central role of non-violent civic coalitions in bringing about change.[24] External aid alone does not create such coalitions, but it does help them to get organised and active.

When assessing the opportunities of external actors to make a difference, it is important to distinguish between different phases of democratisation. It is obviously most difficult for external actors to operate in a non-democratic

[20] Alex Pravda (2001) "Introduction," in Jan Zielonka and Alex Pravda (eds) *Democratic Consolidation in Eastern Europe, Vol. 2: International and Transnational Factors.* Oxford: Oxford University Press, p. 6.

[21] Michael McFaul (2005) "Transitions from Postcommunism", *Journal of Democracy,* Vol. 16, No. 3, p. 16.

[22] McFaul 2005.

[23] Taras Kuzio (2005) "The Opposition's Road to Success", *Journal of Democracy,* Vol. 16, No. 2, pp. 127-129.

[24] Freedom House 2005.

environment. The use of any common instrument of democracy promotion – diplomacy, aid, political conditionality, economic sanctions or intervention[25] – involves major problems. Diplomatic measures are unlikely to be effective unless they are accompanied by substantial sticks or carrots. Possible sticks, such as economic sanctions or military threat, are costly and likely to have negative implications that may turn against the initial purpose. Carrots, for example political and economic cooperation and trade benefits, can only be effective if they are tied to credible conditionality and offered as a reward for democratic reforms. The rewards, however, are unlikely to be attractive to an authoritarian leader who will most probably lose power as a result of such reforms. What remains is democracy assistance focused on the media and pro-democratic groups that work for change. The problems related to supporting these groups were discussed above. It is also important to maintain and promote contacts with the population and different groups in society: businessmen, students, scholars, cultural groups, lower-level and local officials etc. In general, all forms of linkages with outside world tend to undermine the authoritarian leadership, whereas policies of isolation and sanctions are not likely to have a democratising impact[26].

It is not easy for outsiders to play a role in the breakthrough phase either, not least because the pace of events poses a major challenge. Donors need to be present on the ground and have sufficient financial and administrative flexibility that allows them to react to changing circumstances and assist key actors, which is not a strength of EU assistance programmes. Diplomatic measures may have to be decided upon and carried out within hours – the EU's contribution to resolving the Ukrainian crisis during the Orange Revolution in late 2004 being a successful example.

External actors have better opportunities to contribute to democratisation after the hectic and unpredictable time of breakthrough. In a country like Ukraine, where the leadership is committed to reforms and open to external influence, assistance from outside is not crucial in the sense of changing the direction, but it may be essential for the capability of government to actually implement reforms and make the new system function. In Ukraine, external support is also needed in order to broaden support to democratisation among the population and prevent the former semi-authoritarian leaders from returning to power. In Moldova (and other similar cases), external actors, the EU in particular, may have a more decisive impact because the country is very dependent on foreign aid and at the same time the commitment of government to democratisation is uncertain. The EU can thus safeguard the continuity of the new European orientation of Moldova by

[25] Peter J. Schraeder (2002) "Making the World Safe for Democracy", in Schraeder (ed.) *Exporting Democracy. Rhetoric vs. Reality*. Boulder, London: Lynne Rienner Publishers, pp. 219-220.
[26] Levitsky and Way 2005.

offering support, benefits and rewards. Of course the Moldovans themselves have to carry out the reforms, but they may fail and move back towards authoritarianism without substantial external assistance.

Increasing EU support to the eastern neighbours

The EU adopted democracy promotion on its foreign policy agenda relatively late, in the early 1990s[27]. Throughout the 1990s, the most important targets of its democracy promotion efforts were post-communist countries in east central Europe. The collapse of the Soviet regime created both a political opportunity to spread democracy and a pressing demand for support from the democratising countries themselves. At the same time the ECE countries were determined to pursue membership in the EU. By defining democracy as the first criterion for membership, the EU made enlargement a powerful tool for promoting democracy.

As usual with the impact of external actors, the EU's role in the democratisation of ECE countries is disputed, difficult to prove, and in most cases confirmative rather than decisive. Most of these countries have been committed to democracy and integration in any case, and the priorities of their leaders have, by and large, overlapped with Western expectations. Conditionality policy, which is the main instrument of EU democracy promotion in candidate countries, was not pursued consistently and rigorously,[28] and according to some experts its impact has been "marginal, but not irrelevant"[29]. Nevertheless, as highlighted by Paul Kubicek, "Conditionality has worked in virtually every case in which it has been applied"[30]. By offering memberhsip as a clear and credible incentive, the EU has been able to change the policies of Slovakia, Romania and more recently Croatia, ensuring the commitment of these countries to democracy and human and minority rights. Membership conditionality has been made more powerful by "asymmetric interde-

[27] Karen E. Smith (2003) *European Union Foreign Policy in a Changing World*. Cambridge: Polity Press, p.122.

[28] For critical accounts of EU democratic conditionality, see also Smith 2003: 134-137; Geoffrey Pridham (2002) "EU Enlargement and Consolidating Democracy in Post-Communist States — Formality and Reality", *Journal of Common Market Studies* 40:3; and Robert Youngs (2001) "European Union Democracy Promotion Policies: Ten Years On", *European Foreign Affairs Review* 6:3, pp. 355–73. The effectiveness of conditionality is emphasised by Diane Ethier (2003) "Is Democracy Promotion Effective? Comparing Conditionality and Incentives", *Democratization* 10:1, pp. 99–120.

[29] Frank Schimmelfennig, Stefan Engert and Heiko Knobel (2003) "Costs, Commitment and Compliance: The Impact of EU Democratic Conditionality on Latvia, Slovakia and Turkey", *Journal of Common Market Studies* 40:3, p. 515.

[30] Paul J. Kubicek (2003) "Conclusion: The European Union and democracy promotion", in Kubicek (ed.), *The European Union and Democratization*, London and New York: Routledge, p. 212.

pendence" between the EU and candidate countries: the EU has not been eager to enlarge and depends little on its ties with the candidates, whereas the latter are heavily dependent on integration for both political and economic reasons[31].

Until recent years, the Union's interest towards the CIS countries was very limited for several reasons. Firstly, the CIS region was seen as a Russian sphere of influence (although the EU avoids using such terms). Secondly, these countries (excluding Russia) were simply less relevant for the EU than the Union's immediate neighbours in the east. Furthermore, the CIS countries made little, if any progress in domestic reforms, and it was thus far more difficult to give them effective aid than it was in the case of reform-minded, European-oriented candidate states. Assistance to the semi-authoritarian and unstable regimes in countries such as Ukraine or Armenia was often wasteful and frustrating.

The main instrument of EU assistance to the CIS countries has been the Tacis programme. In 1991-2005 Tacis provided close to €7000 million to these countries, out of which more than €1731 million went to Ukraine, Belarus and Moldova. In addition to Tacis, which accounts for almost two thirds (64%) of EU funding to these three countries, the EU has assisted its eastern neighbours through a number of other instruments, including macro-financial assistance, humanitarian aid (ECHO), the Food Security Programme, and the European Initiative for Democracy and Human Rights (EIDHR). Altogether, the EU has allocated €2723 million to the three countries since 1991. Comparison with assistance to Poland shows the relatively modest engagement of the EU in this region: in 1991-2003 Poland received altogether €5710 million of EU funds, which is more than the total Tacis programme during the same period.

The EU's contribution to Ukraine and Moldova has been modest in comparison with the US: in 1998-2004 the US gave over €1220 million of assistance to Ukraine and over €210 million to Moldova, whereas corresponding figures for the EU were €826 million and €115 million. It is noteworthy that in Ukraine the EU has directed a considerably smaller share of its assistance to democracy and civil society than the US. The EU has focused on technical assistance and the institutional dimension of democratisation, whereas the US has given more aid to democratisation "bottom-up", through civil society. In the same period, Belarus received far less external assistance than its neighbours, and the EU was clearly the largest western donor there. However, civil society was a far more important priority for the US that gave approximately four times more aid (€17.80 million) to Belarusian NGOs than

[31] Cf. Milada Anna Vachudova (2005) *Europe Undivided: Democracy, Leverage & Integration After Communism*. Oxford: Oxford University Press, pp. 109-110. Vachudova does not mention political reasons in this context.

the EU. Belarus is also a high priority for Sweden that has allocated almost the same amount of assistance to local civil society as the EU.[32]

EU assistance to the eastern neighbours has grown considerably in past years, which is explained by several factors. Enlargement made these countries more relevant for the EU first of all by bringing them physically closer. At the same time the EU was aiming to become a stronger international and regional actor, which also implied that it should pay more attention to the eastern neighbourhood. The need to develop a specific policy for the "in-between countries", in other words the common neighbours of the EU and Russia, was in fact acknowledged well before enlargement. The EU started to prepare a European neighbourhood policy in 2001 when it realised the challenges related to the new post-enlargement neighbouring countries. A report by the Commission outlining the new neighbourhood policy was launched in March 2003, followed by a more detailed strategy paper in May 2004. The new importance of neighbouring countries was also confirmed by the European Security Strategy (2003) that states, under the subtitle "Building Security in our Neighbourhood", that "Our task is to promote a ring of well governed countries to the East of the European Union and on the borders of the Mediterranean with whom we can enjoy close and cooperative relations".

The ENP strategy defines the general principles and goals on the basis of which the Union, in cooperation with its neighbours, prepares tailor-made bilateral action plans in accordance with the specific conditions of each country. The ENP promises to the neighbours "everything but institutions", with an aim to project stability and prosperity in a similar manner as through enlargement, but without the prospect of membership[33]. In all, the strategy covers 16 states, including six countries in the east – Ukraine, Moldova, Belarus and the Southern Caucasus countries Georgia, Armenia, and Azerbaijan. The new policy will be supported by a new financial programme, the European Neighbourhood and Partnership Instrument (ENPI), which will replace previous assistance programmes and become the main channel of EU aid to all neighbouring countries from 2007 onwards[34]. Stressing the Union's enhanced commitment to this area, the Commission has proposed that funding to neighbouring countries should be doubled (from €8.5 billion altogether for the Mediterranean region and TACIS in 2000-2006 to €14.9 billion for the ENPI in 2007-2013).

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[32] For more detailed data, see Kristi Raik, *Promoting Democracy through Civil Society: How to step up the EU's policy towards the Eastern neighbourhood*, forthcoming.

[33] Romano Prodi, A Wider Europe: A Proximity Policy as the key to stability. SPEECH/02/619, Brussels, 5–6 December 2002.

[34] The ENPI will be one of the six instruments of external assistance that will replace the existing numerous programmes and constitute a far more simple funding system.

The limits of ENP as a tool of democracy promotion

As noted above, the ENP aims to promote the neighbouring countries' "commitment to shared values", including democracy and human rights (a more appropriate wording would be commitment to European values, since these values are not shared by all neighbours). There are numerous reasons to doubt whether the ENP will provide a framework for effective democracy promotion. There are two kinds of obstacles on the way: the first have to do with the nature of the ENP itself, and the second with the EU's democracy promotion policies at large.

The most important shortcoming of ENP is that it does not offer strong incentives for the neighbours to implement reforms in accordance with EU norms. The ENP shares many similarities with the EU's enlargement policy, but it is merely a bleak version of enlargement. The most important element of enlargement – the goal of accession – is missing from the neighbourhood policy. The main common denominator is the extension of the EU's values and norms through conditionality. The candidate countries' relations with the EU are determined by their success in adopting the internal EU system. A similar logic, although in a weaker form, is also inherent in the ENP. Whereas conditionality has worked for countries that have had membership within reach, there is no evidence of effective conditionality in other EU external relations. The ENP does not offer "carrots" that would make this mechanism work.

The ENP can be viewed as an "external dimension of internal politics"[35]. In other words, the internal model of EU integration is reflected in the external neighbourhood policy that aims to project and extend the EU's system to neighbouring areas. The EU thus tries to practice extended governance over the neighbours in a similar manner as it does in relation to candidate countries. However, the Union is not willing to extend the system of governance and include the neighbouring countries. Sandra Lavenex highlights this problem by making a distinction between the institutional and legal boundary of the EU: the EU can transpose its legal order upon neighbouring countries without a parallel institutional integration[36].

This brings us to the second major problem inherent in the ENP: the neighbours are doomed to stay in a relation of asymmetric interdependence with the EU. This type of relationship restricts their democratic self-determination, and it hardly motivates them to adopt in full the EU's values and legal order. The same asymmetry characterises also the relations of candidate countries with the EU, but unlike candidates, the ENP partners do not have an end of asymmetry in sight.

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[35] Sandra Lavenex (2004) "EU external governance in 'wider Europe'", *Journal of European Public Policy* 11:4, p. 681.

[36] Ibid., p. 683.

The ENP appears to be more dialogical than the relationship between the EU and applicant countries. The keywords of relations are partnership, mutual gains and mutually agreed goals, and joint ownership. While candidate countries have no choice but to adopt the whole set of EU norms, each ENP country negotiates a "tailor-made" plan. The Union stresses "ownership" on the side of partners and their freedom to choose how far they want to deepen their political and economic ties with the EU. The ENP strategy claims that "The EU does not seek to impose priorities or conditions on its partners", and "There can be no question of asking partners to accept a predetermined set of priorities"[37].

Yet the EU does set conditions, and the closeness and depth of relations depends on the extent to which the neighbours adopt EU norms. The Union's position may be described as "we do not impose anything, but if you want closer cooperation, do as we say". The impression of neighbours having freedom to choose is quite deceptive. Many of them would choose a far closer relationship if they were able to satisfy the EU's conditions and if the Union was ready to build a closer relationship. The EU is obviously far stronger economically and politically, which makes the relationship inherently unequal, but nevertheless the rhetoric of "equal partnership" is commonly used.

Thirdly, the ENP is a broad strategy that is of little help as far as practical work with each country is concerned. It should therefore be seen as merely a loose framework for a variety of specific policies. The variation in the concrete "fillings" for different countries is indeed visible in the action plans, and the principle of differentiation has a central place in the ENP. Nevertheless, the creation of a single category of "neighbourhood" that includes all the very different neighbouring countries is problematic. Firstly, the broad strategy does not respond to the specific aims of the neighbours. Secondly, it creates a misleading perception that a similar (although differentiated) relationship model suits all the countries. The broad framework has not been filled with effective concrete guidelines for individual countries. The action plans outline far too long lists of priorities, but say little about how to prioritise among the priorities and how to actually implement them. Hence, even if the neighbours are willing to adopt the EU's norms and values, the ENP is a weak guide and supporter.

Another crucial obstacle to effective democracy promotion is the fact that the EU is not clear about its overall strategic aims in the eastern neighbourhood, and there is lack of political will on the side of some member states to develop a more pro-active strategy. While the new eastern member states are eager to give all the possible support to the democratisation of the (new)

[37] European Commission, European Neighbourhood Policy: Strategy Paper, May 2004.

eastern neighbours, including the prospect of membership in the EU, some old members are very sceptical about stepping up the Union's engagement in the region. In the aftermath of the latest enlargement and the French and Dutch "no" to the constitutional treaty there is a serious concern that the Union would not be able to function with an ever-growing number of member states. In the case of eastern neighbours, there is also an important external reason for caution, shared in particular by the old large member states: one does do not wish to irritate Russia or to let the European aspirations of some CIS countries harm relations with the largest eastern neighbour of the EU.

The EU's democracy promotion policies also contain many problems that are reflected in the ENP and limit its ability to promote democratisation in the neighbouring countries. The core problem is the "scattered and ad hoc approach" of the EU to democracy promotion: democratic principles "permeate all Community policies, programmes and projects", but in practice they have not been consistently followed[38]. The Commission aims to develop a more strategic and coherent approach now that it is reforming the whole structure of external assistance programmes. Democracy promotion should become an integral part of different geographical instruments, including the ENPI. In addition, the Commission has adopted a new thematic programme on democracy and human rights to complement and support the geographical programmes[39].

One of the reasons for the weakness of strategy is that EU support to democratisation and civil society is a victim of inter-institutional tensions and struggle for power inside the EU, more specifically in the field of EU foreign policy. The Parliament fights for a stronger role in external affairs, which is justified from the viewpoint of division of power and democratic governance in the EU, but takes time and resources (as democratic decision-making usually does). The Commission, on the other hand, wishes to reform external aid and democracy programmes in a way that would increase its powers and independence and reduce opportunities for parliamentary control. Most member states are sceptical towards, if not expressly against, increasing the power of any supranational institution in the area of foreign policy that is more sensitive for national interests and national sovereignty than most other policy fields. There is a danger that the fight for power overrides the aim of increasing the effectiveness of democracy promotion.

The Parliament has been the strongest propagator of an enhanced EU policy of democracy promotion. In 1994 the first special EU programme

[38] Richard Youngs, Jean Bossuyt, Karijn de Jong, Roel von Meijenfeldt and Marieke van Doorn (2005), *No lasting peace and prosperity without democracy and human rights*, Brussels, European Parliament, 27/07/2005, pp. 14-15.

[39] European Commission, Commission simplifies external cooperation programmes, IP/06/82, 25/01/2006.

dealing with these issues, EIDHR, was created on the initiative of the Parliament. There are also several recent proposals from MEPs as to how the EU could step up and reform its activity in this field. One of the main positions of the Parliament concerning the ENPI is the need to pay more attention to democracy, human rights and civil society. Unsurprisingly, the Parliament also foresees stronger parliamentary control and involvement in the planning and implementation of the ENPI.[40] Especially MEPs from the new member states who promote a more active EU policy in the eastern neighbourhood are very critical of the current policy and the work of the Commission. The criticism, however, is to some extent hypocritical: the MEPs blame the Commission of being overly bureaucratic, slow and ineffective in allocating external aid, especially aid to NGOs, but the rules that make it so difficult for the Commission to be fast and effective have been imposed by the Parliament itself.[41]

Towards a new approach to civil society

One of the new strategic objectives proposed by the Commission is a stronger role of civil society in democracy promotion[42]. The ENP strategy and action plans also pay more attention to civil society than any earlier documents concerning the Union's relations with its eastern neighbours. This is most welcome, in particular with respect to non-democratic countries such as Belarus where civil society can be a key actor in bringing about regime change. The current EU policies of neighbourhood as well as democracy promotion are not, however, well suited to support civil society.

It is particularly difficult for the EU to work with civil society in non-democratic countries where its bureaucratic rules often pose insurmountable obstacles and political agreement among the institutions and member states is particularly difficult to reach. The EU is not alone in this challenge: the aid of western governments is also focused on democratising countries, while much less is done in non-democratic countries. As a rule neither the EU nor governmental aid agencies support political groups, and this rule applies also to groups fighting against dictatorships. It is understandable that governments and the EU Commission reject open and systematic involvement in political struggles of other countries. At the same time it is essential for

[40] European Parliament, Committee on Foreign Affairs, Draft Report, 7.7.2005, 2004/0219(COD).

[41] Emerson, Michael, Senem Aydin, Gergana Noutcheva, Nathalie Tocci, Marius Vahl and Richard Youngs (2005), "The Reluctant Debutante – The EU as Promoter of Democracy in its Neighbourhood", in Emerson (ed.), *Democratisation in the European Neighbourhood*, Brussels: Centre for European Policy Studies, p. 223.

[42] European Commission, Consultation Paper: Thematic Programme for the promotion of democracy and human rights worldwide, DG RELEX/B/5.12.07.

democracy promotion to support pro-democratic political forces in authoritarian countries. A way to avoid accusations of political interference is to channel aid through foundations, as described below.

A major obstacle to effective civil society support is bureaucracy, in particular the overly strict Financial Regulation of the EU.[43] The Regulation imposes tight financial control with auditing rules that are far stricter than the usual standards in both public and private sectors. The system has been criticised for raising the costs, increasing uncertainty and reducing the effectiveness of NGOs that seek funding from the Commission. The extensive and complicated reporting requirements pose a further extra burden on recipients of aid. The Commission itself does not have sufficient human and organisational resources for allocating assistance to civil society. NGO projects are relatively small and therefore require more work than larger allocations to governments. This problem is multiplied by the Financial Regulation which is a costly burden not only for recipients, but also the Commission.

The rules are so complex that few Commission officials properly understand them, and different units and departments interpret them differently. Responsibility for any possible shortcomings or misuse of funds is carried by individual officials who therefore try to follow the rules painstakingly. Furthermore, the procedure takes such a long time – several years from programming until actual payments - that local conditions and needs may change radically during the period, and few NGOs in transition countries are able to plan their work so long in advance. Since the procedures are extremely slow, laborious and costly, it is particularly difficult for small NGOs to apply for EU funding. It is indeed common knowledge among activists in the neighbouring countries that the procedures of EU aid programmes are very unfavourable for NGOs. Most organisations prefer working with other donors that are more flexible and less bureaucratic.

A special European democracy foundation could provide a new channel that would help to solve the problems discussed above. Several western countries channel some of their external aid through foundations that are formally independent from the state. In practice the foundations function as quasi-governmental actors that are publicly funded and to some extent supervised by the government. Their activity is in line with official foreign policy and thus helps to pursue the overall goals of external aid. One of the main priorities, or in some cases the sole purpose of the foundations is democracy promotion. Their programmes are most often directed at non-state actors and civil society – an

[43] F.M. Partners Limited (2005) *Striking a Balance: Efficiency, Effectiveness and Accountability*, Report by F.M. Partners Limited on behalf of Open Society Institute Brussels, Concord, the Platform of European Social NGOs, SOLIDAR and the European Women's Lobby; Soto, Paul - Grupo Alba (2005) "The Commission could do better", the Greens – EFA in the European Parliament, May 2005.

area where the foundations are able to work more effectively than governments and thus really bring an added value to official policy.[44]

The most significant foundations of this kind are the German *Stiftungen* that have existed longer than similar organisations in other countries and have served as a successful model for many other countries. For Germany, one of the main reasons for channelling aid through foundations has been a wish to avoid accusations of interfering in the internal affairs of other states – an issue that was particularly sensitive for the Germans after World War II when the system was established. The budget of the *Stiftungen* is many times larger than that of their counterparts elsewhere. Although it constitutes a small share (around 3%) of the German development assistance funds, the foundations have made an essential contribution to democratisation in many countries, including Eastern Europe.[45] The second-most significant case is the US system of external aid where the foundations, including the National Endowment for Democracy and the Eurasia Foundation, have also played an important role during the past two decades.[46]

In comparison with official foreign aid, the main advantages of foundations are the following:

- foundations are more flexible and innovative, not constrained by long-term strategies of governmental assistance
- they are able to react to changing local circumstances faster than governments
- foundations are less bureaucratic, not constrained by the same legal and procedural requirements as government agencies
- demands for accountability and evaluation are less strict than in the case of government agencies
- while aid from foreign governments to non-state actors tends to be seen as illegitimate foreign political interference, aid from foundations is more acceptable in recipient countries
- as non-state actors, foundations are more suitable for promoting civil society than governments
- foundations are much better than governments at acting in non-democratic countries

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[44] See James M. Scott (2002) "Political Foundations and Think Tanks", in Schraeder, *Exporting Democracy.*

[45] See Dorota Dakowska (2002) "Beyond Conditionality: EU Enlargement, European Party Federations and the Transnational Activity of German Political Foundations", *Perspectives on European Politics and Society*, Vol. 3, No. 2, pp. 271-295; Swetlana W. Pogorelskaja (2002) "Die parteinahen Stiftungen als Akteure und Instrumente der deutschen Aussenpolitik", *Aus Politik und Zeitgeschichte* B 6-7/2002.

[46] See Carothers 1999.

It may also be seen as an advantage that the foundations are open about promoting certain values and being partisan[47]. Official aid from governments, by contrast, claims to be neutral, but in practice democracy assistance is always influenced by the specific model of the donor country[48]. It is also positive that the system of foundations increases the pluralism of external aid. Different areas require different kinds of approaches (for example, it is natural that large infrastructure projects are based on inter-governmental co-operation, whereas local participation is best promoted by non-governmental actors), and from the viewpoint of non-state actors in recipient countries it is welcome that they can seek support from a variety of sources.

The establishment of a European democracy foundation has recently been discussed in the EU, and the European Parliament has expressed its support to the idea[49]. The ability of foundations to work in non-democratic countries should be stressed in particular with a view to the difficulties faced by the European Commission in promoting civil society and human rights in Belarus. An independent foundation would enable the EU to support Belarus in a much more effective and flexible manner than what is possible through the Commission programmes.[50]

What can the EU do more and better?

The most powerful instrument of democracy promotion in the eastern neighbourhood would be enlargement, but this tool is not available for the time being. The ENP is far less effective and far more problematic as a means to

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[47] Stefain Mair (1997), *The Role of the German "Stiftungen" in the Process of Democratisation*, ECDPM Working Paper No. 32, Maastricht: The European Centre for Development Policy Management.

[48] See e.g. Crawford, Gordon (2001), *Foreign Aid and Political Reform. A Comparative Analysis of Democracy Assistance and Political Conditionality*, Palgrave.

[49] European Parliament, *Report on the European neighbourhood policy*, A6-0399/2005, 7.12.2005. According to the report, the Parliament "Considers it useful to establish a special European fund to support, in an efficient and flexible manner, initiatives promoting parliamentary democracy in neighbouring countries". The report was adopted by the Parliament on 18 January 2006.

[50] Several experts have called for a special EU Fund for Belarus or a broader Democracy Fund that would make possible more flexible and fast EU support to Belarusian civil society and democratic forces. See Urban Ahlin (2005), "The EU needs a policy on Belarus", *CER Bulletin*, Issue 45, December 2005/ January 2006, London: Centre for European Reform; Jakub Boratynski (2005) *European Democracy Fund*, Concept Paper, Stefan Batory Foundation, 10 March 2005; Dov Lynch (2005), "Catalysing Change", in Lynch (ed.), *Changing Belarus*, Chaillot Paper No. 85, November 2005, European Union Institute for Security Studies, Paris; Pontis Foundation, *EU Democracy Assistance to Belarus: How to Make Small Improvements Larger and More Systematic?,* Policy Brief, Bratislava, 24 March 2005.

extend the EU's norms and values to the east. Nonetheless, even within the framework of ENP the EU could do much more than it currently does. Its possibilities to step up support to democratisation depend above all on the commitment of the leaders of each neighbouring country to democratic and European-oriented reforms.

As for Ukraine, Moldova and other neighbours that are willing to adopt European norms, it could define the priorities of ENP action plans more clearly and harness them better to the reform agendas of neighbour countries' governments. It could also systematically reward governments that are committed to democratisation by establishing a clear linkage between the progress of democratisation and overall assistance given to governments. At the same time, it is worth stressing that democracy aid as such is not conditional – it is neither offered as a carrot to reform-minded countries, nor used as a stick against non-democracies. Civil society and independent media need at least as much, if not more aid in repressive societies such as Belarus as they do in democratising countries. Thus, the EU should give more overall assistance to governments that are committed to democratic reform, and more democracy aid, with a focus on civil society, to countries that are non-democratic.

So far, the EU has given little assistance to democracy and civil society in the eastern neighbourhood (far less than the US), and its aid programmes are overly bureaucratic and inefficient. The EU should reform its instruments of democracy assistance, especially when it comes to supporting civil society, and consider the establishment of a specific democracy foundation. International practice suggests that private foundations that receive regular public funding are one of the best ways of supporting civil society in foreign countries. A European democracy foundation could work more effectively especially in non-democratic countries, since it would not be constrained by the same bureaucratic requirements as the Commission. In the meanwhile, the Commission should continue to focus on assisting governments that carry out political and economic reforms.

In democratising neighbouring countries, the Union could develop the eighbourhood policy into an effective tool for promoting cooperation between civil society and the state. This would require consistent inclusion of civil society on the agenda of political dialogue between the EU and neighbouring governments, as well as the involvement of NGOs in the preparation and implementation of the ENP action plans. The EU can encourage public authorities to include NGOs in policy process and to seek for partners among non-state actors. The governments of Ukraine and Moldova, for example, would also need assistance and expertise in order to improve the legislative environment of NGO activity so as to create a more favourable taxation system and encourage local philanthropy. This is one of the many is-

sues where the neighbouring countries can learn from the experience of new EU members that have just recently built up their own legal and institutional framework for cooperation between civil society and the state – the Estonian experience of the Civil Society Development Concept (EKAK) being an excellent example.

One of the aims of ENP is to create multiple links between citizens of the EU and neighbouring countries. Such horizontal linkages are an important indirect way to spread democratic values and tie neighbouring countries to peaceful cooperation. There is scope for increasing EU assistance to NGOs, educational and cultural exchange programmes and study tours. At the same time it is important to reduce barriers between the EU and the neighbouring countries through more flexible visa policies and the reduction of welfare gap on EU borders.

The increase of EU support to the new eastern neighbours has far-reaching implications for the future of Europe: the more effectively the Union promotes the Europeanisation of its neighbours and extends its system of governance to the neighbourhood, the harder it becomes to avoid the question of offering them the prospect of membership. Even the most ardent opponents of further enlargement can hardly oppose support to the democratisation of neighbouring countries. They need to acknowledge that the EU has no right to deny full membership to democratic European countries. The EU's policy towards the eastern neighbours puts into test the Union's continued commitment to its underlying goals and principles, above all the promotion of peace and democracy through integration.

Estonia's development cooperation: Power, prestige and practice of a new donor

Riina Kuusik

Estonia has identified itself as a donor country since 1998 when emergency aid was delivered to flood-affected regions in Eastern Europe and the first voluntary donations were provided to UNICEF and the International Committee of the Red Cross (ICRC). Estonia has since then supported projects in over 20 developing countries and countries in transition in such diverse areas as information and communications technology (ICT), environmental protection, banking, civil society support, cross-border cultural cooperation, and training on European integration and WTO membership. Non-governmental organisations have implemented a variety of these projects, as well as mobilized their capacity in advocacy, development education and public awareness of the plight of the most vulnerable people in the world. Estonia has channelled funds via multilateral agencies into emergency situations as diverse as Kosovo, Sudan, Iran, and deployed national disaster relief teams to rescue survivors and mitigate the effects of the 2004 tsunami in Indonesia and 2005 earthquake in Pakistan.[1] The Estonian media is slowly but steadily diversifying its coverage of the world beyond Estonia's closest neighbours and its western allies, and the first ever conducted opinion poll in 2005 indicated that a fairly large portion of the society is supportive of development cooperation[2]. However, a systematic and open debate on the strategic agenda setting in the field of development cooperation has yet to emerge. At the time of writing this article[3] Estonia's development cooperation strategy for 2006-2009 has still not been adopted. Eight years after the first delivery of aid, Estonia is attempting to drop its ad hoc approach to development and find its position among donors. What is the development priority for Estonia

[1] For a detailed description of the projects, please see http://www.mfa.ee/est/kat_425/5084.html

[2] The opinion poll will be discussed later in the article.

[3] February 2006

in its bilateral relations and as a EU member? Should Estonia adopt a similar path that donor countries have taken for the past several decades in relations to developing countries? Or should Estonia find her own peculiar niche in an international arena with increasingly complex challenges to development?

This article presents the current state of Estonia's development cooperation. On one hand, Estonia reached its political aspiration of western integration when it joined the EU and NATO in 2004. Consequently, Estonia aligned itself with the western donor community, and as a EU member it is expected to participate in community's efforts as the world's biggest donor. As a NATO member Estonia has troop deployments operations in Iraq, Afghanistan and the Balkans. On the other hand, Estonia also wants to build up its own bilateral relations with its chosen partner countries, and try to seek unique expertise or competence in the field. Many decades of development policy implementation by the Western states and aid agencies at its disposal, Estonia has the privilege to learn from previous lessons, and shape its own interventions, which would be most valuable to the beneficiaries and cost-effective to Estonia. It is a serious political and practical challenge for Estonia to find its own unique position in the midst of the donor community. A successful policy requires clear and attainable objectives, its coherence with other policies, sufficient funds, and viable institutions with committed staff to implement it. A solid policy should have broad public support, sustained by independent policy analysis and professional training of people engaged in the field. In other words, it requires a strategic framework to build a transparent and effective national system of development cooperation. The article argues that following the footsteps of other donors in mainstream aid-funded development, and thus contributing to "more of the same", might not turn out to be a practical option for Estonia's bilateral development cooperation policy; instead a very pragmatic, albeit limited approach to its involvement in the aid industry is needed. Estonia could show that "less is more" as it constructs its development cooperation policy. It is not an easy task as the political and social setting in which Estonia finds itself in 2006 is not fully prepared for such a fundamental challenge. There are at least three basic issues, which need to be addressed in order to formulate and consequently implement a good policy. Firstly, what is the underlying rationale for Estonia to extend its foreign policy in the field of development cooperation? Secondly, what is the basis for the choice of partner countries and the sectors it aims to remain involved? Thirdly, what are the financial, institutional and human resources Estonia needs to implement its chosen policy?

Prelude – the end of development?

In order to assess Estonia's emergence as an emerging "developer" in a larger international context, it is useful to remind what development means. Chambers (1997)[4] provides perhaps the simplest definition of development. He regards development simply as "good change". "Good" implies a vision of a desirable result, while "change" implies a historical process. Thus it is almost synonymous with progress, which aims, over the long term, societal change to achieve higher living standards, improved social conditions and an overall well-being for all members of a society. There is also a third meaning of development, which has come to prevail over the others among the donor community. Development is regarded as a deliberate effort by multiple agents (governments, civil society organizations, and international aid agencies) to find remedies for the challenges that developing countries face. As Cowen and Shenton point out: "Development comes to be defined in a multiplicity of ways because there are a multiplicity of 'developers' who are entrusted with the task of development."[5] The complexity and scale of development, particularly in its current aim of poverty eradication, has required the involvement of multiple actors and agencies. As a result, the term has become loaded with diverse and often contradictory values and theories on social change, and political aims on how to achieve it. In this context development has been seen as something that can be designed. It resonates the European colonial legacy, which adopted the term to pre-emptively engineer "progress" in its former subject territories.[6] "Doing development", then, is whatever the development agent does in the name of development. Estonians define development cooperation as "development assistance and emergency aid to countries poorer or less developed than us".[7] This definition implies a vision of a polarized world of "donors" and "recipients", "rich" and "poor", "uppers" and "lowers". This approach has been characteristic of the western donor community, and hides in itself a sense of superiority and angst. It is also difficult to see why emergency aid, which in its essence should be based on principles of humanity and impartiality, distinguishes between different categories of states. The relationship between a donor and aid recipient is inherently unequal including elements of superiority and power from one side, inferiority and powerlessness on the other. This dichotomy has been reinforced by the dynamics of international relations in the past half a century. It shows that development reality has been guided by the western theories

[4] Chambers, R. (1997) *Whose Reality Counts? Putting the First Last*, Intermediate Technology Publications, London.

[5] Cowen, M.P. & Shenton, R.W. (1996) *Doctrines of Development*, Routledge, London. p.4

[6] Ibid.

[7] "Mis on arengukoostöö?" http://www.mfa.ee/est/kat_425/5082.html

of social change, donor governments' political aims, and sustained by the international system of trade and finance. Could Estonia avoid such conceptualisation of development cooperation, and instead build its new policy on the foundation of non-political solidarity and practical partnership, keeping in mind that the world is now a very different place compared to the time when the North formulated its relations vis-à-vis the South?

Moreover, Estonia could withdraw from the mainstream idea of development altogether, and aspire to put in practice the concept of "capacity", which has been introduced to development economics by a Nobel Prize Winner Amartya Sen.[8] Professor Sen realises that top-down imposed development will always limit individual freedom; it is only the individual society which can determine the list of minimum capabilities it wants to have guaranteed. Development cooperation can provide conditions for individuals to use their greatest potential. Belief in people as agents of their own development and supporting their efforts to take charge of their own lives, builds on values of empowerment and participation. These approaches have been integrated into the rhetoric of human development and have had a considerable influence on the formulation of the Human Development Reports since the 1990s.

A statement by Professor Singer features the history of development as follows:

> The development thinkers seem to base their action and thought on experiences of the last-but-one decade or a last-but-one phase, only to be overwhelmed by the inappropriateness of such action and thought in the face of new events and new problems. Is it perhaps a case of a problem for every solution, rather than a solution for every problem?
>
> This seems to come close to the truth. It can be presented pessimistically as always reacting too late and to an obsolete situation; or more optimistically as **a learning process**.[9]

It is this point of departure, which can guide Estonia in its conceptualisation of development policy. One can expect Estonia, itself as a recent aid recipient, to be particularly sensitive to donor objectives, and approach its policy formulation and implementation as a long-term process of self-development. In its bilateral relations it can drop the mentality of what-'we'-can-do-for-'them'. In other words, it can reject the traditional notion of trusteeship[10],

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[8] See e.g. *Development as Freedom*. New York: Anchor Books, 1999.

[9] Singer, H. (1989) *Lessons of Post-War Development Experience: 1945-1988*, Discussion Paper 260, April, Institute of Development Studies, Brighton. p.3 (bold added).

[10] "The intent which is expressed, by one source of agency, to develop the capacities of another." Cowen & Shenton, 1996, p. x.

avoid the crisis of legitimacy that tends to come along with such a political mindset, and commit itself to a long term political dialogue and a practical learning process with its partner countries. A real challenge for a new "developer" such as Estonia is to avoid the temptation to use development cooperation exclusively as an instrument of political power and prestige, and aim for genuine cooperation with its partner countries for mutual learning and sharing.

From an aid recipient to a late "developer"

Estonia entered the club of donors at a crucial juncture of its own development path.

Its remarkable economic performance, successful public reforms, and a steady course on democratisation received international praise, and encouraged Estonia in the late 1990s to "export" its positive experiences to its eastern neighbours and the Balkan region. This mirrored a more general trend since the end of the Cold War, which radically redefined the context of development cooperation. The donor community turned its interest towards the Central and Eastern Europe: the perspective of a new round of the EU enlargement served as "a carrot" for many countries to commit to political and economic reforms. Under the new circumstances, political criteria such as good governance, human rights protection and civil society were included into a wider discussion of development cooperation, and the traditional support to the poorest countries became under a new round of review. Meanwhile, the second half of the 1990s was also the time when the discussion of increasing economic disparities within the Estonian society, but also in the world at large, gathered pace. The question of "losers" and "winners", the lack of "trickle down effect" of the neo-liberal market reforms, and the impact of financial globalisation echoed across the poor and rich countries alike.

Why has Estonia engaged in development cooperation, and assumed a donor position? Development has not been a priority in the governmental agenda, although Foreign Affairs Ministers have addressed the issue in their semi-annual statements of foreign policy priorities to the Riigikogu,[11] and the state budget has foreseen allocations for development and humanitarian assistance since 1998. It has been a widely unknown, undervalued and unresearched area in a political discourse. History and geography have served

[11] The address by Kristiina Ojuland on December 7, 2004 is available at http://www.mfa.ee/est/kat_46/5087.html; The Address by Urmas Paet on June 7, 2005 is available at http://www.mfa.ee/est/kat_46/5486.html#start

as the main basis for Estonia's development cooperation thus far. There is a mix of three broad perspectives that provide a rationale for the formulation of a development cooperation dimension in Estonia's foreign policy in the coming years. The first argument is mainly political, driven by Estonia's membership of the EU and the donor community expectations for the new members to align their activities with the existing system. The second is a moralist argument, based on Estonia's recent history as an aid recipient and its evolving sense of obligations to its neighbours undergoing similar societal processes. The third approach, least discussed thus far, is pragmatic and attempts to find Estonia's particular niche and a comparative advantage in the broader context of solidarity and global responsibility within the framework of Millennium Development Goals.

A political argument for Estonia's involvement in development cooperation is closely related to its aspirations and the subsequent membership to the European Union and NATO. For Estonia, the world did not become smaller, but a much bigger place after the "end of history" in 2004. Unlike Fukuyama's prediction that the world will also be a more boring place after the triumph of liberal democracy, the EU and NATO membership have broadened Estonia's foreign policy horizons, and created a more complex picture of the world. Estonia's political responsibility in terms of EC development assistance and resource mobilization derive directly from its accession treaty, which incorporates Community agreements with third countries (the Cotonou Agreement of 2000 with the African, Caribbean and Pacific (ACP) countries, and other regional partnership and cooperation agreements) and aid appropriations made annually under various headlines of the EC regular budget. This means that Estonia channels over two thirds of its Official Development Assistance (ODA) through EU assistance programmes.[12] Estonia is not a member of OECD, but it has committed itself to its standards and reports to the Development Assistance Committee (DAC) annually. One of the political priorities, as outlined in the development cooperation strategy draft for 2006-2009, is joining the OECD, and gaining observer status to DAC. Estonia is under pressure to harmonize its policy objectives, build up its development cooperation structures and procedures in line with the EU and other international efforts. In doing this, it positions itself clearly with the existing donor community, and certainly gains more political visibility. It also faces a potential risk of joining an elitist political project of superficial rhetoric and limited will to act.

A moralist and value-driven argument for Estonia's role as a new donor stems from its own recent history. Estonia maintains that its economic and political success was partly gained with the help of international donors

[12] Strategy for Estonia's Development Cooperation and Humanitarian Assistance 2006-2006. Draft. Ministry of Foreign Affairs. November 2005.

over the 1990s. Estonia was itself a beneficiary of financial and technical assistance when western donors shifted away from "traditional" developing countries of the South to the former Soviet bloc countries in Central and Eastern Europe. With its successful economic reforms and a solid political aim towards the European integration, Estonia started to present itself as a new donor who once was helped itself. An image shift from an aid recipient to an aid provider has been presented as a moral responsibility of any democratic state. A survey conducted in 2005 on public opinion about development cooperation reflects this image. On one hand, respondents claimed that assistance should be provided on purely humane and moral grounds; on the other hand, morality stems from the feeling of reciprocity, which Estonia owes to those less fortunate than itself. Such "reciprocal morality" is dubious, dangerous, and serves mostly political interests. Assistance delivered on moral grounds cannot be reciprocal, and should, at least in principle, be entirely unconditional. This is easier to argue in the case of humanitarian aid in emergencies than in long-term development assistance. Yet, even the current objectives of the Estonian Disaster Relief Team (ERDT) read: "… to secure rapid response capacity of the ERDT to participate in the international rescue and humanitarian operations, and thus increase Estonia's visibility in the international arena. … to support Estonia's role from 'an aid recipient to a donor'".[13] There are philosophical, economic and political arguments against the moral case of aid. How much and what kind of aid is morally supportable (and indeed if state-delivered aid is morally justifiable at all) will be left for philosophical discourses. The forceful spread of its own values, for sure, cannot be justified under moral grounds. If moral arguments are brought up for the case of aid, it must be a matter of human solidarity, guided by an idea of public interest to preserve humankind as such, and by utmost professional ethics, irrespective of its own previous history.

The third argument for the case of aid is a practical one. If Estonia's development cooperation aims to leave a mark beyond superficial rhetoric and marginal impact, it needs to take a very pragmatic approach by weighing its own limited capabilities against the challenges it attempts to tackle. The Millennium Development Goals (MDG)[14] endorsed almost universally in 2000, and reinforced by the EU Development Policy Statement of 2005, could serve as the best framework within which Estonia's political interests and moral arguments for development cooperation converge. The overall framework can be grandiose, but the objectives of a mid-term strategy of a small donor need to be attainable. Jeffrey Sachs, special advisor to the United Nations Secretary-General Kofi Annan on MDG, has shown compellingly that there are sufficient knowledge, skills and resources for the first time in

[13] http://www.rescue.ee/index.php?page=102

[14] Please see the overview of Millennium Development Goals at http://www.un.org/millenniumgoals

human history to eliminate extreme poverty. [15] There are very practical, and relatively cheap ways how to help the most vulnerable people out of their poverty trap and on the first step of their development ladder. The argument for neutral and non-political assistance towards poverty eradication can also be made by Estonia by assuring that all of its development activities support the attainment of MDG. The objectives to strengthen democracy and support human rights are taken to contribute to a more peaceful and stable international environment that in turn sustains Estonia's own security. Perhaps the same objectives can also be put at the service of MDG, which would lead to human security and sustainable development in the developing countries. Unfortunately, the link between Estonia's aid projects and poverty reduction, attainment of universal primary education, combat of infectious diseases or improving maternal and infant health is largely missing in the political analysis. MDG have received almost no public attention. The MDG report[16] for the periodic assessment of progress and Estonia's own contribution towards meeting the MDG have not figured in political and public debates. The impact and cost-effectiveness of development projects carried out over the past years have not been assessed in light of the MDG.

Whose reality counts?

Estonia's charity appears to begin closer to home. A brief survey of Estonian partners reveals that the EU new neighbours are the main targets in Estonian development cooperation. A focus on the neighbouring countries of the EU eastern border characterises Estonian development cooperation, and thus it largely coincides with the objectives of the European Neighbourhood Policy (ENP). Estonia does not have a framework document on ENP, but the political rhetoric since 2002 and practical support schemes clearly identify the region as its priority. It is expected that the European Neighbourhood Policy Instrument (ENPI) to be adopted in 2007, will open up more funding opportunities for the region, and avoid a fragmented nature of assistance delivered thus far under different programmes. A review of the past development projects also show that none of Estonia's activities targeted Least Developed Countries (LDCs), and only Moldova belongs to the group of Low Income Countries. Ukraine, Georgia, Belarus, Armenia and Azerbaijan – to name the

[15] Jeffrey D. Sachs (2005) *The End of Poverty. Economic Possibilities for Our Time*. New York: The Penguin Press.

[16] The Millennium Development Goals Report. The United Nations. 2005. Available at http://unstats.un.org/unsd/mi/pdf/MDG%20Book.pdf

recent project partners – belong to Lower Middle Income Countries.[17] While technically all of them are classified as developing countries by the OECD, the choice of Estonia's partner countries shows convincingly that Estonia does not help those most in need, but favours relatively strong ones. By doing this it reinforces its position as a new donor, but uses the development cooperation policy as an instrument for carrying out other political aims.

The Development Cooperation Principles adopted by Riigikogu in 1999 and revised in 2003[18] does not identify development cooperation partners. Instead, it states that Estonia's development focus remains on the regions and countries, which face similar reforms undertaken by Estonia a few years earlier. Estonia has set three criteria for the choice of its partner countries: needs of the beneficiary, cooperation effectiveness and Estonia's own capacity. A draft strategy of Estonia's development cooperation for 2006-2009 outlines four priority partner countries on the basis of these criteria. These are Georgia, Moldova, Ukraine and Afghanistan. Georgia and Ukraine have received the widest public and political attention, especially during their recent democratic revolutions. Both countries have taken a pro-western stance, and declared on numerous occasions their intention to deepen European integration. Georgia and Ukraine have received the biggest bilateral support from Estonia, receiving one third and 23% of its ODA resources in 2004, respectively. Georgia has explicitly expressed interest in Estonia's experience in information technology and policy planning for institutional and administrative reforms.[19] It has adopted a similar approach to computerization of its educational system that was undertaken in Estonia under the moniker "Tiger Leap". Estonia's experience in European integration has been passed on at several trainings conducted for high-level officials of Ukraine and Georgia.

Developments in Ukraine bear a direct influence on political development in Moldova and Belarus. Moldova is considered the poorest country in Europe, yet its political climate is quite open, its communist president has started a political dialogue with the West with a clearly identified objective of European integration. Estonia works with Moldova mostly via multilateral institutions. Special delegations on Moldova have been set up in the OSCE and the European Parliament; the latter is led by an Estonian MEP. While Belarus does not figure as a priority partner for Estonia's development cooperation, there have been several attempts to support political opposition forces before the approaching presidential elections in March 2006. Estonian NGOs have taken long-term initiatives in support of democracy in Belarus and other EU neighbourhood states in the form of civil society capacity building and free media.

[17] DAC List of ODA Recipients 2006. http://www.oecd.org/dataoecd/43/51/35832713.pdf

[18] https://www.riigiteataja.ee/ert/act.jsp?id=244042

[19] Känd, K. "Poolteist aastat pärast Gruusia (okas)Rooside revolutsiooni", *Diplomaatia*, September 2005.

The choice of Afghanistan as Estonia's partner country remains dubious from the perspective of development cooperation. Estonia established diplomatic relations with Afghanistan as recently as June 2005; in December 2005 the Riigikogu extended and expanded the deployment of the Estonian Defence Forces in the NATO led ISAF mission since 2003. In 2006 Estonian forces will also participate in the Provincial Reconstruction Teams (PRT) in South-Afghanistan under the British command. These activities serve Estonia's interests as a NATO member, and contribute to a broader international security space. Its willingness to extend its development activities to Afghanistan shows more political enthusiasm for a support of its NATO allies than pragmatic calculations of Afghan needs and Estonia's development contribution. It is difficult to expect under the current state of affairs pragmatic and non-political justification for Estonia's bilateral involvement in Afghanistan.

The geographical spectrum of Estonia's development cooperation is broader than its bilateral relations. There is still a lively debate within the European institutions and civil society on the future of Development Cooperation Instrument (DCI) in the Community's next budget for 2007-2013. One of the central issues in these discussions is the geographical scope of the DCI, and the legal basis under which relations with the developing countries will fall. EU relations with the developing countries have been historically fragmented and complex, and the Community's regional approach has been constantly under pressure. EU common development policy has been mainly expressed through the Cotonou Agreement[20], signed in 2000, replacing the Lomé Conventions that have regulated the relations between ACP and EU since 1975. The Cotonou Agreement is regarded as unique for its time. It is a manifestation of close coherence between politics, trade and aid. Yet, as development policy is not an exclusive EU competence, the common policy is diminished to bilateral development programmes of each individual member state. There is also a concern that the ENP and other external relations elements have a potential to marginalize permanently certain developing countries. A single framework of principles for the 25 member states and the Commission that covers all developing countries was finally adopted in November 2005.[21] Consequently, a question remains for new donors such as Estonia: will Estonia have a development policy towards the poorest countries in the world aside from its contribution to the European Development Fund (EDF) and the Community's regular budget? There is currently no bilateral policy towards African, Asian or Latin American states, nor has

[20] http://europa.eu.int/comm/development/body/cotonou/index_en.htm

[21] Joint statement by the Council and the Representatives of the Governments of the Member States meeting within the Council, the European Parliament and the Commission on European Union Development Policy Available at http://europa.eu.int/comm/development/body/development_policy_statement/index_en.htm

Estonia taken any official position in supporting EU initiatives towards the least developed countries.[22]

Estonia has retained its active involvement in multilateral agencies, and has made a pledge to remain a long-term partner to UN agencies of development and humanitarian affairs, and the World Bank. There is no general pattern on the proportion of multilateral aid to the overall ODA budget. However, there seems to be an emerging pattern of decreased multilateral aid in proportion to the overall ODA budget in some new donor countries such as Slovakia and Poland. It is wise for small donors to channel some of their ODA funds to multilateral agencies. UNICEF, UNCHR, UNDP, and the recently renewed UN Central Emergency Response Fund (CEFR), among others, have been the agencies receiving Estonia's regular voluntary contributions. In the field of humanitarian assistance, Estonia is a contributor to the United Nations Disaster Assessment and Coordination (UNDAC) system since 2000.

The puzzle of matching needs

Robert Chambers, an influential development thinker, cautions against the false reality, which is created by those who possess power over those in need of help:

> All powerful uppers think they know
> what's right and real for those below
> At least each upper so believes
> But all are wrong, all power deceives. [23]

Indeed, one-size-fits-all strategies imposed by donors have been replaces since late 1990s with Poverty Reduction Strategy Papers (PRSPs). These strategies are country-driven, developed collectively with all societal stakeholders, and considered more appropriate to local needs as they assume poor people's participation in the policy formulation. It has been expected that PRSPs help to channel public funds into those structural areas that have the largest impact on poverty, and move away from a standardised donor consensus on trade liberalization and privatisation. The success of PRSPs is mixed as research made by Oxfam International, among others, has shown.[24]

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[22] One of the first political initiatives taken towards Africa took place on December 2005 when a parliamentary group was established in Riigikogu.

[23] Chambers, R. (1997) p. 101.

[24] Oxfam International (2001) Are PRSPs working? Oxfam's contribution to the World Bank/IMF PRSP review process.

Access to information, limited impact of participation of the poor, continued macroeconomic rigidities, quality of social spending and weak budgetary processes, to name some of the problems, refer to lack of evidence that developing countries have clearly reoriented their macroeconomic policies towards poverty reduction. Estonia should carefully evaluate the previous impact of PRSPs and consider reservations made before its own development programmes are planned. As there has been a shift from traditional short-term project support towards general and long-term public support, Estonia can offer its expertise on themes, which support the pro-poor strategies of a partner country. These range from building democratic and transparent institutions, public administration and new technologies for governance.

Given Estonia's small resources, Estonia attempts to limit the sectors for its development cooperation. In the past these have include fiscal and tax reform, trade capacity building (WTO training), judicial reform, democratisation and civil society development, ITC implementation and e-governance, environment and indigenous populations. None of these sectors target poverty reduction or other MDG sectoral goals directly. However, most of them can be harnessed to those ends. Estonia's government regards information and communications technology (ICT) as an important cross-cutting sector for development cooperation as it aims to increase government efficiency and improve democratic processes with the aim of building open information societies. The IT and e-governance projects conducted thus far have not targeted the poorest people or communities. It still needs to be shown that the benefits of technology and know-how transfer will accrue to poorer communities and sectors of the partner societies, and therefore genuinely contribute to the poverty reduction goals for 2015. A strategic support to build indigenous and sustainable ICT capacity is a very pragmatic help, in which Estonia can find its specific niche. MDG achievements in the poorest developing countries can be supported by technical assistance to school systems, electronic spread of educational materials, promotion of democratic practices and civil society participation in decision making. This could certainly be one of the options to engage itself in the poorest parts of the world, e.g. in Africa.

Good governance, human rights, democracy and the rule of law have become important sectors for Estonia's development cooperation. Estonia's persistent support to democratisation processes in Georgia, Ukraine, and most recently in Belarus has increased its prestige as a staunch supporter of civil rights and good governance. If Estonia genuinely commits to MDG, these areas cannot be regarded as conditions for aid, but should be supported as sectors themselves. A recent study[25] conducted by a research team of

25 "The new Eastern neighbours of the European Union on the way to democracy. How to support civil society?" Eesti Euroopa Liikumine, 2005. Available in English at http://www.oef.org.ee/_repository/Document/Idanaabrite_uuring%20eng.pdf

Estonian NGOs makes an effort to map the needs of civil society organizations in Belarus, Ukraine and Moldova. Building up civil society in Estonia is a vast experience that is of interest to Ukraine and Moldova, particularly the scope and methods of cooperation between NGOs and the state, NGO thematic networks, and their partnerships in the EU. The study also makes valuable suggestions from the point of view of a state, and therefore should serve as a useful source for the policy planners. Support for democracy in the EU eastern borders is a political and a strategic objective, and an important measure for strengthening the Estonian position in the EU. Further cooperation with other EU members in those countries, such as Poland, Lithuania or the Nordic countries, would strengthen the trilateral approach to cooperation and avoid overlap of donor efforts. Such studies should be encouraged as they serve as good examples for any other issue in search of a policy, and raise Estonian research capacity and expertise about the partner countries and priority sectors.

Although the objectives of humanitarian assistance are different, it is regarded as an integral part of Estonia's development cooperation policy. Its visibility and urgency explain why the Estonian public sees humanitarian aid as the main mode of development cooperation. There is also a practical reason for linking humanitarian relief with development cooperation. Both policy areas are funded by the same budget line, and administered by the same institutions and personnel. Indeed, humanitarian operations may serve as short-term experience to establish contacts for the planning of more substantive and longer-term programmes in the given country. The choice of Afghanistan as one of the four partner countries for Estonia's development cooperation can sustain that logic. Linking relief, rehabilitation and development by providing vital services after the first phase of a crisis when most of the donors have pulled out might just be another pragmatic approach to assistance, which Estonia can opt for in its long-term development policy. Yet Estonia's emergency relief can be put to even more useful practice, if it commits to "forgotten" crises that have received little media coverage and consequently little donor assistance. Such an approach would, in the long run, increase Estonia's prestige as a donor who does not search for quick-impact intervention for political visibility, but builds its limited capacity on a neutral and needs-based approach. The ultimate objective of development cooperation is to target the root causes of people's vulnerability, and make sure that people have control of their own lives. Estonia's efforts to this end need to be more clearly established.

Building blocks for an effective system

A recent EU report summarises the situation on the new donors as follows: "*Financial resources devoted to Official Development Assistance (ODA) are limited due to overall budgetary constraints and insufficient political will, also a reflection of limited public support for ODA. Institutional capacity to handle higher flows of ODA and to apply greater selectivity is limited.*" [26] Yet, if Estonia takes a learning approach to its development cooperation, as this article suggests, it should not take the statement too pessimistically. Indeed, a quantum leap is needed in the current political will to disassociate itself from the donor mentality that carries a weight of dominance, political self-interest and superficial rhetoric. Power is a disability in the learning process as Chambers masterfully explains in his aforementioned book.[27]

Estonia's Official Development Assistance (ODA) was 8 million EEK in 2004. This shameful sum is 0.08% of GNI, just 6 EEK per person annually. It is a reflection of a current political mindset towards development cooperation, and imposes enormous limitations to development programs of mid-term duration and measurable impact. The EU foreign ministers have pledged to increase their ODA funds collectively to 0.56% of GNI by 2010 and reach the UN set 0.7% of GNI by 2015. Estonia has committed itself to 0.1% of GNI by 2010, but has refrained from any commitments to the UN target. As a EU member Estonia channels a large part of its ODA as an aid appropriation made annually under the various headlines of the EC regular budget. In 2008-2013 Estonia will contribute 0.05% to the European Development Fund, which receives member states' contribution on the basis of an agreed percentage and finances cooperation with the ACP countries. [28]

It is relatively easy to carry out projects or short-term activities without broad public support or discussion. As long as the projects are small in size, duration and outreach, the issue of public support is relatively marginal. Yet more strategic planning and implementation of development programmes require a broad-based public support. This can only occur with wide-scale discussions in the media, and consistent development education at all levels of the educational system. Therefore, it is absolutely necessary that the development cooperation strategy for the coming years include awareness activities that target the Estonian public and aim a close cooperation with the educational institutions for promotion of development issues. It its also vital that public surveys are carried out on a regular basis to understand the pub-

[26] Assessing the impact of Enlargement: A study of the Commission on the Consequence of Enlargement for Development Policy, August 2003, http://europa.eu.int/comm/development/body/organisation/assess_enlarg_en.htm

[27] Chambers, p. 76.

[28] Source: Permanent Representation of Estonia to the EU.

lic mindset and its change across time. The first public survey in Estonia on development cooperation was conducted in January-February 2005.[29] Two thirds of the population support development cooperation, which is, first and foremost, associated with emergency aid in natural disasters and crisis areas. Over two thirds of the respondents named the Asian tsunami in December 2004 as the main example of development cooperation. There are a worrisome 40% of the respondents that cannot identify any keywords associated with development cooperation. As to the reasons why Estonia should undertake development cooperation work, opinion leaders mirror political statements made by politicians: it is now Estonia's turn to help those in need, as Estonia was once assisted. The ideas of reciprocity, Estonia's image and prestige as a donor country prevail over other reasons such as solidarity or commitment to MDG. Those who are most interested in world affairs, according to the opinion poll, are schoolchildren and urban population with higher education in the age group of 30-49. The least interested in development cooperation and those who believe Estonia should not provide aid to the other countries are people 20-39 years of age. This is an astonishing observation that university students and young professionals lack interest in world affairs. This information also conveys an important message to policy planners - systematic public awareness efforts are needed to increase public support for Estonia's involvement in development cooperation. These efforts should be carried out with close cooperation of civil society organisations.

Civil society organisations play a vital role in development cooperation. Their expertise and experience on the ground have made them valuable implementing partners to the donor governments and multilateral agencies. Public campaigns on special issues and exerting pressure on governments to carry out their declarations of intent are equally important roles for the NGOs. The past few years of relations between Estonian NGOs and the Government, as with many emerging donors within EU, have evolved into something between coexistence and cooperation. As the Estonian NGOs are by and large still in the search of identity in the field of development cooperation, the mutual growth and learning is vital for building a successful development cooperation mechanism in Estonia. The study "The New Eastern Neighbours" referred to above enables to conclude that Estonian NGOs have a potential to conduct meaningful projects as well as carry out baseline research on which to build further activities. Yet, the ability to operate effectively demands sufficient human resources with professional expertise, and financial sustainability. The case of the e-Governance Academy (EGA), which is one of the few active development foundations in the new EU member states, is illustrative of the problems many organizations face. EGA has se-

[29] The conclusions of the survey are available in Estonian at http://www.mfa.ee/est/kat_425/

cured funding from various sources such as the Estonian government, UNDP, OSI, OSCE, World Bank for its highly visible projects in Georgia, Kazakhstan, and Macedonia, but not from the European Commission. In the words of Director of e-Governance Academy, "the rules of participating in the EU projects are cumbersome and counterproductive, they attract organizations that are built for living off foreign aid, they tend to push out organizations working in the field."[30] Although a couple of three-year capacity building and awareness projects are now under way in Estonia, simplification of rules and more flexible criteria for qualification for EU funds are needed in order for Estonian NGOs to gain valuable experience in the implementation of development projects.

Finally, it is the people, not the size of ODA or official reports on progress that ultimately make development (read "good change") happen. There is no study made on how many people in Estonia are formally trained in development or related issues. There is no national university program yet that prepares scholars and practitioners in the field. But the national development expertise is emerging slowly. The number of people who work in the state or international aid structures, have received development training abroad, or gained working experience in the form of emergency aid or development projects is increasing yearly. Estonia's ODA supports volunteer work of young professionals in developing countries in the context of a wider European network of development education.[31] Relief work, perhaps even more than development cooperation, requires specialists with professional training and sufficient field experience. ERDT keeps a list of trained professionals in its database, ready to be deployed in emergency missions within 24 hours. International relations and foreign policy can be approached in many ways; in the field of saving lives and sustaining livelihoods, it requires a practical approach.

Conclusion

Although the international donor community eloquently stresses partnership and mutual interest in development, it continues to be plagued with an ever-wider schism between superficial rhetoric and real practice. If the measure of success is alleviation of poverty, development strategies and donor policies

[30] Statement by Ivar Tallo, Director of the e-Governance Academy of Estonia on the occasion of meeting with Louis Michel, European Commissioner for Development and Humanitarian Aid in Riigikogu on 9 May 2005.

[31] Global Education Network for Young Europeans http://www.glen-europe.org

used over the last half a century have failed, or perhaps produced mixed results, at best. Over the recent years, public scepticism about the good will of the governments to make a meaningful progress has increased in all donor countries. Donor societies have become increasingly bitter at the exercise of power their governments have conducted in the name of good governance and aid effectiveness. The concern that development cooperation is being marginalized or is merely at the service of strategic self-interests of the rich countries has been voiced across Europe, both in the context of WTO trade talks or the review of EU development agenda. It is a great opportunity for Estonia to develop its bilateral partnerships by avoiding the historically sustained power relations between donors and recipients, and doing "more of the same". Estonia has a unique opportunity to develop long-term partnership programmes with selected countries on the basis of mutual learning. It is a very, very difficult and noble cause indeed.

"Normal neighbours" or "troublemakers"? The Baltic states in the context of Russia-EU Relations

Vadim Kononenko

The accession of the Baltic states into the EU in 2004 was generally held as a major dynamic factor in the process of interaction between Russia, the Baltic states and the EU.[1] However, in the wake of EU enlargement, one could detect a plethora of voices arguing differently as to exactly how the three Baltic states could or should adapt to this new situation, particularly regarding their relations with Russia. With the risk of oversimplification, two options or "roles" for the Baltic states that came up in the debate can be identified: "normal neighbours" and "troublemakers".

Some analysts saw the impact of enlargement in a positive light: EU membership was regarded as a source of political clout for the Baltic states, particularly regarding their relations with Moscow. According to Arnswald and Jopp, the accession of the Baltic states into the EU was a factor which would enable the small states to fully participate in the EU-Russia "partnership" and – while being represented in all institutional and political structures of the Union – have a constructive say in the wider EU-Russia dialogue. Moreover, the inclusion of the Baltic states into the EU was also expected to facilitate a change in Russia's perception of the Baltic states. Instead of regarding the three states as historically belonging to its sphere of interest, Russia would see them as fully-fledged members of the (Western) European political and security community.[2]

In general, this positive assumption about the post-enlargement state of affairs in Russia-Baltic relations could be summarised as a cautious anticipation of a "return to normalcy" which also was seen to correspond to the

[1] Moshes, A. (2002) "Russia, EU Enlargement and the Baltic States" in Helmut Hubel (ed.) *EU enlargement and Beyond: the Baltic states and Russia*, Berlin Verlag, Berlin.

[2] Arnswald, S. and Jopp, M. (2001) *The Implications of Baltic States' EU Membership*. Programme on the Northern Dimension of the CFSP, no. 14. The Finnish Institute of International Affairs, Helsinki.

Baltic states' "return to the West".[3] As a way of speculating about Russia-Baltic relations, one might find this assumption somewhat far-fetched. Have the relations between Russia and the Baltic states ever been normal? Is there any point in history that can serve as a positive benchmark for assessing this relationship as coming back to a normal state of affairs, whatever is implied by "normalcy"? If it is assumed that the EU membership of the Baltic states is a prerequisite for "normalcy", does it also imply that Russia's relations with other EU member states can be regarded as "normal" - something the Baltic states could use as a model?

As the alternative argument has it, instead of alleviating problems, EU membership could have posed serious challenges to an already problematic Baltic-Russia relationship. One such emerging challenge was that with the accession of the Baltic states into the EU, many issues of relevance in Russia-Baltic relations that used to be tackled at the bilateral level would become part of the wider Russia-EU agenda. These concerned economic aspects such as trade tariffs and quotas, the issues pertaining to the borders of the Baltic states with Russia and cross-border cooperation, and the rights of Russian-speaking minorities in Latvia and Estonia.[4] Since these issues have for a long time been a source of tension in Russia-Baltic relations, this meant that the EU would have to find ways and means to accommodate these former bilateral problems into its common agenda with Russia. Furthermore, the EU would have to prepare to respond to political stalemates between Russia and the Baltic states, once they become EU members.[5] It is worth pointing out that in the pre-accession period, the EU's presence in Russia-Baltic relations was rather indirect, manifested mostly in the process of adaptation of the EU norms and regulations by the candidate countries or diffused in several regional cooperation frameworks such as TACIS, and the Northern Dimension. Related to this were concerns that the Baltic states in their new incarnation as EU member states would steer the EU's attention towards the problem areas of EU-Russia relations, particularly addressing the widening "value gap" between the EU and Russia, Putin's authoritarian presidency, and Chechnya. The Baltic states were perceived to be capable of internalising their largely critical and negative attitudes towards Russia within the EU,

[3] Ehin, P. and Kasekamp, A. (2005) "Estonian-Russian relations in the context of EU enlargement" in O. Antonenko and K. Pinnick (eds.) *Russia and the European Union: Prospects for a New Relationship*, Routledge, London.

[4] Barysch, K. (2005) "EU-Russia economic interests" in O. Antonenko and K. Pinnick (eds.) *Russia and the European Union*, Routledge. See also the List of Russian Concerns in the Context of EU Enlargement, January 2004.

[5] A good example which illustrates this problem is the dispute between Russia and EU over the transit of people from Kaliningrad which erupted in 2002. Although the dispute was settled before the actual enlargement, it showed that if any such complications would take place in the future, they would require an active response from Brussels.

thus effectively causing "troubles" in EU-Russia interaction. In this respect, the inclusion of the Baltics could be seen as a test for the EU's Russia policy, at least on perceptions and the tone of the policy; if not yet on the substance of it. Interestingly, in the Baltics' perspective, it was precisely the EU's policy on Russia that appeared troublesome: too permissive on normative issues, not resistant enough to the pressures coming from Moscow. Furthermore, it was other EU member states, particularly Italy, France and Germany – that in the view of the Baltics were "troublemakers" as the bilateral support which they at times had lent to Putin's presidency was upsetting the EU's common position on Russia.

Now, two years after the Eastern enlargement, one can – with the help of hindsight – review the assumptions that were made earlier as a way to assess the change – or lack of it – in Russia-Baltic relations. Indeed some of the concerns, hopes and questions that were posed by analysts at the time, still seem very topical. Did the "return to normalcy" in Russia-Baltic relations ever take place after the Baltic states had become EU members? Did enlargement have predominantly negative or positive implications for Russia-Baltic and Russia-EU relations? In an attempt to find answers to these questions, the author proposes to examine the dynamics of Baltic-Russian relations in the wider context of the Russia-EU relationship. In this sense, this article is not focussed exclusively on the Baltic states but aims to reveal the relevance of the Baltic states in the evolution of the Russia-EU relationship. As for now, in the situation when the Baltic relations are so firmly ingrained in the context of the Russia-EU relationship, it is worthwhile to examine how the developments in Russia-Baltic relations reflect and reveal the problems in Russia-EU relations.

To trace the significance of this Baltic "component" in the Russia-EU relationship, the analysis centres on two problems. Firstly, this article examines the changing context or the play of interests in the Russia-EU relationship, where the Baltic states are now incorporated. Secondly, the analysis examines two areas of policy action for the Baltic states in the current environment: the EU's external border with Russia and EU's Eastern neighbourhood. Finally, to draw some conclusions, the article asks whether in a given situation the Baltic states have a part to play that goes beyond the initial role-assumptions of "normal neighbours" or "troublemakers". The central argument here is that the Baltic-Russian relations are likely to remain prone to friction as long as the wider EU-Russia relationship continues to be problematic. This overall worsening of Russia-EU relations also exposes the shortcomings and the need to come up with a working strategy towards Russia, both for the three Baltic states and the EU at large.

The Baltic States in 2004 – 2005: caught between a rock…

As the various assessments of possible implications of EU enlargement for the Baltics and Russia had anticipated, the plethora of bilateral problems became subsumed under the wider EU-Russia relationship. Still, the very process of how these problems became part of a wider context merits further analysis. Such a question can reveal a great deal about how Russia, the Baltic states and the EU actually handled those potentially problematic aspects of enlargement that were mentioned above. To begin with, one can examine Russia's behaviour vis-a-vis the Baltics and the EU in the early years after the Eastern enlargement.

After the accession of the Baltic states into the EU in May 2004, the most dramatic crisis between Moscow and the Baltic capitals erupted in the winter months of 2004 and spring 2005. The dispute was caused by Russia's controversial invitation to Lithuania, Latvia and Estonia to attend the celebration of the 50th anniversary of the defeat of the Nazi Germany in Moscow on May 9, 2005. The presidents of the Baltic states found themselves pressured by their publics that largely disapproved the idea. The Balts have a different view of the history of the World War II and for them May 9th marks the dark beginning of the Soviet occupation that ended only in 1991. On the international level, of the three Baltic presidents the most outspoken one was Vaira Vike-Freiberga of Latvia who openly stated that for her country the Soviet Union was an occupier just like the defeated Germany, a view largely shared by Lithuania and Estonia. She also repeatedly called on Russia – as a successor state to the Soviet Union – to condemn the Molotov-Ribbentrop Pact (the Soviet-Nazi Non-Aggression Pact of 1939) and acknowledge the illegal annexation of the Baltics in 1940. For their part, Estonia's and Lithuania's leaders supported Latvia's stance and eventually decided not to attend the May celebrations. The Latvian president announced that she would visit Moscow but only in order to make sure that the "truth" about the Soviet occupation would not get overshadowed by the splendour of the celebration. Not surprisingly, Moscow regarded this reaction of the Baltic leaders as evidence of their alleged "russophobia" and the attempts to belittle Russia's historic role in the war against fascism. During the months preceding Victory Day, the heated debate between Russia and the Baltic states was particularly visible both in the press and on the political level.

As such, the squabble between Russia and the Baltic states about the history of the World War II can be seen as a situation where, as a Russian political observer puts it, "both parties tell only their own part of the truth in what is a very complex picture".[6] In this light, one could question whether such massive divergence in perceptions emerged because the subject was

[6] Leshukov, I. (2005) "Mixed feelings on the occasion of the VE Day", *Russia Profile*, Issue 3.

divisive enough or because the parties involved deliberately avoided seeking ways of mutual understanding: diplomats, policy-makers and journalists, on both sides were equally biased and self-centred. Each side has its share of responsibility. Still among other things, this episode reveals a great deal about Russia's thinking and behaviour towards the new EU members and the transformation of the EU in general.

As far as Russia is concerned, two remarks can be made regarding Russia's behaviour. Firstly, it underlines Russia's mode of thinking vis-à-vis the EU as a foreign policy partner which is difficult to deal with by means of traditional great power diplomacy. However, in the Russian view, the exclusive EU machinery can be "bypassed" by approaching individual member states. In its European diplomacy, Moscow traditionally concentrates on building relations with major European powers, such as Germany, France, and Great Britain whilst giving less priority to EU institutions or smaller member states.[7] This *modus operandi* of Russia's foreign policy is based on the assumption that bigger states dominate over the smaller members in the EU.

Secondly, in Russia's assessment the recent enlargement has weakened the supranational element in the EU and made its policies more prone to transgovernmental bargaining and bureaucratic pottering. For instance, the war in Iraq and the alleged split between the "old" and "new" Europe was regarded in Moscow as an evidence of the deepening political division in the Union and the weakening of the EU as an international actor.[8] Still there are indications of the learning process on the part of Moscow as regards EU's internal developments and workings. Focussing on bilateral connections with bigger states, Moscow doesn't shy away from using different channels such as addressing the Commission or other EU institutions. It would be misleading to evaluate Russia's European policy as exclusively directed towards Germany or France, rather it is a complex multilateral game which involves the Baltic states too. For example, while anticipating that after enlargement, Brussels will have even more leverage vis-à-vis the Baltic states on some issues, such as trade, minority rights, and external border regime, Moscow used all the instruments of its diplomacy in order to sideline the Baltic states from the rest of the EU.

One can find evidence of this thinking – and tactics – in how Moscow handled the preparations for the VE Day celebration – particularly as far as the Baltic states were concerned. Russia's firmest intention was to make the VE Day a high-level international event that would bring the world's politi-

[7] Baranovsky, V. (2002) *Russia's Attitudes towards the EU: Foreign an Security Policy Aspects*. Programme on the Northern Dimension of the CFSP, no. 15. Finnish Institute of International Affairs, Helsinki; Bordachev, T. (2004) "Russia's European problem: Eastward Enlargement of the EU and Moscow's Policy, 1993-2003" in Antonenko and Pinnick, *op. cit*.

[8] Interview with Sergei Yastrzhembsky in *Echo Moskvy*, 16 May 2005.

cal elite to Moscow, like it was made two years earlier with the well-advertised anniversary of Saint Petersburg. The significance of the May celebrations was augmented by the fact that it coincided with the annual EU-Russia summit. Among other important issues on the summit's agenda, such as the adoption of the road maps for the four common spaces between Russia and the EU, was also the issue of border treaties with Estonia and Latvia. Moscow was offering the prospective of signing the treaties in exchange of joint political declarations with Estonia and Latvia. Therefore, the leadership of the Baltic states found themselves in a very awkward position when they still would have to go to Moscow for the summit even if they preferred to be absent at the VE Day celebration. This dilemma was not lessened by the fact that the leaders of France, Germany and other EU member states would be present at both events. This was particularly noted in the Baltic states. For instance, Latvia's president stressed that one of the reasons behind her decision to travel to Moscow was that Latvia as a EU member state should be represented along with other member states. This was not just a ceremonial matter. When on an official visit to Sweden, Vike-Freiberga stated that the EU badly needed a common approach vis-à-vis Russia.[9] Latvia's calls for a common Russia policy can be seen as a reaction towards Moscow's moves to capitalise on the small/big state rift within the EU. By provoking the Baltic states with certain great-power arrogance, Moscow has effectively hit the Baltic states where it hurts: touching upon their concerns that Russia might make bilateral deals with EU's bigger states behind their backs.

These suspicions seemed to have been confirmed in the autumn months of 2005 when the plans of a new Russia-Germany pipeline were announced. The North European Gas Pipeline (NEPG) is designed to deliver natural gas supplies from the Russian North to Germany directly via the Baltic Sea seabed bypassing Poland and the Baltic states. Upon its completion, tentatively scheduled in 2010, the pipeline will enable Russia to avoid transit fees that it currently pays to Poland and the Baltic states, however its estimated costs significantly exceed the amount of money saved on transit. The countries, directly affected by the Russo-German pipeline deal made a series of diplomatic demarches in Brussels accusing Germany of sabotaging the common EU policy on Russia and EU's energy security. In the words of Lithuanian president Valdas Adamkus this was "how things were in the EU". Adamkus pointed out the lack of solidarity and consensus between member states and disregard of the interests of the Baltic states by Germany.[10] Many in the Baltics saw Russia's preparedness to divert its energy transport routes away from the Baltic states as a punitive measure for integrating into the West and

[9] Swedish Press Review, Interview with Latvian President Vaira Vike-Freiberga, 4 April 2005.

[10] "Lithuanian leader faults EU over new gas pipeline", *International Herald Tribune*, 27 October 2005.

for supporting other post-Soviet states, particularly Georgia and Ukraine in their attempts to follow suit. Yet, as far as energy is concerned, the dramatic events in Georgia in 2003 and in Ukraine in 2004 only exacerbated the trend towards increasing Russia's energy exports to Europe and securing control of their delivery in order to maintain Europe's energy dependence on Russia. This trend emerged long before the enlargement: in the beginning of the 2000s, Russia started building its own port infrastructure in the Gulf of Finland – the Baltic Pipeline System – with an oil terminal in Primorsk, coal and container terminal in Ust Luga and other projects in the Leningrad Region.

On perceptions and rhetoric, one can detect the tendency of Moscow to separate the "good Europeans" – a few selected EU member states with whom Moscow enjoys privileged and "trusted" partnership and the "newcomers" – the Baltic states included – that spread anti-Russian bias in the EU.[11] In the words of Konstantin Kossachev, head of the foreign affairs committee in the State Duma, a certain virus of "balto-zation" contaminated the EU after the enlargement thus putting strains on the Russia-EU partnership.[12] An interview by Putin's adviser on EU affairs, Sergei Yastzhembsky, illustrates this dichotomy in Russia's perception of the enlarged EU: "Many of the newcomers try to promote themselves in Brussels as Russia experts of sorts. As if they know how to deal with Russia", Yastrzhembsky declared. "…For the most part of the European elite and society, especially for the old members of the EU, Russia is certainly European. Those states that constitute the 'old core' of the EU have much less opportunistic approach, particularly as regards history."[13] Related to that was the issue of Russia-speaking minorities in Latvia and Estonia. Moscow continued raising that issue in the context of the VE Day dispute, arguing about the signs of "double standards" in the EU's relations with the new members and Russia.[14]

Yet, however disturbing Moscow's tendencies can be for the Baltic states, they are not exclusively "baltophobic". Other member states, Finland, Denmark and the Netherlands, to name but a few, were reproached by the Kremlin for being non-responsive to Russia's concerns and interests and disturbing the Russia-EU partnership. This harsh and even bullying rhetoric toward the EU and individual member states was particularly noticeable in 2004-2005.

In light of this analysis, the assumption that Russia would change its perception of the Baltic states towards treating them as "normal partners"

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[11] For an interesting academic discussion on Russia's political rhetoric see Morozov, V. (2005) "The Baltic States and Russia in the new Europe: a neo-Gramscian perspective on the global and the local" in Smith, D. J. (ed.) *The Baltic States and their Region*. Rodopi, Amsterdam.

[12] On the eve of Russia's EU summit: crisis of trust, lack of perspectives and "balto-zation", *Regnum IA*, May 2005 www.regnum.ru

[13] Yastrzhembsky, *op. cit*.

[14] In particular, the situation of the Russian war veterans in Latvia was noted.

was wishful thinking. In fact, one could trace the continuity in Russia's perception of the Baltics as particularly problematic neighbours. Still, there is some novelty of Russia's perception of the Baltic states which corresponds in many ways to how Russia perceives the enlarged EU. From Moscow's perspective, the EU as such is not quite a "normal" foreign policy actor with dispersed decision-making and diverging interests of member states. Moscow demonstrated this thinking in the past two years while concluding an EU-significant economic project exclusively with Germany, yet approaching the Commission or the European Court for Human Rights when the rights of Russian-speakers in Latvia are concerned. There is also an element of "divide and rule" tactics evident: Moscow deliberately reproaches the Baltic states, among other member states as "problematic partners". This might be done for tactical reasons: in many respects, in its relations with the Baltic members, Moscow deliberately perpetuates the situation of verging on a crisis in order to expose the shortcomings of EU's current policy on Russia, from which Moscow could possibly benefit.

… and a hard place?

For the Baltic states the development of Russia's policy vis-à-vis the EU discussed above surely comes as a warning signal. It was argued that to an extent, it is Moscow's behaviour that puts them into a precarious position of problematic EU members. In this regard, one could pose a question whether the Baltic states themselves could do anything in order to alleviate this problem? The question is impossible to answer without examining the interaction between the Baltic states and the EU during and after enlargement.

To start with, one could take a look at how the three states were adopting to the new environment of the EU. As they were about to be admitted to the EU in 2004, the Union was grappling with several difficult policy choices, two of which directly corresponded with the interests of the Baltic States. First, there was the issue of the EU's policy vis-à-vis Russia. As Moscow was rethinking its European policy, Brussels too felt the need to reassess the means and goals of its strategy vis-à-vis Russia. Secondly, intertwined with the first dilemma was the problem of defining the EU's role in the Eastern neighbourhood. On both issues, the Baltics states opined in favour of an active, "Europe with one voice" strategy. However, their attempts to put their concerns and interests onto the EU's decision-making have yielded mixed results.

Shortly after the enlargement, the Baltics brought up the issue of the Soviet occupation in the European Parliament hoping that other member states

will support their position. In November 2004, a hundred MEPs signed an appeal noting that the planned celebrations in Moscow should not divert world's attention from the fact of the Soviet occupation of these countries that followed the end of World War II. In May 2005, the European Parliament issued a similar document condemning the occupation of the Baltic states. The core group of the MEPs that lobbied for the resolution consisted of representatives of the Baltic member states who were joined by colleagues from Hungary, Poland, Sweden and Finland. This demonstrates that the concerns of the Baltic states were to some extent shared within the EU, in particular by other small states. Nonetheless, the effect of the resolution should not be overestimated given the limited role of the European parliament in the EU's decision-making.

Ultimately, the intervention of the Baltic States didn't have a significant bearing on the evolution of EU Russia policy for two reasons. The first concerns the institutional problems of the EU's decision-making. Two major shortcomings of the EU's policy-making can be noted. According to Dov Lynch, these were the continuing divisions between member states on policy towards Russia; and the EU and member states tendency to send mixed signals about their priorities.[15] Swedish MEP Cecilia Malmström confirms that view by saying that: "there is a fear that the common line towards Russia is constantly undermined by bilateral initiatives, by individual member states, and that sends a very strange message to Russia. That is our fault, not the Russians' because individual countries have their interests in Russia and that is not always in line with the common [EU] position".[16]

Secondly, the problem is larger than the presumable friction between member states and lack of coordination between institutions. The critical dilemma is that in its approach toward Russia, the EU tries to pitch itself on the middle ground between excluding Russia from its political and economic space, and engaging with Russia on a limited basis, through the Partnership and Cooperation Agreement and the four Common Spaces.[17] For the time being, the EU's policy is underpinned by two modalities: one is a recognition that Russia has its own views and interests and it is not going to transform along the lines of adopting and internalising EU's norms and values. Built on that is the second modality which prescribes the EU "to adopt a more practical, realistic and issue-focused relationship with Russia, in which Moscow

[15] Lynch, D. (2005) "Struggling with an indispensable partner" in D. Lynch (ed.) *What Russia Sees*, Chaillot Paper no. 74, European Union Institute of Security Studies, Paris.

[16] "EU diplomats criticise Moscow over democracy", *Radio Free Europe*. Available http://www.rferl.org/features/features_Article.aspx?m=04&y=2005&id=95825171-F4A2-4A77-A5B4-F45345689A71 (Downloaded 19.07.2005).

[17] See Communication from the Commission to the Council and the European Parliament on Relations with Russia. Available at http://www.delrus.cec.eu.int/en/p_444.htm (Downloaded 21.07.2005).

can expect Brussels to actively promote its own interests and use the influence at its disposal."

It is against this backdrop, that the Baltic states' actual and potential input into the EU's policy on Russia should be examined. Vilnius, Riga and Tallinn are unanimous – and with good reasons – that the EU needs to update and possibly upgrade its policy on Russia. As for now, the three Baltic states have subsumed their bilateral relations with Russia under the EU's Russia policy.[18] On the official level, all three support the EU-Russia cooperation in the four Common Spaces, the visa-free dialogue and other aspects of Russia-EU "strategic partnership". But apart from this, there is hardly an evidence of a coherent strategy vis-a-vis Russia that one or all three Baltic states could put forward. It may seem that for the reasons described above, the Baltics prefer to hide behind the EU's approach towards Russia, however problematic and feeble. On the other hand, there is still a hypothetical question that if the EU had acquired this "one voice" and overcome the constraints described above, would the Baltic states have been capable and genuinely interested to really make a constructive contribution in the EU-Russia partnership? In order to ponder this question, it is worthwhile to examine two areas where the interests and concerns of the Baltic states, the EU and Russia overlap: the EU-Russia border and the EU's immediate neighbourhood in the East.

The EU's external border with Russia

As Eiki Berg notes regarding Estonia's border with Russia, "after fifty years of Soviet occupation and uncontrolled Eastern migration, control of the Eastern border has become virtually synonymous with independence, statehood and ethno-national survival [of Estonia]."[19] Lithuania and Latvia saw the significance of their respective eastern borders in similar nationalist and exclusive terms which made border relations between Russia and the Baltic states a point of tension. The borders, albeit having been fully demarcated and operational, were lacking proper legal status. It was believed that this stalemate could be overcome shortly after the enlargement. Unfortunately, as experience to date shows, enlargement didn't provide a quick fix to this problem.

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[18] A telling example can be found on the web-portal of the Ministry for Foreign Affairs of Estonia. For Tallinn, the basis for relations with Russia is the Partnership and Cooperation Agreement signed by Russia and the EU in 1994. http://www.vm.ee/eng/kat_176/1430.html

[19] Berg, E. and Ehin, P. (2004) "EU accession, Schengen, and the Estonian-Russian Border Regime" in A. Kasekamp (ed.) *The Estonian Foreign Policy Yearbook 2004*. The Estonian Foreign Policy Institute, Tallinn.

Interestingly, VE Day was prominent in this context, as Moscow initially signalled to Riga and Tallinn that it was ready to sign the border treaties coinciding with the May 2005 celebrations. Eventually, it became clear that Moscow was ready to conclude the border treaties on the condition that the Baltic states and Russia would sign political declarations on the foundations of their relationship. This move was considered by the Baltic states as yet another of Moscow's diplomatic tricks because the text of the proposed declarations ignored the Molotov-Ribbentrop Pact, contrary to the Baltic states' wishes. Still, despite the tensions between the governments, Moscow was prepared to sign a border treaty with Estonia and Latvia. This decision was welcomed both in the Baltic states and in the EU as pragmatic. The border treaty with Estonia was swiftly ratified by the Estonian parliament after its signing on 18 May 2005. However, the Russian minister of foreign affairs withdrew his signature from the Treaty because he objected to the Estonian parliament's ratification law which made reference to texts mentioning the Soviet occupation of Estonia. In the case of Latvia, the border treaty was not even signed because Russia was angered by the Latvian parliament's desire to add a unilateral preamble condemning the Soviet occupation.

Furthermore, the EU enlargement was also expected to have positive implications on cross-border cooperation and regional contact. The experience so far seems to point to rather discouraging conclusions: as recent studies show, the cross-border cooperation has not been developing due to a lack of resources, limited institutional and administration capacity on both sides.[20] Furthermore, the centralisation of power in Russia has hindered the regions from conducting independent external contacts while the whole issue of cross-border cooperation had become politicised.[21] This can be seen as a result of the situation in which neither Russia, nor the border states are motivated in working towards making their shared external border a success story.

Moreover, the border issue has become linked to Russia's proposal for a visa-free travel between Russia and the EU. Putin's proposal, made in 2003 in the wake of a hot dispute over the transit of people from Russia to Kaliningrad, had a cold reception in the EU, although some member states such as Germany, Italy and France backed the initiative and even made minor concessions for Russian diplomats. Yet, those member states that share a border with Russia – Finland, Poland and the Baltic states – argued that the visa-free regime would undermine the internal security of the EU because of the mani-

[20] Ehin, P. and Mikenberg, E. (2003) *The reasons for the low level of Estonian-Russian cross-border activities*. The Estonian Foreign Policy Institute, Tallinn.

[21] A telling example is that Estonian foreign minister Urmas Paet faced problems getting a visa to Russia when planning to attend a seminar on cross-border cooperation in Saint Petersburg in September 2005.

fold soft security risks stemming from and via Russia. This firm stance of the Baltic states concerning Russia's border can be seen as another example of the small states' concerns that Russia might get its proposal pushed through by approaching individual member states. This also goes to show the ambivalence of their position on the issue. As Toomas Hendrik Ilves, MEP, and Estonia's former foreign minister, puts it: "any adaptation of the Schengen regime will be difficult to justify to new members that have just implemented the existing regime themselves, at great effort and cost. Yet a Schengen regime that leaks through a single fissure is no Schengen at all. Or an adapted regime will become an obstacle to acceding countries joining Schengen, a political non-starter, at best, a source of tension in intra-EU relations in any case".[22] The irony is that in the absence of the border treaties Brussels halts talk on the Russia-EU visa-free regime which ignites Moscow's anger toward the Baltics and so closes the vicious circle.

EU's policy in the East

Another testing ground for the EU, Russia and the Baltic states is the development of the EU's relations with the countries located in-between Russia and the EU, and in the immediate vicinity of the Baltic states. On the eve of the latest enlargement, the EU started developing a policy towards its eventual neighbours in the East and South - the European Neighbourhood Policy (ENP). By May 2004, the Union has produced the first batch of documents outlining the new strategy towards the new neighbours including the Western NIS – Belarus, Ukraine and Moldova.[23] The most active proponents of the active EU's involvement in the East were the Baltic states and Poland.[24] These countries have natural stakes in the EU's Eastern policy, as they are interested in political stability, democracy, and economic development in the region. Another reason for the Baltic members to be active in the EU's Eastern policy can be discerned from their experience as EU candidates, which was critical in shaping their political identities and strategic outlook. Therefore, the support the Baltic states are giving to the Western NIS is related to their own successful experience of adopting to the EU's standards and norms Finally, one could see the activism of the Baltic members in the making of the

[22] Ilves, T. (2003) "The Grand Enlargement and the Great Wall of Europe" in A. Kasekamp (ed.) *The Estonian Foreign Policy Yearbook 2003*, The Estonian Foreign Policy Institute, Tallinn.

[23] In its new strategy, the EU is mixing the aims of economic integration and democracy promotion without offering the perspective of the full membership.

[24] Sweden and the UK were also in strongly favour of the EU's eastern policy.

ENP as tackling Russia in the indirect way.[25] The logic behind is that by the stronger the ties between the EU and the neighbours, the weaker is Russia's influence in these countries and in the region in general.

Russia has regarded the EU's nascent eastern policy negatively for two reasons. Firstly, Russia continues to see the region as its geopolitical backyard and therefore is seeking ways to secure its position of a regional leader. The EU's eastern policy was perceived in the same strategic terms in which Moscow saw the EU as a competitor with intentions to form the "near abroad" of its own in the Western CIS. Secondly, Moscow was particularly concerned with the quality of EU's engagement with the neighbouring countries, which implied "integration without institutions" (the free trade area, and the "four freedoms"). For instance, the implementation of the ENP's Action Plans with Ukraine would harm Russia's project of economic integration with this country and other CIS states.[26] On perceptions, one can note, Moscow was unprepared to see the EU as the coming regional power, nor was it ready to accept Poland or the Baltic states as activists as far as the EU's external policy was concerned. Moreover, the activism of Poland and the Baltics concerning the Rose revolution in Georgia in 2003 and Orange revolution in Ukraine in 2004 as well as elections in Moldova in 2005 was particularly difficult for Moscow to accept. Undoubtedly, it adds tension to the Russia-EU relations and serves as a ground for Moscow's image of the EU as being constituted by two groups of states: those who respect Russia's concerns and the "Russophobes".[27]

Overall, of the other challenges the EU has to face in its eastern policy, the most important one is to find a way to engage Russia. One way to do so would be to connect the ENP with the four Common Spaces. In fact, as both analysts and policymakers note, the two policies share one vision of a stable and democratic "wider Europe". Furthermore, there is practical commonality as well: the EU offers similar sets of incentives to both Russia and other eastern neighbours: common economic space, visa-free regime, and technical assistance. The instruments to do so already exist, albeit some of them are yet to come into force, while others need to be invigorated. The one that currently needs shaking up is the Northern Dimension of the EU (ND). Initially presented by Finland for the development of the EU's external relations and regional cooperation in the northern neighbouring areas of the Union, it

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[25] Raik, K. and Palosaari, T. (2004) *It's the taking part that counts. The new member states adapt to EU foreign and security policy*. The Finnish Institute of International Affairs, Helsinki.

[26] Kazakhstan, Ukraine and Belarus are members of the "Single Economic Space" agreement signed in 2003 in Yalta. Ukraine joined the project with several opt-outs and so far the SEC has been largely a paper project.

[27] Jastrzhembsky, S. "Putinin erityisedustaja: Suomi on russofobistinen", *Helsingin Sanomat*, 7 Decemeber 2004.

now focuses almost solely on Russia's Northwest. The policy has been so far advanced by two consecutive Action Plans adopted by the European Councils at Feira (2000-2003) and Brussels (2004-2006). The priorities listed include environment, organised crime prevention, cross-border cooperation and Kaliningrad.[28] The role of the Baltic states in developing the ND, however, has been very limited. Although, ultimately the initial doubts against this primarily Finnish initiative gave way, as Estonia, Latvia and Lithuania got their own priorities included into the Action Plans, the interest toward the ND remains low.[29] It appears that for the Baltics, the ND represents a model of accommodating their interests on the EU's agenda however the very interests they wish to promote lie in the EU's eastern neighbourhood and not so much in relation to Russia. However, another instrument that might be useful in this respect is the European Neighbourhood and Partnership Instrument (ENPI). It will be in place from 2007 and will combine the current programs of assistance Tacis, Interreg, Meda and others. The purpose of the ENPI is to combine internal and external sources of finance into a single instrument. It should be pointed out that Russia is included into this scheme along with the ENP's partner countries, which opens up opportunities for better coordination and possible synergy between, for instance, cross-border cooperation projects. On the other hand, taking into consideration the slow development of existing cross-border cooperation projects on the Russia-Baltic border, one might doubt whether in this area significant progress can be really expected. The same can be said about other venues for possible engagement of Russia and the EU – with the prospective contribution of the Baltic states – democracy promotion, grass root civil society development, regional projects in the ENP countries. The common underlying problem is that all this activism will be regarded in Moscow as being aimed at isolating Russia from these countries and from Europe in general.

Normal neighbours, troublemakers or neither?

As the analysis above shows, Baltic-Russia relations encapsulate several trends in the wider development of Russia-EU interaction. After enlargement, various specific bilateral issues between Russia and the Baltic States had became

[28] See the Northern Dimension's Second Action Plan (2004-2006) at http://www.europa.eu.int/comm/external_relations/north_dim/ndap/ap2.pdf

[29] Aalto lists Kaliningrad as Lithuania's priority, active involvement with Moscow as Latvia's and environment as Estonia's. See Aalto, P. (2004) "The European Union's 'Wider Northern Europe' and Estonia" in A. Kasekamp (ed.) *The Estonian Foreign Policy Yearbook 2004*. The Estonian Foreign Policy Institute, Tallinn.

incorporated into the Russia-EU agenda and now highlight the general problems and trends in the wider Russia-EU relationship. As this relationship is no less friction prone as the bilateral relations between Russia and the Baltic states, the latter find themselves inside a difficult play of interests between Russia, member states and EU institutions. The experience of the first two years after the Eastern enlargement shows that the triangle in Russia-Baltic-EU relationship is rather loose, if ever present at all. It is defined more by problems that need to be resolved rather than by coordinated policies to solve them. Furthermore, it seems that each side is really part of the problem and for various reasons is unable to offer any solution. Moscow is at odds with the EU while the latter is yet to come up with a more efficient approach towards Russia. For their part, the Baltic states seem to have been caught between a rock and a hard place.

It is clear that, despite expectations, the "return to normalcy" in Russia-Baltic relations did not materialise. Yet, one could argue that although the relationship appears to be as problematic as ever, the driving factors that determine the *problematique* have changed somewhat. Previously, the frictions between Russia and the Baltic states were determined by a choice of the Baltics to "return to the West", envisaged as membership in the EU and NATO, even though this entailed sour relations with Russia. At present, the frictions stem from the fact that Russia's relationship with the EU has become problematic in its own right. This is also reflected by the changing scope of problems: issues previously taken up at bilateral level feature at the EU-Russia summits. Meanwhile, some issues become even more problematic such as those related to EU's neighbourhood, Ukraine, and Europe's energy security.

From the Russian perspective, the Baltic states belong to the problematic group of "troublemakers" in the EU although it is hard to distinguish between perceptions and intentions here. On the other hand, if the EU's position was more consistent, it would be difficult for Moscow to give the impression that it has to deal with "bad" and "good" EU members: all the states would be perceived as problematic and difficult partners. This goes to show that the position of the Baltic states does matter both inside the EU and in relations with Russia, but how?

The range of options for the Baltic states in this problematic relationship seems to be fairly limited. Institutionally, the three states were not able to have an impact on EU's policy towards Russia, contrary to the expectations that they would form a group of "troublemakers" in the EU of 25. Their attempts to draw the EU's attention to Russia's behaviour during the VE Day episode was noted in Brussels but very limited support was given. Furthermore, the concerns of the Baltic states over the new Northern-Europe Gas Pipeline were largely overruled by Germany. This alone exposes the

shortcomings of EU's position on Russia and paradoxically underpins the relevance of the Baltic states for the Russia-EU relations. It would be fair to say that at the present stage of Russia-EU relations, the Baltic states are neither normal partners nor troublemakers. Their position could perhaps be best described as that of small border states which are located at the critical juncture of this problematic relationship and are exposed to the pressures coming from elsewhere.

To some extent, the lack of positive change in Baltic-Russia relations is itself symptomatic. Should the bilateral relations have improved visibly, one could expect an overall improvement in Russia-EU relations. On the other hand, "improvement" is a relative concept. It would be misleading to draw direct connections between the interests of the Baltic states and that of the EU. Above all this article tried to show how the overall worsening of Russia-EU relationship affects the three small border states. One could ask perhaps hypothetically a question how the Baltic states would be affected should Russia-EU relations improve, which is of course a different matter.

Euroregion – A new level in Estonian-Russian relations?

Eero Mikenberg

The low level of cross-border cooperation in the Estonian-Russian border area has encouraged several researchers to try and find the possible reasons for this inactivity. A recent study by the researchers of the Estonian Foreign Policy Institute, including the author of this article, singles out the main reasons for the low degree of activity. The study argues that the expectations towards cross-border cooperation are high despite several setbacks that have occurred during the last decade. The post-imperial context of Estonian-Russian relations creates both incentives and obstacles to cross-border cooperation. The history of 'borderless' interaction and interdependence in Soviet times has not provided for a basis for cooperation between Estonian and Russian border regions, however. In the past decade, border-creating practices have clearly prevailed over border-crossing practices in the area. The creation of the physical border, which was followed by a tightening of the visa regime and abolishment of visa-free border-crossing for inhabitants of the border region has socio-economic problems. Border areas are typically characterized by high unemployment, low incomes, and significant out-migration. Increasingly, on both sides of the border, cross-border cooperation is seen as offering more effective solutions to shared problems and as compensating for the adverse effects of a rigorous border regime on the local populations. [1]

Four groups of reasons for the low level of cross-border cooperation were singled out by the authors of the study. The first group – political reasons - includes the overall state of Estonian-Russian relations (status of the Russian-speaking minority in Estonia, tightening of the visa regime in the wake of the EU accession, different security orientations, absence of relevant interstate

[1] Eero Mikenberg, Piret Ehin, Dmitri Lanko, and Karmo Tüür, *The reasons for the low level of Estonian-Russian crossborder activities: South-eastern Estonia and Pskov region of the Russian Federation*. Tartu: Estonian Foreign Policy Institute, 2003. The study was commissioned by the Swedish Ministry of Foreign Affairs. (EVI study)

treaties, such as the border treaty). Another political obstacle to cross-border cooperation lies in centre-periphery conflict of interests. According to the study, national governments in both Tallinn and Moscow are reluctant to promote cross-border cooperation, because it is in conflict with their 'high politics' agenda of national security, which means, among other things, hard borders. The so-called low-politics agenda of subnational units of government, on the other hand, includes economic, cultural, environmental and kinship contacts across the border.

According to the findings of our study, the second group of obstacles to cross-border cooperation is of an economic nature. The central economic reason lies in the different level of economic development of Estonia and Russia. Estonia has opened up its markets, joined the WTO and the EU, whereas Russia lags behind in this respect. What is more, Pskov region's development level is below the Russian average. Estonian private businesses are reluctant to engage in cross-border activities because of the uncertain business environment across the border. Despite economic obstacles, Estonia ranks first among foreign investors in Pskov region, followed by another neighbor, Latvia.

Thirdly come psychological obstacles, which derive mainly from the Soviet heritage. Mutual suspicion is deeply rooted on both sides of the border. Moreover, the Estonian side prefers Western partners to Russian ones in cooperation schemes for a simple reason: cooperation with the West brings aid, both financial and technical, whereas Russian partners have much less to offer.

Psychological reasons are followed by technical/administrative obstacles to practicing cross-border cooperation. The administrations of subnational local units lack the resources to engage in cross-border activities. Beside the lack of funds, the absence of competent personnel hinders cooperation. The study concludes that on the Estonian side, the perception prevails that cooperation with the Russian side means doubling your own efforts, since the partners across the border are rather passive and do not seem to contribute on an equal basis.

The search for the optimal form for organising cross-border cooperation between Pskov oblast', Estonia and Latvia reached a new level in 2001, when the idea of establishing a *euroregion* was proposed by Pskov regional administration. For several reasons that are discussed below, this proposal received a mixed response from the beginning, both domestically and internationally.

This case study will analyse a conflict between a subnational regional unit, i.e. the Pskov oblast', versus several border-located subnational local rural units in the Pskov oblast', Latvia and Estonia. The subnational municipal unit involved, the City of Pskov, was able to choose between sides, as it was a new player in the field of cross-border cooperation. The source of conflict was the birth of a euroregion and the control over it.

At the beginning of this decade, Pskov became aware that the EU's eastern enlargement would take place rather sooner than later, which meant that Pskov oblast' would soon be located on the EU's new eastern border. The wish to gain access to the EU funds that become available on the new border, after the enlargement activated both levels of subnational government in the region, i.e. regional and local levels. Several subnational units in the oblast' were poised to position themselves as preferred partners for future EU projects. Euroregion was the grand prix in this scramble. Sometimes, my personal impression was that 'euroregion' had become the synonym for 'euro-cash' for some officials.

The idea of establishing a euroregion was opposed by the then-incumbent organisation for cross-border cooperation, the Council for Cooperation of Border Regions, which held a quasi monopoly. Later on, however, the Council promoted its own version of a euroregion in order to derail the regional administration's plans. Let us first take a look at the history, structure and activities of the Council for Cooperation of Border Regions. In the conclusion of the case study, an assessment can be found, whether the conflict has caused damage to cross-border cooperation or, rather, helped to lift the cooperation to the next level.

Council for Cooperation of Border Regions - CCBR

The Council for Cooperation of Border Regions of the Republic of Latvia, Russian Federation and Republic of Estonia (CCBR) was established 19-20 April 1996 in Pskov. The idea to create such an institution was born one month earlier, in Karlskrona, Sweden. There, two Estonian counterparts and one partner from both Russia and Latvia signed a letter of intent for establishing a trilateral organisation. In the letter, euroregion was mentioned as the model for the new organisation, though it was not supposed to become a euroregion itself. [2]

The emblem of the CCBR combines the three national flags of Estonia, Russia and Latvia, encircled by 7 yellow stars.

[2] Homepage of the Council for Cooperation of Border Regions, http://www.aluksne.lv/cbc/EN/Padome.htm, accessed 2 February 2003.

The organisation's main goals were cooperation on joint regional programmes and projects and representing its members' interests both domestically and internationally. And last but not least, 'developing an institution that creates a participatory network of partners that optimises all the opportunities created by this co-operative environment'.[3]

The council was founded 7 June 1996 in Põlva (Estonia). The founding members were Aluksne and Balvi local units (Latvia), Palkino, Pechory and Pskov local units of Russia and Põlva and Võru regional units (Estonia). It is worth mentioning here that the founders had different status: the Russian and Latvian founders were local units, whereas the Estonian partners were regional units. Later the Latvian Ludza rayon joined the Council. The main aims of the Council included 1) joint regional programmes, 2) representing its members both domestically and internationally, and 3) developing a participatory network for Council's members. [4] The main form of work was initiating and implementing projects on various topics, such as an international ecological children's summer camp, VISION 2010, or learning foreign languages.[5]

The highest decision-making body of the CCBR body was the council. The council consisted of elected political leaders of its members. In addition to full members, there were observers in the council, from the Latvian Ministry of Environment, the Estonian Ministry of Internal Affairs, Pskov Regional Administration, and the ministries of foreign affairs of all three countries.

The executive body was the secretariat. Each member nominated 2 members from its administration to the secretariat. In 1998, three executive directors were selected in an open competition. The Estonian executive director was working full-time and paid by the national border programme. The Latvian and Russian executive directors were working part-time and paid by the respective members. In order to reduce costs, the secretariat was replaced by a three-member executive board in 2000.[6] Beside the secretariat/board, everyday work was carried out in 8 permanent working groups. Topics such as transport, transit, culture, etc were discussed there.

Commenting on the experience of cooperation, the representatives of the CCBR claim on their web page[7] that joint projects have been both satisfying and disillusioning. Members are critical of most foreign aid programmes, as they only offer seminars and consultants, i.e. no investments are allowed. The main document produced was VISION 2010, financed by PHARE Cre-

[3] The Quarterly Report of the Council for Cooperation of Border Regions, 2000, No. 1, p. 1. (Council).

[4] Council, p. 1.

[5] Letter by the Russian CEO of the Council Novoshinski.

[6] Members finance the CCBR. Every member contributes 1000 EUR on an annual basis.

[7] www.aluksne.lv/cbc/EN/padome_V.htm

do programme. This paper outlined the future vision for the region, focussing on the need to develop the infrastructure linking the three states.

Euroregion Pleskava vs Euroregion Pskov-Livonia

The concept of euroregion is not unfamiliar in north-western Russia. Two euroregions existed there, one in Kaliningrad and the other in Karelia, before the Pskov-based euroregion was born. The fourth euroregion with Russian participation was established in Pskov in November 2003.

The 'saga' of the Pskov euroregion began more than two years before its birth. 19 July 2001, the vice-governor responsible for foreign links and investments, Vladimir Blank, proposed the creation of a trilateral euroregion between Pskov, Latvia and Estonia during a meeting with the Estonian minister for regional policy. Both sides agreed that cross-border cooperation should be deepened. No specific conditions were discussed, however.[8]

The Pskov oblast' administration, the initiator of the euroregion, argued that the euroregion was the right organisation to solve problems in the border areas of all three countries. In its proposal, the administration claimed that guaranteeing employment should be the first priority of all three partners. By guaranteeing employment, migration from border areas could be stopped, if not reversed.[9]

The initial idea of having a trilateral euroregion between Pskov, Latvia and Estonia was abandoned later given the unenthusiastic reaction from Estonia. The main argument against the trilateral version was, according to an expert masterminding the process on behalf of the regional administration, the fact that it is more complicated to reach an agreement between three parties than between two.[10] Instead, the regional administration of Pskov began to promote two separate euroregions, Pskov-Estonia and Pskov-Latvia.

As late as December 2003, on the homepage of the regional administration, the creation of two separate euroregions was promoted, 'Estonia-Pskov oblast'' and 'Latvia-Pskov oblast''. The euroregion with Estonia would have included 5 Estonian counties (via Associations of Local Authorities). From the Pskov side, the City of Pskov and three rayons would have participated. The Estonian executive body would have been the South-eastern branch of the Estonian Entrepreneurship Foundation 'Enterprise Estonia'. In Pskov

[8] Pskovskoe Agenstvo Informatsii, http://informpskov.ru/business/24.html, accessed 30.11.2003.

[9] Pskov region official server – Pskov online, www.invest.pskov.ru/euroregion.php?lang=ru, accessed 30.11.2003

[10] East-West Institute's Russian Representation's Head Alexei Ignatiev in his interview to Pskovskoe Agenstvo Informatsii, http://informpskov.ru/interviews/7361.html , accessed, 30.11.2003.

similar functions would have been given to the Agency for Regional Development of the Pskov Oblast', an institution established by the City of Pskov.

The euroregion 'Latvia-Pskov oblast'' would have included 5 Latvian districts and 5 Pskov districts, plus the City of Pskov. The Latvian executive body would have been the Latgale County Regional Development Agency and/or Vidzeme Regional development Agency In Pskov, again, the Agency for Regional Development of the Pskov Oblast'. In the final proposal, autumn 2003, however, the concept of a trilateral euroregion re-emerged.

The Pskov regional administration was eager to push forward with the euroregion, despite the fact that the incumbent organisation – Council for Cooperation of Border Regions – had serious doubts about it. The cautious attitude of the CCBR towards a new structure was understandable. The CCBR would have been marginalized. Therefore, it perceived the idea of the regional administration as a threat to its existence. Moreover, the fear was that the regional administration would try - with the assistance of the euroregion – to increase its power over subnational municipal and local units in the border region of the oblast'. [11] The CCBR had rejected the idea of establishing a euroregion, claiming that the CCBR itself was already functioning as a euroregion without carrying the proper name. In spite of this, necessary measures were taken by the CCBR in order to reinvent itself as a euroregion, if necessary.

Comparing the statutes of the two competing euroregions promoted by the regional administration and the CCBR, it becomes evident that there are only minor differences. The overall objectives of the two euroregions are almost identical, i.e. promoting cross-border cooperation in different fields. The structures differ somewhat, however. The CCBR's proposal foresees an additional body, the presidium. The decision-making process differ too. In the CCBR's euroregion decisions require the approval of the majority of attending delegations. The delegation decides internally by majority, too. In the euroregion proposed by the regional administration, however, a consensus of all attendees is required.

Finally, two concepts of euroregions were circulating in the administrations of the border districts and towns in the summer and autumn of 2003: (1) Pleskava: a trilateral euroregion Latvia-Estonia-Pskov with the involvement of the Pskov regional admini stration; (2) Pskov-Livonia[12]: a trilateral euroregion Latvia-Estonia-Pskov, based on the existing Council for Cooperation of Border Regions, without the direct involvement of the Pskov regional administration.

Pskov regional administration, having failed to convince Latvian and Es-

[11] Interview with Andy Karjus, Estonian CEO of the CCBR, March 2003

[12] Livonia is the ancient name for the once united territories of southern Estonia and northern Latvia.

tonian counties, was targeting Estonian and Latvian towns located close to the state in the summer of 2003. As the CCBR and its members were opposing the new euroregion, the oblast' administration was poised to find new allies. Therefore, it tried to replace the counties and districts with towns. For this, the regional administration sent the founding agreement and the statute of the new euroregion to 6 Latvian towns and 5 Estonian towns.

The initiative turned out to be a failure. A new euroregion was not established with the involvement of the regional administration, mainly due to the requirement of allocating 0.2 of the budget to the organisation.[13] In the case of Tartu, this would have meant 16 million Estonian kroons (1 million EUR). Firstly, it was unclear what this sum would be used for. Secondly, it was a hundred times more than the CCBR had requested from its members (1000 EUR per year).

The CCBR's concept was the winner and on 25 November 2003 the organisation was transformed into a euroregion, named 'Pskov-Livonia'. It included the same districts involved in the CCBR before, plus the City of Pskov, a newcomer. The respective national sections of the CCBR were transformed as sections of the new euroregion.

Conclusion

In my view, the regional administration did not fully grasp the meaning of the term 'euroregion'. The proposal to establish a euroregion with Estonian and Latvian counterparts was made in the hope of jumping on the train of cross-border cooperation, when it was already moving.

The discussion whether euroregion is a suitable concept for Russia continues. Some views on this subject will be discussed below. The euroregion should represent one of the highest stages of cross-border cooperation. The administration lacked the necessary network in both in Estonia and Latvia and was, therefore, unable to attract partners for its project. Moreover, the fact that the regional administration wished to create a new body circumventing the Council for Cross-border Cooperation was bound to cause animosities and conflict.

Why did the Estonian side not appreciate this initiative? Although the Estonian minister for regional policy had welcomed the initiative to deepen cross-border cooperation, the idea of establishing a euroregion was largely ignored. Estonia's two main newspapers did not even mention the word 'euroregion' in 2001-2003. Insiders argue that the main reason was the existence of the CCBR. The Estonian side saw no need for a new structure.

[13] Interview with Deputy Mayor of Tartu, Sven Illing, 18 May 2003.

Competition between institutions in the border area has in this case not only strengthened cross-border ties, through increased communication and interaction. What is more, the creation of a euroregion, the fourth in Russia, paves the way for new development projects in the area. The term 'euroregion' is known in the European Union and its use will help attract both attention and financial support.

Several Russian scholars have examined the suitability of the concept of euroregion for Russia in general and for Pskov in particular. The central message of these studies seems to be that the concept of euroregion should be further developed in order to meet the needs of Russian border areas. A publication by the Institute for Regional Economy of the Russian Academy of Sciences underlines the Soviet heritage of weakly developed border areas as the main impediment for cross-border cooperation. Furthermore, they see cross-border cooperation as a common feature of international relations, from which Russian regions have been excluded to a great extent.[14]

A Pskov-based NGO, Centre for Social Projecting 'Revival', has compiled an extensive study about the right model for cross-border cooperation for the Pskov region. According to this paper, most experts on cross-border issues in Pskov believe that Pskov region should have been included *in corpore*. In other words the regional unit and all local units, both municipal and rural, should have formed the Russian partner in the project. The authors of this study argue that Russian side has misinterpreted the euroregion as a strategic aim. In fact, it is an instrument that can only be useful if cross-border cooperation has become a priority for Russia's regional policy. Before that attitude changes, any euroregion in Russia is doomed to failure.[15]

An Estonian think tank, the Centre for Academic Baltic Russian Studies based in Tartu, has put the question directly: is an Russian-Estonian euroregion necessary?[16] In their article, two experts of cross-border cooperation from Estonia and Russia warn that euroregion has taken the form of 'officials' tourism' in Russia. On the other hand, they argue, although creating a euroregion will not help the border area automatically, it will help to draw the attention of the EU.

The overall media coverage of the euroregion has been modest compared to regular coverage of cross-border activities in the Estonian and Pskov media. The Pskov media occasionally carried reports, which were rather sceptical of the plan. For example, in a report from May 2003, the author

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[14] O. Litovka & N. Mejevitch, *Globalizatsiya i Regionalizm – Tendentsii Mirovovo Razvitiya i Faktor Socialno-Ekonomicheskovo Raszvitiya Rossii*. St. Petersburg: Kult-Inform-Press, 2002, pp. 68-69.

[15] Modelirovaniye evroregiona dlya Pskovskoi oblasti. Tsentr socialnovo proiektirovaniya"Vozhrosh denie", Pskov 2004, pp. 67, 84.

[16] Nuzhen li rossisko-estonski evroregion? Pskovskoye Agenstvo Informatsii, 04.02.2003, http://informpskov.ru/analytics/5542.html, accessed 30.11.2003.

suspected that it was Estonians and Latvians, who needed a euroregion, not Russians. In his view, the Baltic neighbours were determined to demonstrate that they were engaged in a good-neighbourly relationship with their large eastern neighbour in order to join the European Union. Furthermore, he cautioned that the project euroregion was a means for the Baltic neighbours to gain access to European aid programs.[17]

According to the study by the Estonian Foreign Policy Institute, the fact that the development of cross-border cooperation is linked to the state of intergovernmental relations between Estonia and Russia makes it more difficult to offer quick solutions to the stalemate. Most existing obstacles, such as double import tariffs on Estonian goods or the not unratified border treaty can only be solved by national governments in Moscow and Tallinn. Cooperation between border regions is hindered by policy stalemates with a long history. EU enlargement is an important step in the right direction, because it could re-define the framework for bilateral relations between Estonian and Russia. Quoting the study: "Thus, the overall climate of Estonian-Russian bilateral relations should be seen as an important intervening variable in assessing the effects of EU enlargement on cross-border cooperation. Estonia's accession to the EU will not have any major direct, immediate impact on the border regime or the overall situation of the border regions. The widely held view that the upgrading of candidate country Eastern borders into the external border of the EU will increase barriers to interaction with non-EU neighbors does not apply to Estonian-Russian relations where barriers have been high already since the early 1990s. Instead, Estonian accession to the EU is likely to improve the overall climate of bilateral relations through correcting regional power imbalances, relieving security concerns, facilitating economic contacts and providing opportunities to develop the treaty basis of interstate relations."[18]

In my opinion, the complicated birth of the euroregion between Pskov, Latvia and Estonia was a reflection of underlying political tensions and economic imbalances between the Baltic and Russian neighbours. Political tensions derive not only from regional animosities between Pskov region and Eastern parts of Estonia and Latvia, but from the general state of Estonian-Russian and Latvian-Russian relations. Economic differences should not be overlooked, either. Estonia and Latvia have opened up their markets, joined the WTO and EU, whereas Russia is keen to protect its market, especially so-called strategic enterprises.

Emotions were running high during the preparations for the establishment of the euroregion. However, after the euroregion was created this

[17] Pskovskoye Agenstvo Informatsii. Alexandr Zakharov, "Yevroregion ili yevrotupik?", Pskov, 31.05.2003.

[18] EVI study, p. 29.

topic has all but vanished from the media coverage. Moreover, officials on both sides of the border appear to have lost their interest in the project. A telling sign is that the Estonian CEO of the CCBR, Andy Karjus, who was its mastermind, has left the organisation because its financial situation had deteriorated dramatically.

The evolution of Estonian security policy[1]

Kai-Helin Kaldas

After re-establishing an independent state in 1991, there were roughly three main security policy options available to Estonia: remaining a neutral country, cooperating regionally with Finland and the other two Baltic states (Latvia and Lithuania) in security matters, or striving for integration with Western security institutions such as the European Union (EU), the North Atlantic Treaty Organization (NATO), and the Western European Union (WEU).

Estonia is a small country in terms of geographical size, population, and degree of influence in international affairs. According to small state theory, small states exhibit many shared foreign policy behaviours. They have a low level of participation in world affairs, address a narrow scope of foreign policy issues, and limit their action to their immediate geographic arena. While they tend to employ diplomatic and economic instruments (as opposed to military instruments) in their foreign policy, they also emphasize international law, secure multinational agreements, and join multinational institutions whenever possible. Small states are also said to choose neutral positions and rely on superpowers for protection, partnership, and resources. They cooperate and avoid conflict with others, and spend a disproportionate amount of foreign policy resources on ensuring their physical and political security and survival.[2]

This list of small states' most common foreign policy behaviors is in itself quite self-contradictory. It suggests that both alignment and neutrality are policy options of equal weight; the list also suggests that small states focus

[1] This article is a condensed version of Kai-Helin Kaldas' Master's thesis "The Evolution of Estonian Security Options During the 1990s" defended at the Royal Military College of Canada and published in the Partnership for Peace Consortium of Defense Academies and Security Studies Institutes' *Athena Papers Series* in October 2005.

[2] Jeanne A. K. Hey, "Introducing Small State Foreign Policy," in *Small States in World Politics. Explaining Foreign Policy Behavior*, ed. Jeanne A. K. Hey (Boulder, CO: Lynne Rienner Publishers, 2003), 5.

primarily on diplomatic and economic cooperation, but at the same time are consumed with security concerns.[3] Focusing on diplomacy and economic cooperation to solve conflicts is not contradictory to being obsessed with security concerns. On the contrary, diplomacy and economic cooperation might provide valuable means to remedy an existing "security deficit."

Several of the above-listed foreign policy behavior patterns could have also qualified as Estonian security policy options at the beginning of the 1990s. One of the security policy options for Estonia as a small state was to adopt the policy of neutrality or non-alignment.[4] For a small country, seeking a distant protector is also standard practice in international politics.[5] A small nation must look to the assistance of powerful friends for the protection of its rights.[6] By choosing membership in a larger political community, a small state might sacrifice some of its sovereignty, but in return it gains greater protection and a more solid (economic) foundation that flow from membership in the broader organization.[7] This analysis is applicable to Estonia's integration to the European Union. Estonian foreign and security policy experts mostly regarded the EU as a guarantor of soft security. The same explanation can be adapted to security alliances as well; in fact, by choosing membership in NATO, Estonia denationalized its security and defense policy, which became part of NATO's collective defense system. Gärtner has also argued that for small states the decision to join alliances depends on the judgment of whether the overall benefits of doing so are greater than the costs.[8]

Whether a small state becomes a member of an alliance depends on concrete circumstances, in particular on the state's interests in joining an alliance and the foreseeable development of the security environment. Small states very often join an alliance to protect themselves against larger adversaries.[9] Even though the foreign policy of Russia has become more encouraging over the past decade, Russia still possesses the conventional and nuclear capabilities of a military superpower, which must be taken into account in the defense planning of other countries, such as Estonia.[10] A nation is secure only

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[3] Ibid.

[4] Efraim Karsh, *Neutrality and Small States* (London: Routledge, 1988), 193.

[5] Robert Jervis, "Understanding the Bush Doctrine," *Political Science Quarterly* 118:3 (2003): 385.

[6] Hans J. Morgenthau, *Politics among Nations. The Struggle for Power and Peace* (New York: Alfred A. Knopf, 1968), 282.

[7] Charles O. Lerche, Jr., *Principles of International Politics* (Oxford: Oxford University Press, 1956), 327.

[8] Heinz Gärtner, "Small States and Alliances," in *Small States and Alliances*, ed. Heinz Gärtner and Erich Reiter (Heidelberg: Physica Verlag, 2001), 2.

[9] Erich Reiter, "Introductory Comments on the Objective of the Small States and Alliances Workshop," in *Small States and Alliances*, 13–14.

[10] David Leyton Brown, "Canadian Defence Policy in the 1990s: the North American Dimension," *Canadian Defence Quarterly* 21:1 (1991): 20.

to the extent to which it is not in danger of having to sacrifice its core values, such as independence or territorial integrity.[11]

At the beginning of the 1990s, there existed a security deficit for Estonia, and NATO membership was viewed as a solution to remedy this deficit.[12] Since the beginning of the 1990s, the aim of Estonian politicians has been to acquire hard security guarantees for Estonia against Russia, mainly through NATO.[13] Most of the Estonian political elite, as well as the public, believed that the real security guarantee for Estonia in the 1990s would be speedy integration into Western security structures. It was believed that Western international security systems like the Partnership for Peace (PfP) initiative within the framework of NATO, the WEU (under the rubric of the EU), and NATO itself would provide guarantees for the freedom of Estonia.[14] Membership in the EU was seen to foster soft security as well as economic development, while admission to NATO was seen primarily as a method of bolstering hard security.[15]

The neutrality option

After regaining independence in 1991, Estonia needed to take security measures to protect its newly acquired independence. Because of recent negative historical experience, Russia was perceived as the main security threat. Estonia needed to build national defense forces from scratch, without having proper facilities or personnel available. Newly independent Estonia faced new security dilemmas, and had to chart a course for its security policy.

One of the three main security policy alternatives was to remain a neutral power and the idea of neutrality met with considerable sympathy in Estonia, especially right before the nation regained independence, because in the interwar period the country had been neutral.[16]

The fact that a country is neutral does not necessarily mean that it is demilitarized[17] (witness the example of Switzerland). There were, however, doubts

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[11] Amos A. Jordan, William J. Taylor, Jr., and Lawrence J. Korb, *American National Security: Policy and Process,* 3rd ed. (Baltimore: Johns Hopkins University Press, 1989), 51.

[12] Kari Möttölä, "Finland, the European Union and NATO – Implications for Security and Defence," in *Small States and Alliances,* 124.

[13] Andres Kasekamp, Toomas Riim, and Viljar Veebel, *Eesti koht ja valikud Euroopa ühises julgeoleku- ja kaitsepoliitikas* (Tallinn: Eesti Välispoliitika Instituut, 2003), 13.

[14] Hain Rebas, "Can the Baltic States be Defended: an Essay on Macro-History and Semantics," *Baltic Defence Review* 1 (1999), available at http://www.bdcol.ee/bdcol/pdf_files/bdreview/05bdr199.pdf.

[15] Walter J. Clemens, Jr., *The Baltic Transformed. Complexity Theory and European Security* (Lanham, MD: Rowman and Littlefield Publishers, 2001), 217.

[16] Andrus Park, "Russia and Estonian Security Dilemmas," *Europe-Asia Studies* 47:1 (1995): 32.

[17] Clemens, *The Baltic Transformed*, 214.

about whether Estonia and the other Baltic states needed armed forces after all. These doubts were due to the fact that their territory seemed to be almost impossible to protect. It is often claimed that the geopolitical and military situation of the three Baltic states is such that military means cannot play any important role in their security policy—resistance would be futile should a Russian attack occur.[18] Michael Mosser claims that the overwhelming dilemma of small states is their inability to protect themselves either militarily or economically against intrusion by larger and stronger powers.[19] The military dimension would play a minor role in Estonia's security strategy, in large part due to the limited scope of the country's resources.[20] Thus it is believed that Estonia cannot defend itself against external threats by its own means.

Estonia did not, however, choose the path of neutrality, even though its northern neighbors Finland and Sweden are still neutral countries.[21] The country decided to build its own army. At the beginning of the 1990s, there were still Russian troops stationed in Estonia, and they remained in the country until the end of August 1994, three years after Estonia regained its independence. Neutrality is very far from constituting a security guarantee far small states, especially in a case where a small state is in possession of a strategic geopolitical position in which a stronger state is interested.[22] Furthermore, neutrality is particularly difficult to achieve if there is still an occupying power left in the country.

It has been argued that small states' foreign policy behavior is dependent on a country's particular historical context, on the external, international environment, and on the geopolitical situation.[23] Estonia had been a neutral

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[18] Robert Dalsjö, "Baltic Self-defence Capabilities—Achievable and Necessary or Futile Symbolism?" *Baltic Defence Review* 1 (1999); available at http://www.bdcol.ee/bdcol/pdf_files/bdreview/04bdr199.pdf.

[19] Michael W. Mosser, "Engineering Influence: The Subtle Power of Small States in the CSCE/OSCE," in *Small States and Alliances,* ed. Erich Reiter and Heinz Gärtner (Heidelberg: Physica Verlag, 2001), 64.

[20] Park, "Russia and Estonian Security Dilemmas," 39.

[21] Both Sweden and Finland take part in NATO's Partnership for Peace program and prepare active participation in European Security and Defense Policy (ESDP). Both countries are also members of the Euro-Atlantic Partnership Council. During the course of the 1990s, the Swedish government ceased to use the term "policy of neutrality," which has gradually been replaced by the expression "non-participation in military alliances" (Gunnar Lassinantti, "Small States and Alliances: A Swedish Perspective," in *Small States and Alliances,* 103). According to the Finnish Security and Defense Policy Report of 2004, the country is placing profound emphasis on international military cooperation, thus considering possible NATO membership in the future.

[22] David Vital, *The Inequality of States: a Study of the Small Power in International Relations* (Oxford: Oxford University Press, 1967), 148–50.

[23] Sasha Baillie, "A Theory of Small State Influence in European Decision Making," *Journal of International Relations and Development* 1A (1998); Vital, *Inequality of States*, 122; Karsh, *Neutrality and Small States*, 81.

state in the interwar period, and even though it had signed non-aggression pacts with the Soviet Union as well as Germany, it still suffered Soviet and German occupation and annexation. In the summer of 1991, during the unofficial USSR-Estonian talks concerning the withdrawal of Soviet troops from Estonian soil, the USSR claimed that full withdrawal would not be possible before the year 2005.[24] Estonian politicians and security policy experts had no reason to believe that remaining a neutral power would guarantee the nation's sovereignty. It was rather believed that a neutral Estonia could be easily manipulated by Russia, and would remain within Russia's sphere of influence.[25] It was also feared that if Russian forces remained in Estonia, the West would start to question Estonia's independent status and credibility[26], and that it would not be possible for Estonia to make independent security policy choices.[27] Russia withdrew its troops because of the U.S. administration's determination and will to assist Russia in accelerating the withdrawal of its troops.

It seems as though the Russian Federation's policy towards Estonia at the beginning of the 1990s consisted of leaving its forces on Estonian territory indefinitely. This would have made it impossible for Estonia to pursue an independent security policy, as it would have been easy for Russia to execute indirect (if not direct) control over the formulation of Estonian policies. This explains why Estonia did not pursue a neutral security policy. Neutrality was also rejected as an alternative because neutrality had not worked for Estonia in the interwar period and there was no reason to believe it would work fifty years later. If neutrality failed, Estonia would not have been able to protect its sovereignty by itself.

Estonian leaders did not trust Russia. In the winter of 1991, the Soviet Union, unwilling to accept the Baltic states' pursuit of independence, used violence in the hope of "taming" the Baltic republics. Russian special forces killed civilians in outbreaks of violence in Vilnius and Riga. These events had occurred before Estonia regained independence, and before the ultimate collapse of the Soviet Union. However, coupled with the fact that Estonia had been annexed by the USSR, and the memory of Soviet violence during the years of occupation, this constituted another reason for Estonian leaders to be cautious of Russia, the legal successor of the USSR.

As the Soviet Union dissolved, the Commonwealth of Independent States

[24] Interview with Lieutenant Colonel Enn Tupp (23 December 2004); former (deputy) head of Defense Committee of Estonian Supreme Soviet; former Minister of Defense; currently Estonian Defense Attaché to Denmark and Norway.

[25] Interview with Margus Kolga (6 January 2005); former Deputy Secretary General for Defense Policy of Estonian Ministry of Defense; currently analyst at the Baltic Defense College.

[26] Interview with Ambassador Jüri Luik (7 January 2005); former Member of Parliament, Minister of Foreign Affairs, twice Minister of Defense; currently Estonian Ambassador to the U.S., Canada, and Mexico.

[27] Interview with Margus Kolga.

(CIS) was established in December 1991 by Russian President Boris Yeltsin and the presidents of Ukraine and Belarus. Led by Kazakhstan, most of the former Soviet republics immediately joined the organization. The CIS was also meant to provide for a unified military-strategic space. After the establishment of the CIS, the Russian military's preferred position was that the CIS was simply the Soviet Union by another name.[28] The Baltic states' aim was to be emancipated from their Soviet past, and an affiliation with the CIS was seen as being contradictory to this goal.[29] For these very reasons, the Baltic states refused to take part in the CIS. Any formal affiliation with the CIS was completely rejected by the mainstream Estonian political forces due to the fear that the CIS would be a vehicle for a revived Russian empire.[30] Estonia had just escaped from one Russian-led union, and was cautious of being pulled into another.

Estonia's regional military cooperation

The second security policy option available to Estonia in the 1990s was to participate in a robust framework of regional security cooperation with Finland and the Baltic states. Estonia's cooperation with Finland must be regarded separately from cooperation among the Baltic states. These are two very different issues, due to the fact that Estonia's cooperation with Finland was unilateral and focused primarily on Finnish defense-related assistance to Estonia, such as help in the educational domain and in equipment donation, whereas cooperation with the Baltic states was based on the countries' similar security policy goals to integrate with Western security institutions and on direct military cooperation.

Cooperation with Finland

Estonia and Finland are not competitors in matters of security: the increase in one country's sense of security also increases the other's sense of security.[31] This compatibility can be explained by history, geography, and culture. Estonian-Finnish security cooperation started in 1992, as Estonia had sought support from Finland regarding security and defense issues immediately after regaining its independence. The cooperation mainly took the form of Fin-

[28] James J. Tritten, *Our New National Security Strategy: America Promises to Come Back* (Westport, CT: Praeger Publishers, 1992), 71, 80.

[29] Interview with Jüri Luik.

[30] Park, "Russia and Estonian Security Dilemmas," 33.

[31] Vahur Made, "Soome ja Eesti – ideaalsed sugulased," *Postimees* (6 December 1997), available at http://arhiiv2.postimees.ee:8080/leht/97/12/06/arvamus.htm#esimene.

land providing training assistance, because proper officer education was not yet available in Estonia.[32] According to Finnish legislation, it was not possible to send salaried personnel abroad for training purposes; nevertheless, Finnish defense forces began the education of Estonian officers and non-commissioned officers in Finland.[33] The reason the Finns provided training assistance to Estonia is due to the fact that Estonia is often viewed as the southern flank of Finnish defense.[34] At the beginning of 1996, Estonia made a new request to Finland concerning the development of possible cooperation in defense issues. By that time, Finnish legislation allowed for expert advisers to function in Estonia, and the training of Estonian personnel in Finland was also continued. In 1996, Finland commenced the "Estonian Project," whereby Finland aided Estonia in building its defense capability. The "Estonian Project" was a project of assistance; it was foreseen to run until the end of 2003. The project was established to support the development of Estonian national defense; however, its aim was never to replace the Estonian defense system with the Finnish one. The purpose was to guide Estonians by helping them find the most suitable procedures and principles for Estonia by using Finland as an example.[35]

Estonia simulated Finland's security policy in many aspects. Due to the lack of experience of Estonian defense planners in the first years of independence, the Estonian political and military leadership opted to build a defense organization similar to that of Finland and other Nordic countries.[36] For instance, Estonia adopted the total defense concept as the cornerstone of its security strategy. At the beginning of the 1990s, Estonian military officers and the majority of Estonian politicians believed that adopting the total defense concept would be a suitable option for Estonia.[37] The Nordic countries propagated the concept of total defense by arranging seminars for political and military leaders from the Baltic states.[38] At the onset of the 1990s, the security dilemmas Estonia faced were not of a technical, but rather of an existential nature. The total defense concept was chosen since Estonia did not have any other country or organization to rely on in times of need.[39] An in-

[32] Anto Kergand, "Officer Basic Training in Foreign Countries and Its Influence on the Development of the Estonian Defence Forces in 1922-1999," research paper completed at the Finnish National Defense College (2001), 8.

[33] Jouko Kivimäki and Seppo Haario, *Viro-projekti 1996-2003, Raportti Suomen puolustusvoimien johtaman projektin toiminnasta Viron maanpuolustuksen kehittämiseksi* (Helsinki: Pääesikunta kansainvälinen osasto, 2004), 23.

[34] Kergand, "Officer Basic Training in Foreign Countries," 11.

[35] Kivimäki and Haario, *Viro-projekti 1996-2003*, 29.

[36] Seppo Haario, "Suomen puolustusvoimien Viron-projekti", *Sinibaretti* (11 February 2001).

[37] Kivimäki and Haario, *Viro-projekti 1996-2003*, 207.

[38] Interview with Enn Tupp.

[39] Interview with Jüri Luik.

creasing number of Estonian military officers had obtained their education in Finnish military educational institutions (the first graduates of Finnish military educational establishments started service in 1994). At that time, there was a lack of educated officers; therefore, the first graduates were promoted rapidly, and they started carrying out their duties, including working on conceptual documents concerning Estonian security and defense that are normally off-limits for officers until they have served for several years.[40] Due to the fact that these military officers had a Finnish educational background, they favored the Finnish defense system, including the total defense concept.

The choice of using the Finnish model of defense organization did not pose any major problems until 1993, when Estonia started to look seriously at the option of becoming a NATO member. It was then considered very important to develop Estonian defense forces in accordance with NATO standards. However, there was a shortage of information on what was actually needed for successful integration into NATO and what the NATO standards actually were.[41] Total defense was stipulated as the basis of national defense and military strategy, and was officially approved in February 2001.[42] The new military strategy adopted by the Estonian government in January 2005 emphasizes the importance of collective defense, which is currently the main security concept for NATO.[43]

According to Finnish security analyst Max Jakobson, there is no contradiction in Estonia securing its own territory (through total defense) and cooperating with NATO (via collective defense). According to him, securing its national territory should be the priority for every NATO member state; collective defense within NATO only reinforces the security of member states.[44] It can be argued, however, that the total defense concept is to a large extent a legacy of the Cold War. In terms of defense planning, it implies preparation for a full-scale, all-out war, encompassing total mobilization of national resources, large armies of conscripts, large reserves, large National Guard organizations, territorial defense operations, and ultimately guerrilla warfare.[45] Meanwhile, in the modern world, the likelihood of such a war is very low. The modern world faces new asymmetric security threats, such as proliferation of weapons of mass destruction, terrorism, drug trafficking, and illegal immigration.

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[40] Kergand, "Officer Basic Training in Foreign Countries," 43.

[41] Erik Männik, "Development of the Estonian Defence: Finnish Assistance," *Baltic Defence Review* 7 (2002): 39.

[42] *Eesti sõjalise kaitse strateegia* (Estonian National Military Strategy), 28 February 2001.

[43] *Sõjalise kaitse strateegiline kava* (Military Strategy), 18 January 2005.

[44] Vallo Toomet, Urmet Kook, and Kaarel Tarand, "Max Jakobson: Vene ohtu täna veel pole," *Riigi Kaitse,* (9 December 2003).

[45] Kestutis Paulauskas, "Security Dimension of Northern Europe after the Double Enlargement," *Baltic Defence Review* 11 (2004): 109.

Estonian politicians and security policy experts started to question the total defense concept because of a changed threat scenario[46] and the country's status as a member of PfP.[47] NATO was focusing on collective defense; hence large expenditures on total defense did not seem to be justified, as these resources were needed elsewhere. Estonia had decided to participate in international peace operations in order to show its partners its capability to contribute to international peace and security. At the beginning of the 1990s, there were only Finnish security advisers present in Estonia; by the time Estonian politicians started to question the total defense concept, advisers from the U.S. and the U.K. resided in Estonia as well. The suggestions and advice from these advisers could also explain the shift in Estonian politicians' support regarding total defense.[48]

Security cooperation with Finland was very important to Estonia in the 1990s, and it played a crucial role in helping to create the Estonian defense forces. However, Estonia had already identified integration into Western security structures as its main security policy goal, and therefore it did not see cooperation with Finland (or reliance solely on its own new defense forces) as feasible security guarantees. In any case, most of the cooperation between the two countries took the form of Finland providing assistance to Estonia. As Estonia's security policy aim was integration into Western security structures, including NATO, its defense forces strived to achieve NATO standards for interoperability. NATO favors collective defense. The Alliance's 1999 Defense Capabilities Initiative emphasizes notions such as deployability (rapid deployment), sustainability of operations, and interoperability, mirroring NATO's lessons learned from the Bosnian conflict.[49] NATO ceased to see the justification for huge mass armies, and set the same standards of deployability, sustainability, and interoperability for PfP member countries as well. The total defense approach is incompatible with these NATO standards; few countries would have enough resources to follow both the total defense and collective defense concepts.[50] Furthermore, only collective defense can assure Estonia's security. The country by itself cannot offer a credible deterrent or defend its territory.[51]

Estonians were striving for collective defense and North Atlantic Treaty

[46] Interview with Indrek Kannik (28 December 2004); former Minister of Defense, also former Secretary General of Estonian Ministry of Defense.

[47] Interviews with Margus Kolga and Jüri Luik.

[48] Interview with Jüri Luik.

[49] Interview with Margus Kolga.

[50] Interview with Ambassador Sulev Kannike (25 January 2005), former Ambassador to NATO and the WEU, also former Deputy Secretary General for Defense Policy of Ministry of Defense of Estonia.

[51] Interview with late Brigadier-General Märt Tiru (7 January 2005), former Chief of Defense of Estonia, also former Estonian Defense Attaché to the U.S. and Canada.

Article V protection, Cooperation with Finland would not have provided Estonia with similar benefits. Cooperation with Finland was seen as a phase in the integration process to Western security institutions; it was not an alternative, as it would not have been a sufficient security guarantee for Estonia.[52]

Close security cooperation with Finland would have been impossible due to the chosen course of Finnish security policy—the fact that Finland is a neutral country. Estonia received military assistance and know-how from Finland, and cooperated with it in a multilateral environment, through the North Atlantic Cooperation Council (NACC), later the Euro-Atlantic Partnership Council (EAPC) and PfP. Due to Finland's neutrality, however, it would not have been possible for Estonia to form a military alliance with Finland for the provision of security.

Cooperation with the Baltic states

Before the collapse of the Soviet Union, the three Baltic states cooperated closely in the effort to break free from Soviet rule. In 1990, the Council of the Baltic States was created. Cooperation between the three countries continued once they had regained their independence. In 1993, inter-governmental cooperation of the Baltic states was restored, based on the 1934 Treaty of Good Understanding and Cooperation between Estonia, Latvia, and Lithuania, according to which foreign ministers of the Baltic states held conferences to discuss foreign policy matters.[53] The three Baltic republics enjoy close economic ties—both Latvia and Lithuania are among the top ten most important trading partners for Estonia.

Russia's heavy-handed approach to Baltic issues in the early 1990s, together with its deepening domestic political crisis, helped to stimulate the move towards Baltic cooperation in foreign and security policy.[54] Even though there remain cultural differences between the otherwise geographically close three Baltic states, other states tend to treat the Baltic republics as a single unit.[55] In spite of the differences between the states, their incorporation into the Soviet Union united them, as did the post-Soviet transformation process that each of the states has undergone, and the similar security problems that each of the new republics faced after regaining independence.[56] For

[52] Interview with Indrek Kannik.

[53] Ministry of Foreign Affairs of Estonia Web page *(Eesti, Läti ja Leedu koostöö),* at http://www.vm.ee/est/kat_50/437.html (13 May 2004).

[54] John Hiden and Patrick Salmon, *The Baltic Nations and Europe: Estonia, Latvia and Lithuania in the Twentieth Century* (London: Longman, 1994), 193.

[55] Ea Jansen, "Rahvuslusest ja rahvusriikide sünni eeldustest Baltimail," *Akadeemia* 11 (1994): 2243.

[56] Jennifer A. Moll, "The Transatlantic Security Rift and Its Implications for Baltic Security," *Baltic Defence Review* 11 (2004): 74.

instance, there was a continued presence of Russian troops in all of the Baltic countries, and they wanted to escape Russia's sphere of influence as quickly as possible. All of the Baltic states had tense relations with Russia, though at the same time they depended on Russian energy and raw materials.[57]

Another issue of concern in the early 1990s that was shared by all of the three republics was the formation of their respective security policies. All of the countries identified a similar goal: to integrate into Western security institutions in order to achieve internal and external security. Internal security (soft security) was believed obtainable through membership in the European Union. The EU is Europe's most important soft-security actor, with its enormous economic and political resources, whereas external security (hard security) could be achieved through NATO membership.[58] None of the three Baltic republics had its own defense forces after breaking away from the USSR; all of them had to start building their forces from scratch. Russia's proximity (and the fact that the Baltic states did not perceive Russia as a friendly state, but as a security threat) further worked as a unifying factor in Baltic security cooperation.

Baltic cooperation in security matters in the 1920s and 1930s turned out to be a failure, and this failure contributed to the loss of the states' independence. After regaining their independence, the Baltic states were determined to launch cooperative efforts among themselves that would encompass the military domain. Western countries considered increased Baltic cooperation to be a good prospect for the region's strength and stability, and it was also one of the conditions of NATO and EU membership.[59]

The Baltic defense ministers' meeting of 1992 could be considered as the starting point of Baltic military cooperation. The ministers met to primarily discuss the need for the withdrawal of Russian troops from the territories of the Baltic states. The ministers also noted that, considering the small size and limited defense capabilities of the armed forces of the three states, it would be wise to conduct joint military training exercises.[60] Among other things the aim of the Baltic states' military cooperation was to launch joint military cooperation projects. The Baltic military cooperation projects grew out of the PfP program. The fact that they operate(d) in the English language and according to NATO standards further added to the NATO interoperability of the Baltic states.

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[57] Graham Smith, "The Resurgence of Nationalism," in *The Baltic States: the National Self-Determination of Estonia, Latvia and Lithuania*, ed. Graham Smith (Basingstoke: MacMillan, 1994), 134.

[58] Gunnar Lassinantti, "Small States and Alliances: A Swedish Perspective," in *Small States and Alliances,* ed. Erich Reiter and Heinz Gärtner (Heidelberg: Physica Verlag, 2001), 104.

[59] Kevin O'Connor, *The History of the Baltic States* (Westport, CT: Greenwood Press, 2003), 193.

[60] Michael H. Clemmesen, "Security and Defence Cooperation—A Step Towards a Baltic Framework," *NATO's Nations* (special edition on the Baltic states) (1999): 32.

The currently operating Baltic cooperation projects are the Baltic Naval Squadron (BALTRON); the Baltic Air Surveillance Network (BALTNET); the Baltic Defense College (BALTDEFCOL) and the Baltic Command, Control, and Information System (BALTCCIS). All these projects enjoyed wide international support, and more nations were involved in them than just the three Baltic states. Baltic military cooperation acted as a litmus test for Western security institutions. It demonstrated the Baltic states' ability to cooperate, not only amongst themselves, but with different partners in various fields of military affairs.[61]

Baltic military cooperation was initiated because of the Baltic states' small size, individual weakness, and militarily vulnerability. The creation of Baltic military cooperation projects in the 1990s demonstrated the will of the Baltic states to cooperate in security matters, but also served the purpose of enhancing the countries' national readiness and defense capabilities.[62] The main goal of this cooperation was to prepare the Baltic states for NATO accession. Baltic security cooperation was never an alternative to accession to NATO (or the EU), as it was well understood that three weak states do not add up to one strong state.[63]

Baltic military cooperation was seen as a process—not as a goal—by the Baltic states. The target of this cooperation was to achieve the countries' common security policy goal: membership in Western security institutions. Baltic military cooperation projects served as a step toward obtaining this objective. Even though the security policy objective for the Baltic states was NATO accession, Baltic defense cooperation was not foreseen as ending after the republics' integration with NATO. Most of the common projects operate even now. After the Baltic countries' NATO accession, the projects have continued to operate inside NATO.

Despite their outward show of unity and the tendency of other states to treat them as a single unit, there exist tensions between the Baltic countries. Lithuania, the largest and militarily most powerful of the Baltic states, has sought a leadership role in Baltic military cooperation, and has very often not been willing to compromise with Latvia and Estonia. However, the Baltic states realize that in order to make their voice heard, it is useful for them as small countries to cooperate within the framework of NATO, or to form coalitions with other smaller and larger countries on a case-by-case basis.

Even though Estonia cooperated with both Finland and the Baltic countries on security matters in the 1990s, it did not consider regional security cooperation as a viable security guarantee. In the 1990s, cooperation with

[61] Jüri Luik, foreword to Baltic Defense Cooperation brochure (Tallinn: Estonian Ministry of Defense, 2002).

[62] Interview with Indrek Kannik.

[63] Interview with Jüri Luik.

Finland was mostly one-sided, and took the form of Finnish assistance and donations to the Estonian armed forces. Furthermore, as a neutral state, Finland could not have engaged in too close a form of military cooperation, such as an alliance with Estonia. Cooperation with Latvia and Lithuania was unlike cooperation with Finland. All of the Baltic countries had identified integration into Western security structures as their main security policy objective, and were determined to collaborate to facilitate the integration process. Baltic military cooperation projects served as a tool to reach the Baltic states' common security policy goals.

Regional cooperation was not sufficient to serve the security interests of Estonia as the country strived for North Atlantic Treaty Article V protection. The main reason for this objective was acquiring a security guarantee against Russia. Russia was still perceived as the main (or the only) external security threat facing Estonia in the 1990s. Therefore, Estonian politicians and security policy experts thought it best to integrate into Western security structures—the quicker the better—to prevent the events of 1939–40 from happening again.

The United States and the Baltic states

In comparison with major powers, small states have a rather limited capability pool. Their inability to mobilize significant resources for military preparedness and economic growth may give them strong incentives to entrust their security to promises of allied support. Minor powers may seek alliances in order to increase their security on the basis of major power guarantees to protect their territories and population against military aggression. Major powers may be interested in alliances with minor powers in order to expand their military and foreign policy influence or to deny such influence to other states.[64] It should be noted that the last round of NATO enlargement did not take place only because the Baltic states were interested in joining the Alliance; the U.S. was interested in expanding the Alliance as well. In fact, there were mutual interests—on the side of both the U.S. and the aspirants—in enlarging NATO towards the east.

The goal of the Baltic countries was to leave their Soviet past behind and start over with Western security institutions by their side. The three countries saw full membership in NATO as the best guarantee against dangers from the East. Russia was perceived as the main threat; therefore, speedy integration with the West was considered to be the best security guarantee.

[64] Volker Krause and David Singer, "Minor Powers, Alliances and Armed Conflict: Some Preliminary Patterns," in *Small States and Alliances,* ed. Erich Reiter and Heinz Gärtner (Heidelberg: Physica Verlag, 2001), 18.

As a superpower, the United States has always wanted to have control and influence over Europe. In the 1990s, the European Union was trying to set up an independent foreign and security policy—a development that threatened U.S. hegemony. According to James John Tritten, the U.S. government loudly and clearly delivered the message that it preferred that NATO remain the premier organization for the defense of Europe.[65]

The United States' interest in NATO expansion arose from its status in world politics—we find ourselves in the post-Cold War era living in a unipolar world.[66] According to the neorealist approach, in a unipolar world states will try to increase their own strength when faced with unbalanced power.[67] As the sole remaining superpower, the U.S. would therefore try to establish a world order that reflects American values.[68] There is no doubt that the U.S. perceives itself as the global hegemon that intends to secure its position in the world.[69] This is why it is interested in spreading American values to the rest of the world. The most important "American value," in this context, is democracy. The spread of democracy, at least within the discourse of U.S. foreign policy, is what the U.S. was striving for when it supported the last round of NATO enlargement. The U.S. wanted to extend the zone of peace and stability; it also wanted a unified Europe in order to achieve security and stability in the old continent as a whole.[70] Josef Joffe has argued that, if NATO expansion had ended with the accession of the Visegrad countries, it would have been a signal to Russia to absorb the rest of the potential members in Europe (including the Baltic states) into its sphere of power.[71]

The campaign of NATO enlargement was actually started by Germany; the idea was then taken over by the politicians in the United States, who gradually became the biggest proponents of the alliance's expansion.[72] President Bill Clinton's foreign policy of engagement and enlargement is a good example of the support given by the U.S. to the process of NATO's eastward expansion.

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[65] Tritten, *Our New National Security Strategy*, 60.

[66] See Charles Krauthammer, "The Unipolar Moment Revisited," *The National Interest* (Winter 2002/2003): 5–17.

[67] Kenneth N. Waltz, "NATO Expansion: A Realist's View," in *Explaining NATO Enlargement,* ed. Robert W. Rauchhaus (London: Frank Cass, 2001), 23.

[68] Robert W. Rauchhaus, ed., *Explaining NATO Enlargement*, 11.

[69] Ernst B. Haas, "Organization Theory: Remedy for Europe's Organizational Cacophony," in *Explaining NATO Enlargement*, 85; Ronald D. Asmus, *Opening NATO's Door, How the Alliance Remade Itself for a New Era* (New York: Columbia University Press, 2002), 290.

[70] Asmus, *Opening NATO's Door*, 155, 289. The United States, nevertheless, did not want Europe so unified that Europe acting together would outbalance the U.S.

[71] Josef Joffe, "NATO After Victory: New Products, New Markets, and the Microeconomics of Alliance," in *Will NATO Go East*, 63.

[72] David Haglund, "The Future of Transatlantic Relations," presentation at Queen's Centre for International Relations Annual Conference 2004, "NATO after Istanbul: Prospects and Implications of Expansion" (30 September–1 October 2004).

Even though the U.S. remains the world's only military superpower, and is the inescapable leader of NATO (if it chooses to be), it is now both politically and economically less able and willing to act alone. Jan Lodal has argued that many national goals can be achieved only by organizing a strong coalition devoted to advancing the common interest.[73] In today's world of new asymmetric threats, the U.S. is better served by coalitions that are strong enough to control the emerging new threats of terrorism and proliferation of weapons of mass destruction. The ongoing Operation Iraqi Freedom could, to some extent, serve as an example of how the powerful U.S. might work together with some of its allies, especially those who are unwilling or incapable to challenge U.S. policies. None of the members of the coalition, except the U.K., is militarily strong. Most of the coalition members regard their support for the U.S.-led effort as a bargain for their own security interests—if those countries support the U.S. now, they expect the U.S. to support them in their time of need.

The United States' choice of partners and allies is of critical importance.[74] The same notion figured prominently in President Clinton's engagement and enlargement policy; durable relationships with allies and other friendly nations were seen as an important element of U.S. security preparedness.[75] By making new allies, the U.S. in effect widens the framework of countries where it (or NATO) could set up military bases when needed.[76] As a matter of fact, as early as 1991 the U.S. security strategy emphasized the importance of alliances and solidarity with allies.[77]

Now that there is stability in Eastern Europe, the U.S. has more means (time, interests, and resources) to spread democracy in other parts of the world. The Baltic states are not at the top of the list of priorities for the U.S. any longer, because the countries have reached a level of stability with their accession to membership in the EU and NATO. That does not, however, mean that the U.S. has lost interest in the region. Currently, the U.S. has different concerns, and is spreading democracy in other parts of the world, for instance in Iraq and Afghanistan.

By supporting NATO expansion to the east, the U.S. also wanted to remedy the injustices experienced by the Central and Eastern European states (including the Baltic states) during their decades under Soviet domination.

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[73] Jan Lodal, *The Price of Dominance: the New Weapons of Mass Destruction and Their Challenge to American Leadership* (New York: Council on Foreign Relations Press, 2001), 10.

[74] Kelleher, "The Future of European Security," 9–10.

[75] William J. Clinton, "Advancing Our Interests through Engagement and Enlargement," in *American Defense Policy*, ed. Peter L. Hays, Brenda J. Vallance, and Alan R. Van Tassel (Baltimore: The Johns Hopkins University Press, 1997), 285.

[76] Barry Posen, "Command of the Commons: The Military Foundations of U.S. Hegemony," *International Security* (Summer 2003): 17.

[77] Tritten, *Our New National Security Strategy*, 22.

According to Kenneth Waltz, a renowned structural realist, the U.S. believes it is acting for the sake of peace, justice, and stability in the whole world.[78] The U.S. believed that countries that happened to end up on the wrong side of the Iron Curtain after World War II should not be punished for that misfortune, but should instead be gradually welcomed into the Western security institutions with all corresponding rights and privileges.[79]

In the twentieth century, the United States showed an interest in dominating European foreign and security policies. Even though the primary security concern for many European countries is not how to distance themselves from the U.S., but how to prevent the US from drifting away, the aim of France is to impede U.S. dominance.[80] Its ambition was to make the European Union the most important actor in Europe, including in matters of foreign and security policy, thus minimizing American influence in the region. Immediately after the end of the Cold War, French leaders began asserting that Europe did not need American leadership to set its own security policy.[81] The outcome was the formulation of the EU Common Foreign and Security Policy (CFSP).

As the U.S. had (and still has) a strategic interest in what occurs in Europe, a more dominant European Union (and the CFSP) was seen to marginalize U.S. influence over the region.[82] In counterbalance, the U.S. argued for the Central and Eastern European countries' membership in NATO in order to enhance NATO's security role at the expense of the EU's arrangements, which would exclude or downplay U.S. participation in European affairs.[83] NATO was seen as the main instrument for maintaining America's domination over the foreign and military policies of the European states.[84]

It should once again be noted that the Baltic states and other new NATO and EU member states are interested in NATO primarily as a guarantor of

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[78] Waltz, "NATO Expansion: A Realist's View," 24.

[79] Steven Weber, "A Modest Proposal for NATO Expansion," in *Explaining NATO Enlargement*, 94.

[80] Michael Mastanduno, "Preserving the Unipolar Moment: Realist Theories and U.S. Grand Strategy after the Cold War," *International Security* 21:4 (Spring 1997): 58. U.S.-French relations never recovered after General DeGaulle's decision in 1966 to withdraw France from the integrated NATO military command (Jennifer A. Moll, "The Transatlantic Security Rift and Its Implications for Baltic Security," *Baltic Defence Review* 11 (2004): 67).

[81] Moll, "Transatlantic Security Rift," 70.

[82] William Yerex, "The North Atlantic Cooperation Council: NATO's Ostpolitik for Post-Cold War Europe," in *NATO's Eastern Dilemmas,* ed. David G. Haglund, S. Neil MacFarlane, and Joel J. Sokolsky (Boulder, CO: Westview Press, 1994), 185.

[83] Beverly Crawford, *The Future of European Security* (Berkeley: The Regents of the University of California, 1992), 39. The Northern Dimension of the EU's policies and the Northern European Initiative put forward by the U.S. State Department were also two competing strategies to gain power in the Baltic Sea region (Konstantin Khudoley and Dmitri Lanko, "Russia, NATO Enlargement and the Baltic States," *Baltic Defence Review* 11 (2004): 121).

[84] Haas, "Organization Theory: Remedy for Europe's Organizational Cacophony," 86.

hard security, and in the EU as a guarantor of soft security, despite the fact that the EU has launched its own security and defense policy (ESDP). Most Eastern European countries are pro-American, and perceive the European Security and Defense Policy's efforts as complementary to those of NATO. At the same time, France opposes the United States' world dominance, and pushes the European Union to act as a counterweight to the United States. The French tend to view NATO and ESDP not as complementary but as rival initiatives.[85]

There were also domestic political reasons for the United States to support the previous round of NATO enlargement. There was an intensive Baltic-American lobby: during and after World War II, many people of Estonian, Latvian, and Lithuanian origin immigrated to the U.S. The Baltic American community is small but well organized, and worked closely with other groups to build political support for Baltic states' NATO membership. According to Ron Asmus, the Baltic-American lobby was very efficient. When State Department officials briefed Congress on U.S. Baltic policy, they often found that representatives of the Baltic-American lobby had either just preceded them or were standing outside ready to make the case for the U.S. to provide more security assistance.[86] The Baltic-American lobby had a considerable impact on U.S. decision-makers in promoting the enlargement of the Alliance. There was also widespread support for the accession of the Baltic states among many senior U.S. foreign policy experts, such as the former U.S. Secretary of State Madeleine Albright and former Deputy Secretary of State Strobe Talbott. Nevertheless, in addition to caring about the future of the Baltic states, promising them eventual NATO membership, and feeling sorry for their tumultuous past, these individuals were also interested in transforming and westernizing the societies of the Baltic states.[87] Once again, the U.S. emphasized the democratization and stabilization of Eastern Europe. The U.S. arms industry was also lobbying for new NATO enlargement to some extent. Their intention was to further expand the defense market for potential new customers.

Another reason why the U.S. was in favor of the Baltic states' accession to the Alliance is that the U.S. has always had a special relationship with the Baltic states. The U.S. was the most influential of the few states that never recognized Moscow's annexation of the Baltic states in 1940, and that regarded their statehood as uninterrupted since the establishment of their independence. The Baltic states maintained their consulates in the U.S., even during their fifty-year Soviet occupation period.

Estonia, along with the other Baltic states, chose to cooperate with the

[85] Moll, "Transatlantic Security Rift," 71.
[86] Asmus, *Opening NATO's Door*, 159.
[87] Ibid, 229.

world's only remaining superpower because it had more trust in the U.S. than in many of the Western European states. Americans gave the Baltic states perspective with respect to the withdrawal of Russian armed forces as well as regarding NATO enlargement.[88] The U.S. non-recognition of the Soviet annexation, as well as the Clinton Administration's determination to assist in speeding up the withdrawal of Soviet troops from the Baltic states, explain the trust these small nations had in the U.S.[89] Trust in the U.S. was also the result of political pragmatism—it was well known that the Russians would listen to the U.S. and (though unwillingly) accept its decisions.[90] Furthermore, the Baltic states had a close relationship with Denmark, and Denmark, in turn, had a close relationship with the United States. Implicitly, the Baltic states' warm relations with Denmark brought them together with the U.S. as well.[91]

The Baltic republics can be viewed as quite pro-U.S. in their policies and actions. For instance, all of the Baltic states are participating in Operation Iraqi Freedom. It can be argued, however, that this is not due to their ultimate support for the Bush Administration, but rather is derived from the Baltic states' own security interests. If the Baltic states support the U.S. now when the U.S. needs them, they can hope for U.S. military support when they need it.

Advantages and disadvantages of Estonia's integration with Western security institutions

For the past several years, the conventional wisdom has been that the United States and Europe have grown apart—that the end of the Cold War and the events of 9/11 have produced a strategic divergence that is impossible to overcome. The relations between the U.S. and the EU have been especially frosty since the beginning of the Iraq war. The divide between Europe and the United States emerged because each side took actions the other strongly opposed, or declined to join in actions the other strongly favored. Moreover, these disputes have become self-perpetuating: U.S. policies spark hostility among Europeans, and vice versa. That hostility in turn convinces leaders on both sides that they have no choice but to go

[88] Interview with Margus Kolga.

[89] Interviews with Enn Tupp and Märt Tiru.

[90] Interview with Märt Tiru.

[91] Interview with Enn Tupp.

it alone.[92] However, since President Bush's re-election in November 2004, there has been a clear desire on both sides to overcome tensions caused by the war in Iraq. In his inaugural address, President Bush said that the world requires that America and Europe remain close partners.[93] Tensions also thawed after U.S. Secretary of State Condoleezza Rice's trip to Europe at the beginning of February 2005. In her speech in Paris on 8 February 2005, Rice called on Europe to work with the U.S., emphasizing notions such as transatlantic partnerships and shared values, and even backing the idea of strong unified Europe.[94]

Transatlantic relations are unlikely to get warmer, however, even though currently there is good will on both sides to ameliorate the relationship. This is because there are other new potential sources of disagreement between the United States and European countries. For instance, Iran's uranium enrichment program is a potential new source of conflict. Britain, France, and Germany prefer diplomacy and economic incentives to entice Iran away from building nuclear weapons. Although the U.S. has not clearly stated it would use military action, it is sending mixed signals on the issue. Furthermore, there are other issues where the European Union and the United States have differences of opinion regarding appropriate action: be it lifting arms embargo on China or trying those suspected of war crimes and genocide in Darfur, Sudan in the International Criminal Court.[95]

According to Quentin Peel, a leading European affairs columnist with the *Financial Times*, it will take strong glue to fix the transatlantic alliance. The 2005 Munich conference on security policy, which annually brings together political and military heavyweights from defense establishments on both sides of the Atlantic, showed signs of doubt that NATO can survive and flourish in the new world order after 9/11. Gerhard Schröder, the German Chancellor, declared in a speech read by his defense minister that NATO is no longer the primary venue for transatlantic partners to discuss and coordinate strategies. The message of Munich is that the old relationships centered on NATO no longer suit the new reality. Quentin Peel suggests that both sides must adapt. If the U.S. wants NATO to thrive, it must accept a bigger role for the organization: the Alliance must be more than simply a military toolbox. For their part, the Europeans must work out how a common EU security policy can be

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[92] Philip H. Gordon and Charles Grant, "A Concrete Strategy for Mending Fences," *International Herald Tribune* (17 February 2005).

[93] George W. Bush, Inaugural Address (20 January 2005); available at http://www.whitehouse.gov/news/releases/2005/01/20050120-1.html.

[94] Condoleezza Rice, "Remarks at the Institut d'Etudes Politiques de Paris - Sciences Po" (8 February 2005); available at http://www.state.gov/secretary/rm/2005/41973.htm.

[95] "Let's Be Friends," *The Economist*, 11 February 2005; available at *http://www.economist.com/agenda/displayStory.cfm?story_id=3643049*

developed without undermining NATO. Peel predicts that if neither side is ready to adapt, the old Alliance's days are numbered.[96]

Estonian membership in the EU and NATO does not only entail advantages; there are disadvantages as well. NATO membership and the collective defense nature of the organization offer Estonia hard security guarantees. If Estonia were to be attacked militarily, the provisions of North Atlantic Treaty Article V would be launched. Therefore, any references to the irrelevance of NATO belittle the advantages that Estonia and other small states gain from the organization.

In terms of NATO and the EU's common security and defense policy, Estonia believes that NATO and the ESDP must supplement each other and, therefore, that there should not be any duplication in the development of NATO and ESDP military capabilities. For Estonia, a strong transatlantic relationship is the most essential guarantee of Europe's security and stability, and one of the most important priorities in the European Union's Common Foreign and Security Policy. Estonia regards the durability of cooperative relations between the European Union and the United States as essential.[97]

Some analysts claim that the international relations of Estonia (as well as Latvia and Lithuania) are presently shaped by a divided loyalty between Europe and the U.S. (as the main representative of NATO),[98] and that Estonian security doctrine short-sightedly relies on the U.S. contribution to Estonian security.[99] The National Security Concept of Estonia indeed stresses the importance of transatlantic relations and Estonia's partnership with the United States.[100] However, it is in Estonia's interests that schisms should not emerge between NATO and the EU, due to the fact that they could reduce NATO's deterrent value.[101]

One could argue that, by being a member of NATO and a partner of the US, Estonia could be more vulnerable to asymmetric threats such as international terrorism. This would be a clear disadvantage deriving from membership in Western security institutions. Close cooperation with the U.S. could also make Estonia vulnerable *vis-à-vis* the relationship between the U.S. and European countries. Estonia's loyalty to the U.S. could create a difference of

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[96] Quentin Peel, "An Alliance of Conflicting Priorities," Financial Times (16 February 2005).

[97] Kristiina Ojuland, "Main Guidelines of Estonia's Foreign Policy" (address by the Minister of Foreign Affairs of the Republic of Estonia Kristiina Ojuland to Riigikogu on behalf of the Government of Estonia), 7 December 2004.

[98] Susanne Nies, "Between Chirac, Bush and Putin: the Baltic States, from Factors to Actors in the New Europe," *Baltic Defence Review* 9 (2003): 88. It is no secret that NATO's security guarantees are, in effect, U.S. guarantees.

[99] Ahto Lobjakas, "Kuningas Julgeolek on alasti," *Eesti Päevaleht* (18 December 2004), at http://www.epl.ee/artikkel_280975.html.

[100] *National Security Concept of the Republic of Estonia,* Sections 1.2, 2.4.1, 2004.

[101] Interview with Jüri Luik.

opinion or even conflict with "old Europe", especially in the light of new instabilities in transatlantic relationships, even though official documents from NATO and the EU, and recent speeches by U.S. and European leaders, point out the importance of fruitful transatlantic relations.

Russia has the ability to manipulate Estonia. Estonia and Russia have had a very complex relationship. This exists primarily because of the countries' history, and especially the fifty-year Soviet occupation of Estonia. After Estonia regained independence, Russia began putting pressure on Estonia by showing the world its concern regarding the treatment of Russian-speaking minorities in Estonia. At the same time, Russia has never tried to assist in improving the quality of life of Russians living in the "near abroad."[102] The quarrel over the citizenship and status of Russian speaking minorities re-emerges constantly, even though it should already be settled. The departure of the OSCE mission from Estonia and Latvia in late 2001 indicated that the OSCE does not see problems in the treatment of Russian-speaking minorities in these countries.[103] Neither does the EU. Nevertheless, Russia tries to influence Estonia and Latvia through the EU by mere accusations of problematic treatment of Russian-speaking minorities in these countries. And these accusations could become a challenge if Estonia does not continue to act constructively in counterbalancing Moscow's allegations. It is of crucial importance to constantly inform other European Union member states of Estonia's views on the issue of the treatment of minorities. The aim would be for the other EU states to know both sides of the story, and not make their judgment based only on the accusations they hear from Russia.[104]

Russia could also use other means of manipulation. Even though Estonia produces most of its own energy, the country produces no natural gas or coal, and depends entirely on imports from Russia.[105] Russia has the opportunity to use natural gas and petroleum to put pressure on many NATO and EU member states (not only the Baltic states) in order to tilt foreign policy issues in favor of Russia. The use of energy as a political weapon was forcefully brought to the world's attention in January 2006 with the Russia's bullying of Ukraine.

Estonia's integration into Western security structures, of course, also brings about many advantages. After joining NATO, Estonia is not forced to rely upon its own national efforts in dealing with basic security challenges. Estonia as a NATO member state is now also a participant in NATO security policies. Participation in initiatives such as the Mediterranean Dialogue and the Istanbul Cooperation Initiative offers an opportunity for Estonia's

[102] Marko Mihkelson, "Venemaa Eesti-poliitika pankrott," *Diplomaatia* 6 (March 2004): 13.

[103] Nies, "Between Chirac, Bush and Putin," 91.

[104] Interview with Indrek Kannik.

[105] Clemens, *The Baltic Transformed*, 139.

security policy to have a much wider scope as compared to the policies the country had prior to NATO accession.

Through membership in the EU, Estonia has acquired soft security guarantees, such as economic stability and EU investments. When acceding to EU membership, Estonia had to follow policies set by the EU member states; now, as one of the member countries, Estonia has the opportunity to participate in the formulation of these policies. Accession has brought to the forefront many issues that are constantly on the European Union's agenda, but which have not been priorities for Estonia until now.[106] In the framework of the EU, these include such topics as the Middle Eastern conflict and cooperation with Northern African countries. Estonia does not have enough human or financial resources to open new embassies or to arrange numerous visits to faraway regions. However, the European Union's cooperation framework gives Estonia the possibility of establishing closer ties with African, Asian, and South American countries. Estonia also actively participates in the European Union's Neighborhood Policy and despite the country's limited financial resources, development cooperation is becoming an essential part of Estonia's foreign policy.

EU membership has also been favorable to Estonia with respect to Russia in some aspects. Before Estonia's EU membership, Moscow implemented double tariffs on goods imported from Estonia. After Estonia's accession to EU membership, Russia has been forced to economically treat Estonia just as it treats any other EU member country.[107] In May 2005 Estonia and Russia finally signed their border treaty which had been stalled for many years (thought subsequently Russia withdrew its signature). Despite differences of opinion on many issues between Estonia and Russia, Estonia could assist the enlarged EU in promoting improved relations with Russia,[108] particularly because of geographical proximity to Russia and because Estonians understand Russians better than do Western or Central Europeans. Estonia is also keen to help shape a more coherent EU common policy towards Russia.

Being a member of Western security institutions entails both advantages and disadvantages. Membership in the European Union and NATO is both a privilege and an obligation, requiring that Estonia be more knowledgeable and more comprehensive in its thinking. If Estonia wants to avoid marginalization, it has to be active and participate to the fullest in the formulation of EU and NATO policies.

It is in Estonia's interests that the EU and NATO preserve their sig-

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[106] Kyllike Sillaste-Elling, "Eesti välispoliitika väljakutsed ja võimalused," *Diplomaatia* 16 (January 2005): 3.

[107] Mihkelson, "Venemaa Eesti-poliitika pankrott," 13.

[108] Pierre Moscovici, "Väikeriikide roll laienenud Euroopa Liidus," *Diplomaatia* 12 (September 2004): 12.

nificance and power in the future. Any claims regarding the irrelevance of NATO belittle the advantages that Estonia gains from NATO membership. Instabilities in transatlantic relationships should be overcome. The stronger that the EU and NATO are, the easier it will be for Estonia to achieve its national interests through these institutions. Therefore, Estonia's foreign and security policy should be aimed at supporting initiatives that make the EU and NATO frameworks stronger. This, in turn, means that Estonia should participate actively in both NATO and the EU, including in the framework of CFSP. In order to efficiently participate in the formulation of policies, Estonia must be better informed regarding world politics.

Quo vadis Baltic defence cooperation?

Margus Kolga

Baltic military or defence related co-operation has been praised as one of the most successful joint programs among the countries who, in the early '90s, released themselves from communist oppression. It has also been seen as one of the best examples of regional co-operation in the Baltic Sea region, as well as on the wider European scale, thus providing a model for other nations and regions in transition.[1] In public statements, the Baltic States themselves have considered their defence co-operation as the prime example of their regional co-operation for which all sides claim credit.

Anyone who has an interest in Baltic issues knows that the abbreviations BALTBAT, BALTRON, BALTNET, BALTDEFCOL and BALTSEA are shorthand names for the combined Baltic military projects. Some of those projects have been on the Baltic agenda for more than a decade and have exerted substantial influence on the overall development of the defence systems of Lithuania, Latvia and Estonia. The Baltic co-operation, whose initial objective was to channel Western support to the Baltic military build-up, has had a number of different objectives throughout its history. It has been a motor for the development of the defence management, and provided a good framework for joint efforts in preparing for NATO accession. The Baltic military projects can thus be seen as having a multi-faceted impact across the defence systems of the countries concerned, since every single component of the forces has gained something from these projects.

After accession to the North Atlantic Alliance the paradigm of Baltic security changed. All three states became members of the Alliance and, together with the security umbrella, their responsibilities as member states also became a part of their everyday life. These new circumstances raised some questions regarding the future of Baltic military co-operation, its relevance

[1] Per Carlsen, "From the Baltic States to the Caucasus: Regional Co-operation after the Enlargement", Reprint of the article first published in *Lithuanian Foreign Policy Review* no. 9 (2002), Danish Institute of International Affairs (DUPI), Reprint 2002/8, pp. 6-8.

and objectives. For this reason, it is worthwhile to provide a review of Baltic military co-operation from a historical perspective, and to attempt an analysis of current problems and future perspectives. This paper will try to give some recommendations on where the Baltic States should concentrate their co-operative effort and attention. That will be done by taking a closer look at the history of Baltic co-operation, its driving forces and problems, by analysing the new circumstances and needs deriving from them, and finally by concluding how those needs could be covered by using the framework that is already available. Since the author has personally participated in Baltic military co-operation for about 10 years since 1995, he deems it appropriate to offer some observations based on his personal experience and knowledge.

Pre-accession co-operation – a controversial success-story

Estonia, Latvia and Lithuania started political co-operation in the late 1980s with a new wave of liberation movements. Those times witnessed a considerable amount of mutual trust and solidarity among the three nations, which was best expressed in the Baltic Chain – a human chain created by the people of the three nations who stood hand in hand from Tallinn to Vilnius on August 23, 1989, in order to protest the 50th anniversary of the secret Protocol of the Nazi-Soviet Non-Aggression Pact, and to demonstrate the determination of the people to restore their independence. The late '80s and early '90s saw the Balts working together and co-ordinating action, initially to obtain greater autonomy, and subsequently to get rid of the communist rule, get out of the Soviet Union, and achieve independent statehood. The co-operative spirit was maintained after the restoration of independence, as demonstrated by the establishment of the Baltic Assembly on November 8, 1991 and the Baltic Council of Ministers on June 13, 1994.

The idea of defence related co-operation is rooted in the experience and spirit of these political actions. However, as the struggle for establishing functioning governance turned out to be more demanding and problematic than expected, concrete steps toward military co-operation were not taken until late in 1993. Since the defence sector was among those not inherited from the Soviets, it had to start from scratch, and it was not surprising that the initial focus was on the establishment of national priorities and national systems. Only then could wider co-operation be considered. The initial contacts were not focussed on finding common ways to tackle the problems, but attempts to keep up the spirit of co-operation, realising that the others were facing the same kind of challenges. The main security problem of these early days was the post-Soviet troops residing on the territory of all three

states, and the main goal in this respect was to ensure their quick and peaceful withdrawal. This could be achieved most effectively by diplomatic means and by pressure from major Western powers. Military co-operation to that end could have been taken as a provocative step which could have triggered a hostile reaction by the Soviet forces located in their bases all over the territories of the three states.

More active, and closer, co-operation began at a meeting of the three Baltic Ministers of Defence on September 13, 1993 in Tallinn, with the resulting announcement of their commitment to pursue co-operation in a number of areas, including the United Nations peacekeeping, and the establishment of a joint unit for this purpose. On November 20 this commitment was specified by the three Chiefs of Defence who agreed that the size of the unit should not exceed that of a battalion.[2] Subsequently, the Baltic Peacekeeping Battalion, or BALTBAT, was established in 1994. The setting up of BALTBAT provided a framework which was later used to initiate other projects, and through which the bulk of defence-related international support and advice was channelled to the three states. The influence of this endeavour was much wider and went far beyond the individual projects. The overall spectrum of defence management system, from policy formulation to public relations, was practiced and enhanced through these projects. The division of responsibilities between civil service and the military, as well as the relations between the two entities were settled and streamlined, the expertise and experience of individuals enhanced. A number of practices within the defence systems of the three nations can be linked with practices applied in the Baltic defence projects. From this perspective, the co-operation can be considered a real success-story, however, recent signs of tiredness and apathy give rise to some concerns about its future effectiveness.

It could be said that Baltic defence co-operation was driven by four complementary objectives whose weight and significance changed over time. The ultimate goal was to establish and ensure stability in the region, through democracy and good governance, with the Baltic states seeking to identify themselves more visibly as part of the democratic West. Although the Western Democracies' policies supported and promoted the growth of democracy, their short-term objective was the avoidance of a possible conflict in the area.

Immediately after regaining independence, there was an urgent need to demonstrate sovereignty and to ensure control over one's territory. There was a need for a security sector reform and for the restoration of a defence structure that had been dispersed by the Soviets. As a result all three states

[2] Julian Brett, "Lessons learned from the BALTBAT project: An evaluation of the multilateral project supporting the Baltic Battalion between 1994 and 2000", Ministry of Defence Denmark, January 2001, p. 17.

established their armed forces. That was accomplished under difficult conditions, where both civilian and military expertise and experience on defence and security issues were lacking. There was a 40-year long developmental gap as the National Forces were demolished by the Soviets in the beginning of the '40s and the nation-based Red Army units that were formed, disappeared in the mid-50s.[3] At the beginning all three countries had to rely on those who had served in the armies of other states. Very often these people were good specialists in some narrow field but lacked the system-wide experience of working in an environment where state level issues, strategies and policy were handled and formulated. They were able to fulfil everyday tasks, but did not possess the knowledge and experience necessary for the creation of an Army with a completely new identity and traditions. That was a task undertaken by a new generation. To fill the gap of expertise and knowledge, necessary for the establishment of military forces inherent to democratic societies, foreign advice and support was needed. Support from Western Democracies was conditional, in that they were looking for acceptable ways to channel advice and support, without alienating Russia whose troops were still residing on the territory of all three states. And, as in those days the Baltic States were considered as one entity by the international community, it is understandable that there was a general desire to support them as a group.[4]

Secondly, fairly soon after regaining independence, all three declared that they saw their future as part of the community of democratic states, and set integration within western international organisations as the major focus of their security policy. Defence structures and their capabilities became an obvious part of accession to NATO, but gradually, the EU also started to pay more attention to crisis management and defence issues. The three Governments realised that defence structures should not only be considered as the means for defending the country, but could also be used as force multipliers in terms of overall integration processes. Development of the defence forces was increasingly looked upon as a tool of state and democracy building process.[5] Baltic defence related co-operation and its projects were harnessed to the preparations of integration processes. As members of the Alliance and the Union very often praised the framework of co-operation and the co-operative spirit of the nations involved, it was understood that extensive and visible joint effort would be more beneficial for all three than following separate and individual paths.

Thirdly, the post Cold War environment brought along the spread of

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[3] XX sajandi kroonika II osa – 1940-1961 (Chronicle of the 20th Century 1940-1961), Eesti Entsüklopeediakirjastus, p. 427.

[4] Brett, p. 18.

[5] *Eesti Kaitsejõud 1991-1996, Estonian Defence Forces 1991-1996*, edited by the Ministry of Defence of Estonia and General Staff of the Defence Forces, Tallinn 1996, p. 21.

liberal ideas on security that valued above all common interests and praised co-operation as a tool to achieve them.[6] Launching *Partnership for Peace* and opening NATO for co-operation was an important step that introduced the rules of the game, and provided direction and guidance to the new democracies. Co-operation as a security-enhancing tool was also highlighted by all Baltic States in their respective security and defence policy documents, and practiced through participation in several multilateral and bilateral co-operation frameworks, including co-operation with each other.[7] It could be argued that in these circumstances and having integration into the democratic community in their minds, acting otherwise would have been impossible.

And fourthly, the Baltic States were concerned about the reactions of their eastern neighbour, the Russian Federation, especially at a time when its troops were still on their soil. Those concerns, flavoured with memories of occupation, caused some opinion leaders to put the prospect of Baltic defence alliance on political agenda. The question was raised at the sixth session of the Baltic Assembly held in Riga in April 1995 and fostered by a group of Estonian politicians who on August 14, 1996 issued a statement calling for a Baltic Security Pact that should help to maintain the security of the Baltic States until their admission to NATO.[8] At the end of the day the idea did not get much support and was silently put on hold by the respective governments, because it could be construed as sending the wrong signal to the Alliance and thereby slowing down the accession process.

Before accession to NATO, the Baltic military co-operation can be divided into two periods. The first one starts in 1993 when the first real attempts where made to enliven the defence relations among the three states. The second period begins in 1999 when all three started their Membership Action Plan process with NATO, and lasts until March 29, 2004 when all three joined the Alliance. To provide a more solid background for the analysis on where the Baltic co-operation might take us in the future, it would be useful to take a closer look at what happened in those past 10 years, to examine the problems faced by the three countries, the causes of these problems, and the attempts to resolve them. Taking into account the nature of co-operative activities, the two pre-accession and one post-accession periods could be called "The quest for Western acknowledgement", "The quest for Western integration" and "co-operation as Allies".

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[6] Lauri Lepik, "Nordic-Baltic Defence Cooperation and International Relations Theory", in *The Estonian Foreign Policy Yearbook 2004*, Tallinn, 2004, pp. 143-144.

[7] Nivedita Das Kundu, "The Baltic States' Search for Security", *Strategic Analysis: A Monthly Journal of the ISDA*, Vol. XXVII, no 3 (July-September 2003), http://www.ciaonet.org/olj/sa/sa_jul03kun01.html

[8] Toomas Alatalu, "Miks jäi Balti liit sündimata?" (Why Baltic Military Union did not see the life?), *Eesti Päevaleht, Riigi Kaitse*, 22 June 2004.

The quest for Western acknowledgement

As previously stated, the period of "The quest for Western acknowledgement" starts with the year 1993 and lasts until NATO's Washington Summit where the Baltic States, together with four other nations, were asked to join the Membership Action Plan. The majority of meaningful Baltic military co-operation projects were started during that period. Although defence ministers of Latvia, Lithuania and Estonia had established regular meetings, serious practical co-operation started with the creation of the Baltic Peacekeeping Battalion. Taking into account the United Nations' "Agenda for peace" and the growing popularity of peacekeeping as a tool of establishing peace around the world, this was an area that on one hand could be used for channelling Western defence-related support to the Baltic States without alienating their neighbour in the East, and, on the other hand, enabling the Balts to begin their force development from a basic level which does not require very comprehensive military means and complicated training. That was a time of learning to know each other, building confidence, and gaining trust. In this respect, the establishment of the management and co-ordination structures for the project has had far-reaching importance. The first management structure consisted of two hierarchically organised bodies – the Steering Group to "exercise overall control and direction of the multinational assistance" and the Military Working Group to "develop the detailed aspects of the co-operative programme of assistance and oversee its implementation"[9]. Both were multinational, headed by Denmark, who volunteered to take up the assignment. The first meetings were usually held in different formats. The initial insecurity of the Western participants was shown by the fact that the supporting nations first held their internal meeting, and only after that were the representatives of the Baltic States invited to join.

After criticism from the Baltic States that they were not fully involved in the decision formulating process on questions that concerned them, this procedure was abolished in March 1995.[10] But it can still be argued that most of the decisions concerning the project, taken at this first stage of its development, were formed by the supporters, and the Balts themselves played a fairly marginal role in the process. But this is not at all surprising, considering their starting point, and their level of experience of working within a multinational environment. The purpose of the project, and the support, was not only to enhance the soldiering capabilities, but also to improve management skills and to impart knowledge about basic decision making methods and processes, and, last but not least, to raise Baltic self-confidence.

By 1996 it was clear that the framework used for BALTBAT was paying

[9] Brett, p. 26.
[10] Ibid.

off and could also be used for new projects. Russia did not appear to have serious problems with the project and was more concerned with stopping the NATO enlargement. The Baltic States began to show themselves as trustworthy and reliable partners, as their experience, as well as their confidence in working with other nations, grew visibly. The success of BALTBAT, and the growth in confidence, led to rapid growth of new projects. At the end of 1996 an international conference was held in Vilnius where the participating nations agreed to start political level discussions on establishing the Baltic Naval Squadron (BALTRON), and only three months later the first Steering Group and Naval Working Group meetings took place in Bonn, as Germany started to act as the leading nation.[11] This endeavour was soon followed by two other projects where the same management framework applied. On April 11, 1997 the Baltic Air Surveillance Network's (BALTNET) Steering Group and Military Working Group led by Norway were formed. The BALTNET grew out from the Regional Airspace Initiative, an American Project to raise Central-Eastern European air-control management capability, and was considered by Estonia, Latvia and Lithuania as the cornerstone of their emerging air-defence capability. In the summer of the same year, while holding their annual meeting on the island of Saaremaa, Estonia, the Baltic and Nordic Defence Ministers agreed to establish the Baltic Defence College (BALTDEFCOL) in order to provide post-graduate level education for senior staff officers.

Those were the four most prominent projects. The framework was so successful that the Baltic States tried to apply the same co-operative method to other areas using the 3+1 format, meaning the three Baltic States and one supporting nation. In this way, the Baltic Command, Control and Information System (BALTCCIS) with Germany, as well as the Baltic Personal Management project (BALTPERS) and the Baltic Medical System project (BALTMED) with Sweden were started.[12] Having been initiated by particular supporting nations, these projects received less attention, and were not as high on the agenda as others. The reason for that could be the technical nature of those Projects, as well as Baltic inability to maintain continuous interest, at all levels, for their implementation.

Two other aspects of co-operation that emerged during that period have to be mentioned. Both have linkages to the BALTBAT project but could be considered as separate undertakings. The first is a series of military exercises called Baltic Challenge that were held under the framework of PfP on the territory of one Baltic State. In 1996 the exercise was hosted by Lithuania, in 1997 by Estonia and in 1998 by Latvia. Baltic Challenge was a multinational peacekeeping field training exercise co-operatively designed by the nations

[11] Baltic Military Co-operation Projects, Estonian Ministry of Defence, Tallinn 1999, p. 12.

[12] Baltic Defence Co-operation, Estonian Ministry of Defence, Tallinn 2002, p. 23.

in the Baltic region and the United States.[13] The exercise was linked to the training plan of the BALTBAT but had much wider connotations. First of all, Baltic Challenge had great political importance. It was the first international military exercise ever held on the Baltic territory with the participation of NATO nations and the US taking the lead. Secondly, although the main idea was to train the BALTBAT staff and sub-units, a considerable number of other officers of the three national forces participated, and thus were able to gain, for the first time, valuable experience in the planning, organising and conducting of military exercises. Thirdly, in the margins of the exercise Baltic Challenge '97 held in Estonia on the Paldiski peninsula, the participating US units provided training in amphibious operations. This was considered by local defence communities as a sign of serious American security interest in the region.

The other aspect was the beginning of continuous participation in international peace operations. The early start of the BALTBAT project, and the availability of units trained within that framework, made it possible to deploy units outside Baltic territories. When the establishment of a joint unit was initially proposed, it was assumed that it would be deployed in various UN missions. At that time, no one thought that it would be NATO requesting the Baltic States to join its other members in their operation in the Balkans. It was in 1994 when the first Lithuanian infantry platoon began participating in the United Nations Protection Force mission.[14] After six months they were followed by Estonian and Latvian platoons. None of the three was able to do it alone. Although they had the resolve, and the motivation, they were lacking in both experience and the necessary equipment. Without the courageous Danish decision to take up the responsibility of the "parent nation", overlooking the risks involved in deploying the inexperienced Balts, the participation of Baltic units in peacekeeping missions would have been delayed for some years. Those first platoons paved the way for Estonian, Latvian and Lithuanian participation in NATO-led IFOR and SFOR operations in the former Yugoslavia that at the end of the day, among other things, helped the Balts to demonstrate their readiness for NATO membership.

Although they started with a positive attitude, and high level of motivation, co-operation among three nations faced a number of problems and challenges. Some of these were solved, others persisted over time. Most of these problems derived from a lack of experience and a very limited national management capacity, be it military or civilian. Although the correct high-level political decisions were taken by the Baltic ministers, most

[13] Baltic Challenge '97, 10-22 July 1997, Tallinn, Estonia, Estonian Defence Forces, July 1997.

[14] Security and defence in Estonia, Latvia and Lithuania, Defence Committtees Report to the Fiftieth Session of the Assembly of the Western European Union, 2. June 2004, Document A/1861, http://www.assembly-weu.org/en/documents/sessions_ordinaires/rpt/2004/1861.pdf

of what followed was very often carried out by the supporting nations, with a silent Baltic consent. For the majority of the Baltic representatives, it was a time for learning and for gaining experience in a real-world situation. It has even been claimed by some authors that the development of the project, and implementation of its goals, would have been more successful, if all that had started some years later, when the national defence systems had matured a bit more over time.[15] This might be true, however, it would be very difficult to assess the rate of development of national forces without the Baltic projects and the international support that was channelled through them.

As already noted in the beginning, because of the political circumstances, the bulk of conceptual work and planning of the projects was done by Western Nations. All that the receiving nations, i.e the Baltic States, had to do at the first stage was to nod and agree. As the planning progressed further and the plans began to be implemented, the Balts acknowledged the complexities involved in the forming of the military unit, and the difficulties of living up to their commitments The realization that the programme was not simply about receiving equipment and financial support and listening to advice, began to dilute the receiving states' initial interest in the projects. This tendency differed from project to project. The less complex projects which had fairly concrete and narrow objectives, needed less manpower, and had the core equipment and platforms available, were able to move forward and sustain their internal identity, whereas others, particularly the BALTBAT, faced problems and constant delays. The realization that the BALTBAT was not ready for deployment as a battalion, the goal that was set at the beginning of the process, had the effect of diminishing support and enthusiasm for co-operative projects among some staff in defence establishments.

The difficulties of living up to the commitments and the feeling that the projects were eating up an unexpected amount of resources, the latter coming from the lack of experience and knowledge of the real costs of the defence for sovereign nations, brought about negative sentiments in some parts of national defence establishments. It was the opinion of some groups of officers that, in the present security environment, peacekeeping was not what the military should concentrate on, and that the available resources should be allocated to other, "more serious war-fighting practices". Usually such voices came from those who were not directly involved in the projects and who were very much concerned about "the real and present security threat" to their countries. In their opinion, a re-allocation of the resources presently going to international projects and co-operation to more traditional defence purposes, would solve all the problems facing the national forces. That was, of course, only wishful thinking.

[15] Robertas Sapronas, "BALTBAT and development of Baltic Defence Forces", in *Baltic Defence Review* 2/1999, p. 58.

In Estonia, the projects and international defence related co-operation were managed by a fairly small number of people, while the main bulk of personnel concentrated on other issues. Very often those who were responsible for the first part found themselves in a situation where the needed internal support, which was not forthcoming, in spite of the projects being declared to be a priority. This discrepancy between the declared commitments, and the attention given to their implementation, was a major concern that the countries faced during that period.

At the same time the Supporting Nations were looking forward for the Receiving Nations to assume greater responsibility for the management of the projects. Year by year, the phrase "baltification" started to pop up in speeches and statements. To face that challenge, the three countries were forced to take further action. An Estonian proposal to create a separate co-ordination and management system for the Baltic military projects, which would be applicable to all co-operation activities and undertakings, grew out of that need. It was expected that this would ease the internal and external tensions created by failing to live up to the commitments.

And last but not least, all three were driven by their national interests and therefore, paid less attention to common interests. The frequent result was a "a beauty contest" where one of the three tried to appear in a better light than the others, as seen by the Supporting Nations. However, the main tensions in this respect arose from the discussions about who should be considered the host nation of the project. The most intense debate was about the location of the BALTNET regional centre (RASCC), with both Lithuania and Estonia showing interest. After the issue had been circling from one proposal to another for a long time, influential input from the Supporting Nations, particularly the US, was required for a final decision. This kind of code of conduct and philosophy developed gradually, as the co-operative projects moved forward.

NATO accession as the glue

The second period, the quest for NATO membership started in 1999 with NATO's Washington Declaration and Membership Action Plan. Lithuania, Latvia and Estonia had started their co-operative relations with the Alliance already in 1994 with joining the Partnership for Peace. Some months earlier, the presidents of the three states had declared their intention to join the Alliance in the future.[16] All three joined NATO's PfP Planning and Review Process and held an Individual Dialogue with NATO. Although all of them had

[16] Alo Kullamaa, "Balti presidendid näevad NATO-t peamise julgeolekugarantiina" (Baltic Presidents see NATO the main security guarantee, *Päevaleht*, 16 December 1993.

the same goals and faced similar problems and challenges in those early days, working level consultations and coordination among the three were infrequent. All three kept themselves informed of each others' successes but few attempts were made to draft common positions, or to take common action. The cause for this might have been each country's belief that they would be stronger alone than together. That opinion was fostered by some statements of the opinion leaders and politicians that were often taken by others as arrogance, offence or even insult. Estonia was very concerned when only a few weeks after the Presidents' joint declaration, Lithuanian Prime Minister Algirdas Brazauskas, without taking into account others constraints, sent an official letter to NATO with a message that Lithuania would like to be invited to join the Alliance.[17] Similarly unhelpful for the co-operative effort was the statement by Vytautas Landsbergis, the then Speaker of the Lithuanian Parliament, about freeing themselves from the "Baltic ghetto", or the description by Estonia's Foreign Minister, Toomas Hendrik Ilves, of Estonia as a post-communist Nordic rather than a Baltic state. The latter statement was made in 1998 when among the three, only Estonia was invited to start accession talks with the European Union.[18] Not surprisingly, such statements served to undermine confidence in Baltic co-operation, including military co-operation, one of the liveliest areas of co-operation at the time,

The signing of the US-Baltic Partnership Charter on January 16, 1999 provided the positive impetus needed to restore Baltic co-operation. While negotiating the text of the Charter, the US held a firm position that the document should not be bilateral, as some of the parties expected, but multilateral.[19] In addition to providing security co-operation, the Charter also promoted economic and military co-operation and "established a Partnership Commission…that will meet once a year or as needed, to take stock of the Partnership, assess results of bilateral consultations on economic, military and other areas…"[20] For the Baltic States who all recognised that their accession to NATO was largely dependent on US support, this was a clear message about the importance of their own co-operation. The BALTSEA, an international forum that was established in April 1997 in Oslo for the purpose of supporting the development of the defence systems of the Baltic States, also recognised in 1999 that its assistance and advice should focus on the Baltic States' accession to NATO.

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[17] Rein Helme, "Nukrad pilgud NATO poole" (Sad looks towards NATO), *Päevaleht,* 12 January 1994.

[18] Vaidotas Urbelis, "The Baltic States: A Strategy for Co-operation", in *NATO Defence College Seminar Report Series* No. 13 (2002), p. 34.

[19] Janis Kapustans, "Coperation among the Baltic States: Reality and Prospects", http://www.nato.int/acad/fellow96-98/kapustans.pdf., p 23.

[20] A Charter of Partnership Among the United States of America and the Republic of Estonia, Republic of Latvia, and Republic of Lithuania, http://www.estemb.org/lang_4/rub_168/rub2_169.

Because of the NATO accession process, the Baltic States came under scrutiny not only by the United States but also by the Alliance and its other members. Among other things, the understanding of the importance of mutual solidarity and ability to work in a multinational environment became issues which were closely evaluated. That made the cooperation not only a necessity, but an essential prerequisite for NATO accession. All three understood that they would be the only losers if their relations did not reflect a co-operative spirit and encompass extensive joint activity. At least from the year 2000, cooperation in the NATO accession process became a continuously repeated goal in the preamble of the Joint Communiqué of the Baltic Ministerial Committee, becoming the centre of gravity around which the co-operative effort started to move.[21]

As a part of the Membership Action Plan (MAP) and the drafting of Annual National Plans (ANP) in this context, a number of new co-operative initiatives emerged. Although the writing of the first Annual National Plans was not very transparent, the process that followed was in a good co-operative spirit. All countries exchanged the documents and coordinated common action to promote their case together. For instance, for the promotion of the second (2000-2001) and third (2001-2002) ANP the Ministries of Foreign Affairs and the Ministries of Defence made joint visits to the authorities of selected Allies. The structure of the documents was coordinated and the parts covering the military aspects of the Baltic co-operation were even drafted together. Although some mutually agreed-on points were changed in national processes, or not used at all, the MAP brought fresh impetus into the co-operation that a year earlier had shown signs of a slowdown.

The same applied to the Planning and Review Process that had become one of the drivers of the integration, since it provided the applicants with a force planning tool that was similar, at least in terms of procedures, to the one NATO itself used. Although the process was bilateral – involving NATO and a particular nation – MoDs of the three were successful in inserting their common projects into the framework. In this way, the projects became officially a part of the NATO/PfP planning and ensured their position in the integration effort. This also raised the question of how to link the capabilities the projects more directly with NATO force

[21] Joint Communique of the Ministerial Committee, 23 August, 2001, Riga, Latvia, signed by Minister of Defence of Estonia Mr Jüri Luik, Minister of Defence of the Republic of Latvia Mr Gints Valdis Kristovskis, Minister of National Defence of the Republic of Lithuania Linas Antanas Linkievičius; Joint Communique of the Ministerial Committee, 1. March 2002, Vilnius, Lithuania, signed by Minister of Defence of Estonia Mr Sven Mikser, Minister of Defence of the Republic of Latvia Mr Gints Valdis Kristovskis, Minister of National Defence of the Republic of Lithuania Linas Antanas Linkievičius. Copies in the author's possession.

structure. Ideas for joining NATO's Mine-Countermeasures Force North (MCMFOR-NORTH) or the Multinational Corp North-East (MCNE) or the NATO Integrated and Extended Air-Defence System (NATINEADS) were proposed and discussed.[22]

Although NATO accession as a common denominator provided the glue that kept the co-operation together, the problems that arose during the previous period remained and even deepened. The military side of the management was the weakest link, or at least this is the impression gained reading the declarations of the Ministerial Committee, the highest body of the management structure of the cooperation. From 2001 on, a number of tasks can be identified that were given by the Ministers to their respective Chiefs of Defence in the Military Committee and were not fulfilled, forcing the Ministers had to give new deadlines, sometimes more than once. The communiqué used the following wording: "Ministers…recommended to the Military Committee to intensify higher level contacts and encourage the decision-making process in order to enhance the implementation of the decisions of the Ministerial Committee".[23]

At the same time, some new initiatives appeared on the agenda, but none of them were launched with the speed and urgency of the earlier, more famous projects. Very often they remained only declaratory, without proper follow-up action, or never reached the implementation phase. For instance, cooperation in procurement, or at least coordination of effort in this respect, where benefits of cooperation were clearly visible, never became a reality. The only jointly run procurement programme of those days was the acquisition of a 3D air-defence radar TPS 117 by Estonia and Latvia[24], showing that at least some reduction of cost was achievable. Although the need to intensify co-operation in procurement was recognised, no meaningful action was taken. On the contrary, the tendency was more towards an individual approach. During the period, the three countries acquired a number of new weapon systems, but this was done individually and often without any prior information to others. The reason might again have been "the beauty contest" in front of the Alliance or Americans in order to appear more capable than others. On the other hand, the considerations could also have been very pragmatic – joint procurement without any experience and established worked-in procedure had a higher possibility of becoming a failure. Indi-

[22] Tarmo Kõuts (Chief of Estonian Defence Forces), "Ühiselt edasi" (Moving together onward), *Eesti Päevaleht, Riigi Kaitse*, 22 June 2004; Ahti Piirimägi (Commander of Estonian Navy), "Milleks Eestile merevägi?" (Why Estonia needs a navy?), *Eesti Päevaleht, Riigi Kaitse*, 22 June 2004.

[23] Joint Communique of the Ministerial Committee, 1 March 2002;

[24] Girts Valdis Kristovskis, Keynote Address to the 10th Partnership for Peace International Research Seminar "North-Eastern and South-Eastern Dimensions of European Security – Regional Co-operation – Similarities and Differences", in *NATO Defence College Seminar Report Series* No. 13 (2002), p. 21.

vidual and uncoordinated procurement brought about problems with the cohesion of the projects. For example, ultimately the states realised that using different weaponry, armoured platforms and vehicles for their national contingents of the BALTBAT, complicated the logistic support and undermined the sustainability of the unit.

Hosting of the projects created problems also during that period. Ministries and Staffs entered endless discussions on where the BALTCISS central server should be located. The issue circled in the Ministerial Committee and the Military Committee for about two years with one party asking for military advice and the other bouncing it back as an issue for political decision. Only an extensive trilateral consultation process in the end, triggered by the dissatisfaction of the Supporting Nation, this time Germany, brought a final decision.[25]

But this period of co-operation was also marked by a number of positive developments. As Estonian, Latvian and Lithuanian defence establishments matured, their focus also changed. While in the previous period much attention was paid to the projects as such, in the second period the countries concentrated more on their national defence capabilities and used co-operation to multiply their prospects of integration through synergy. Unfortunately, the same problems that had hampered the development in the previous 5-7 years persisted. Although experience and expertise had increased, all three were still troubled by a slow implementation of the plans. However, this main stumbling block of the previous period was now overshadowed by each country's fight for its own interests rather than common goals.

Continued co-operation as members of the Alliance

The third period began with accession to the Alliance. It was preceded by some positive notes as Ministers of Defence acknowledged the need to analyse the prospects of Baltic cooperation within NATO and asked, on a number of occasions, their respective CHoD's to come up with military advice on the issue.[26] Politicians and the military leadership spoke openly for

[25] Communiques

[26] Joint Communique of the Ministerial Committee, 1 March 2002, Vilnius, Lithuania, signed by Minister of Defence of Estonia Mr Sven Mikser, Minister of Defence of the Republic of Latvia Mr Gints Valdis Kristovskis, Minister of National Defence of the Republic of Lithuania Linas Antanas Linkievičius; Joint Communique of the Ministerial Committee, 10 December 2002, Riga, Latvia signed by Minister of Defence of Estonia Mr Sven Mikser, Minister of Defence of the Republic of Latvia Mr Gints Valdis Kristovskis, Minister of National Defence of the Republic of Lithuania Linas Antanas Linkievičius. Copies in the author's possession.

the continuation of cooperation.[27] Countries also co-ordinated the texts of their Timetable of Reforms, a document that NATO asked every individual invitee to submit prior to actual accession, in order to ensure the continuity of subsequent reform.

Two things brought negative sentiments to this positive agenda. The first was the closure of the Baltic Battalion on September 26, 2003. Although the Nations stated that the project had successfully fulfilled its goals, and that the resources assigned to the Battalion could be better utilized in other important areas, the main reason for putting the project on the shelf was the continuing difficulty with fulfilling its commitments, and the implementation of agreed plans, as well as the uncoordinated equipping of national contingents with different weapon systems and armament, which hampered the sustainability of the project. After the termination of the Baltic Battalion, the combined field exercises of the Ground Forces ceased, and joint operational deployment began to show decreasing tendencies. The latter was connected with the Timetable of Reforms since Estonia and Latvia were willing, as expressed in the document, to continue their commitment to the military co-operation with the other two, whereas Lithuania was opposed to it.

After almost two years in the Alliance the co-operation among the Baltic States is not moving as smoothly as expected at the time of the accession. Sometimes it seems that there are more problems than ever among the three. We have not seen many new initiatives that have ended up in formulating new projects. In 2004 the Estonian Minister of Defence, Margus Hanson, voiced the idea of a combined air wing, but received very cautious responses which deemed this project as too expensive and resource consuming. Latvians have tried to foster joint action in the area of military environmental protection, but without the needed visibility and recognisable outcome. To date, there has been no significant response to the proposals linking troops with Multinational Corps Northeast. The only areas that have shown some progress are the co-operation in air-policing, and the work that has been done in the Baltic Defence College on standardising the military educational system within the three defence forces, and on establishing a new international course, the Higher Command Studies Course (HCSC), for senior officers and civil servants.[28] However, even these have not been free from internal struggle and power games.

[27] Margus Hanson (Estonian Minister of Defence), "Õige koostöö edumudel" (The right model for co-operative success), *Eesti Päevaleht, Riigi Kaitse,* 22 June 2004; Priit Simson, Interview with the Lithuanian Minister of Defence Linas Linkievicius, *Eesti Päevaleht, Riigi Kaitse*, 22 June 2004; Jüri Luik, Keynote Address of "European Security – Regional Co-operation – Similarities and Differences", in *NATO Defence College Seminar Report Series* No. 13 (2002), p. 13; Kristovskis, Keynote Addresss...;

[28] Michael Clemmesen, "NATO oivakeskuseks "(To Become a NATO Center of Excellence), *Eesti Päevaleht, Riigi Kaitse*, 28 September 2004.

Operational deployment, and preparations for it, do not show much potential for joint action. Although this has been on the agenda since the establishment of the BALTBAT, the three states have reached the point where everyone is following its own path. Lithuania has been brave enough to take up the responsibility of leading a Provincial Reconstruction Team (PRT) in Afghanistan, a step which, if successful, will give invaluable experience.[29] Latvia and Estonia have chosen a different path and are deploying as a part of other nations' larger formations. The same applies to their participation in the European Union's Battle Groups where Lithuania and Latvia are in one and Estonia in a different group. The only operation in which the Baltic States have some kind of combined settlement is KFOR. The engagement there means participation on a rotational basis in the Danish Battalion with a unit equivalent to company size. Should this project be discontinued, the Baltic connection in operations, a phenomenon that was highly praised only about 5-6 years ago, will cease to exist.

What has happened? It is possible to claim that this is how it should be, that it was clear already from the beginning. To quote Vaidotas Urbelis: "…the Baltic region embraces different historical, cultural and religious heritages, and despite the fact that the Baltic States share many similar characteristics and security policy objectives, a common identity would still seem to be something of an illusion, a reinterpretation of their history, traditions and culture. Indeed, existing Baltic co-operation is not based on a common identity, but is largely determined by expectations from outside the region."[30] Definitely, co-operation is much easier among the peoples who have a feeling of common identity but that does not necessarily mean that co-operation could not be driven by other factors and other motives. It is clear to everybody that the Baltic States are sharing the same space and will continue to do so in the foreseeable future. We live on the eastern shore of the Baltic Sea and we will stay here. Threats and risks, however asymmetric or direct they might be, if activated, will have a relatively similar effect on each of the three. And a timely, prepared and harmonised joint response, as well as a preventive response, to these would be the best countering measure. It would be an ostrich policy to deny it. Therefore, the joining of effort and harmonising of activity, at least in the security and defence sector, would be in the interest of all. Secondly, the path that the three Baltic States are following is relatively similar as are also the problems and challenges they face. Logically, the ways of tackling and solving them should also be relatively similar. This again creates a solid ground for joint effort and sharing experience. Thirdly,

[29] Vladimir Socor, "Lithuania to Lead NATO Unit in Afghanistan", *Eurasia Daily Monitor*, Vol. 2, issue 33 (16 February 2005), http://www.jamestown.org/publications_details.php?volume_id=407&issue_id=3233&article_id=2369267.

[30] Urbelis, p. 29.

the synergy that co-operation creates would produce effects the achieving of which alone would be difficult or require more effort and resources. It would also help to optimise the use of resources, be it manpower, finances, knowledge or technology.

All this is not new and is undoubtedly known to the defence establishment and military leadership of Estonia, Latvia and Lithuania. But much of that is not achievable with the attitude according to which others are important for as long as one's own goals have been achieved, after that everything starts from a blank sheet again. Such an attitude generates distrust and negative historical precedents which will hinder both present, and future co-operation.

It seems that Baltic military co-operation is suffering from a hangover caused by the end of a successful past and achievement of major goals. It is missing a common denominator or catalyst that could move the three in the direction of more effective and active interaction. In the past, this was provided by a perceived common threat, the pressure from friendly supporters, and the NATO/EU integration. In order to find this common denominator, the Baltic States should frankly review their overall military and security co-operation, reassess the goals and, if possible, set new ones. This should start from defining the common interests in the new environment as members of NATO and the EU but also as the countries, which share a common regional space. After the common interests have been defined and agreed upon there are several practical things that can be done to support that policy. Here are only some examples.

First, the effect of the activity is greatest if people follow the same principles and think in the same categories. This is achievable through a joint educational and training system. Commonality of mindset could be achieved if military education of the three followed the same principles and used principally the same but nationally adjusted curriculum. After that, all other things will be easier. BALTDEFCOL is a strategic project to this end and its recent initiatives on establishing a joint Baltic officer development system are very important.

Secondly, as the core of the Defence Forces of all the three is the Army, a considerable part of the co-operation effort should contain a project meant for and carried out by this service. Sharing of responsibilities in operations would be the most efficient endeavour in this respect. All three consider participation in Peace Support Operations as one of the main goal of their defence strategies. In that case, why not do it together? If Lithuania is capable of leading a PRT in Afghanistan, why not join the effort there and share the responsibility in one way or another. Sharing operational responsibilities will, or at least should, direct nations to work on common doctrines, to standardise tactics, strive towards combined logistic systems and unify equip-

ment. It will also create a common military culture and a community with shared values and mentality.

Thirdly, initiating new combined projects in which internal integration is deeper than in previous ones and where the major responsibility is from the beginning taken by the Baltic States themselves, without the involvement of "a parent nation". Taking into account NATO's and EU's capability development requirements it should not be difficult to define the areas where something meaningful for both the organisations and the nations could be achieved. For instance, something in the area of service support.

And last but not least, soldiers grow in exercises. If the needed skills and capabilities are jointly trained the joint implementation will also be much easier and with higher quality. Therefore, it is worthwhile to consider re-establishing the system of combined staff and field exercises like Baltic Eagle and Amber Workshop were in the years 2000-2003.

Of course this list is rather reifying than exhaustive. Still, all that is possible if countries who ought to co-operate know beforehand why they are doing it. If there is a commonly defined goal that is backed by national interests of each participant, other more practical things will follow.

Conclusions

Last 15 years of development in Estonia, Latvia and Lithuania have shown that the nations have the potential to work together that in the past has shown the best results in the area of defence. During those years this potential has been written into number of different projects and co-ordinated political activity. The co-operation has had its ups and downs, but in general terms it has served the participants well and helped to fulfil the goals the countries have set for themselves. After the accession to NATO there were high expectations regarding continued Baltic military cooperation, however, the reality turned out to be somewhat disappointing. The difficulty stems from a lack of common goals around which the cooperation could move forward, and inability of the nations to define such goals. If the countries wish to continue the co-operative activity that has brought them past success, they should undertake a comprehensive review of their common actions, and try to define some common goals that have the potential of helping them cope successfully with the new environment. Given such a review, and definition of goals, Baltic co-operation can achieve its purpose, without alienating any party in the process. With sufficient will, this should be achievable.

Baltic parliamentary cooperation between the past and the future[1]

Aili Ribulis

The international environment has undergone profound changes during the past decade and a half. More than in most places, these changes have been felt in the Baltic Sea region. Previously divided by the Iron Curtain, the region is now enjoying an active political interaction and a dynamic economic development. The admirable political and economic transformation of the Baltic states was a central factor triggering the change of the regional scene. Their move from the newly re-established independence in 1991 towards membership in the EU and NATO in 2004 has fundamentally changed the political landscape and interaction in the region.

Naturally, political environment affects international organisations that are operating in it. It is therefore not surprising that a number of parliamentary and intergovernmental organisations in the Baltic Sea region are discussing ways to adapt their functioning to new conditions. Examples include the intergovernmental Baltic Council of Ministers, which has undergone reforms in 2004 and the parliamentary Nordic Council where changes are on the agenda.

One of the organisations that has so far ignored the changed international environment and kept its established way of functioning is the Baltic Assembly uniting the parliaments of Estonia, Latvia and Lithuania. The Baltic Assembly was established in 1991 with the goal to promote the unity of the Baltic countries, to strengthen their statehood and their position in the international system. It later coordinated the parliamentary preparations of the three Baltic states in joining the EU and NATO. With the fulfilment of these objectives, the Baltic Assembly lacks a clearly formulated course of action for the future. It faces a problem of determining its very purpose in the new political environment. It has gradually developed a heavily institutionalised

[1] This article is based on a larger study of the Baltic parliamentary cooperation commissioned by the Foreign Affairs Committee of the Estonian Riigikogu and presented at the Baltic Assembly session in Tallinn on 25 November 2005.

structure reluctant to give up its established roles and resources.[2] Institutional inertia is not the sole problem of the Assembly. The contradictory views of its members regarding its role make any institutional change even more difficult.

The focus of this article is on the activities of the Baltic Assembly in the Baltic parliamentary cooperation so far and discusses its future role and possible new shape in the changed international conditions. It argues that the Baltic Assembly has substantial potential, which can be a lot better used to represent the interests of the Baltic states in the international system. To exploit its potential, the Assembly should redefine its objectives considering the fundamental characteristics of parliamentary organisations as well as the contemporary realities of the international system. On this basis, it should re-design its structures so as to fulfil the defined objectives in the best possible way.

This article starts with outlining a general catalogue of objectives of parliamentary cooperation and describing some of the fundamental characteristics of parliamentary organisations vis-à-vis intergovernmental ones. This is important for understanding their intrinsic limitations for action and the scope for possible change. It then focuses on concrete activities of the Baltic Assembly between 1991 and 2005 and gives an evaluation of its work on the basis of its adopted documents during that period. It further sets out a number of new objectives for the Assembly in the conditions of the changed international environment and develops on this basis concrete recommendations for structural reforms. The article concludes that in order to preserve relevance in the international system, it is indispensable for the Assembly to reform itself. In order to quickly respond to the challenges of the international environment, it should prefer a lighter institutional set-up and more flexible cooperation schemes over heavily institutional ones.

The article is based on the documents adopted by the Baltic Assembly between 1991 and 2005,[3] on interviews conducted in August and September 2005 with persons dealing with Baltic cooperation in the Estonian Parliament and the Ministry of Foreign Affairs,[4] and secondary sources.[5]

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[2] To illustrate this phenomenon of institutional robustness, one might draw a certain cynical parallel with the WEU Parliamentary Assembly, which has failed to notice the disappearance of the very organisation it was designed to support.

[3] The mentioned documents can be found the website of the Baltic Assembly http://www.baltasam.org/documents/index.htm.

[4] Interviewed individuals are signified with "N" and a number.

[5] The article also reports the views of Latvian and Lithuanian parliamentarians and those of the Secretariat of the Baltic Assembly as mentioned in the text.

Objectives of parliamentary cooperation

Unfortunately, academics have not devoted much attention to studying parliamentary cooperation in a more theoretical framework so far. Most studies in this area describe joint activities of parliaments rather than analyse them in a theoretical framework. Therefore, a systematic classification of the primary and secondary objectives of parliamentary cooperation is to a large extent missing in the academic literature.

It is thus not surprising that the parliamentarians themselves let alone parliamentary organisations define the objectives of parliamentary cooperation in a different way. Of course, one can argue in general terms that the objectives of parliamentary cooperation arise from the very functions of parliaments. Consequently, promoting parliamentary dialogue and the development of representational democracy can be considered as the primary aims of parliamentary cooperation.[6] Another general objective of parliamentary cooperation is expressing parliamentary opinion on important issues notably in foreign policy. In addition, creating a favourable foreign policy environment through establishing contacts, explaining positions and defining common interests are occasionally mentioned as other objectives (N11, N16).

However, apart from the mentioned general objectives of parliamentary cooperation, a number of narrower and more specific goals can be defined. They include forming joint positions of parliaments and parliamentary committees on issues of common importance and better protection of common interests in other parliamentary organisations. In such cases, common activity is first of all expected to have an effect of strengthening positions. Besides giving a stronger message, dealing with certain sensitive subjects may turn out to be politically more acceptable if seen as a common activity of several parliaments rather than by one single parliament (N16). Occasionally, a parliamentary organisation is also considered to be more suitable to discuss problematic issues than a non-governmental organisation.

In the context of the EU, the objectives of parliamentary cooperation have a more specific nature. They include exchange of information regarding EU legislation, exercise of parliamentary scrutiny in matters of EU competence as well as ensuring the subsidiarity principle.[7] Cooperation between the national parliaments of the Member States is partially aimed at alleviating the deficiencies of the EU political system such as the democratic deficit, balancing the dominant role of governments in the decision-making proc-

[6] The Interparliamentary Union defines these objectives as its main goals. The Parliamentary Assembly of the OSCE declares its main aim to promote inter-parliamentary dialogue.

[7] Guidelines of Parliamentary Cooperation of the Conference of European and Community Affairs Committees of the Parliaments of the Member States of the European Union, 3 July 2004, http://www.cosac.org/en/documents/basic/interparliamentary/.

esses of the EU and increasing the parliamentary scrutiny over governments in EU affairs.

Deriving from the main functions of parliaments, the secondary objectives of the parliamentary cooperation include exchange of information about legislation and acquiring expertise in order to improve the quality of legislation (N7). This can be done through learning from the experiences of other countries as well as considering international aspects of legislation. Through better information, parliaments can exercise a more effective scrutiny over executive power (N8).

Apart from these rather specific objectives of cooperation, parliamentary organisations are characterised by certain features, which have implications on their very functioning. Due to their broader composition, parliamentary organisations tend to have a relatively large divergence of political views. They might differ considerably according to the country of origin membership as well as political affiliation of the member. It is therefore *per se* harder for a parliamentary organisation to reach an agreement than for example, for an intergovernmental one. Another peculiarity of international parliamentary cooperation is a relatively low frequency of their meetings which results from the high intensity of domestic work and the impossibility to delegate. Further, the composition of members of a parliamentary organisation tends to change regularly due to domestic electoral cycles. This in turn lessens the speed of decision-making process and poses challenges to the institutional memory of the organisation. Rotating presidencies often put different accents to the work of the organisation, which might weaken the overall leadership and change the speed and priorities of institutional processes. Reaching an agreement about any changes overall tends to be a more cumbersome and time-consuming process than for an intergovernmental organisation. Due to the weak change agents, parliamentary organisations might be particularly prone to institutional "path dependence". Obviously, for any institutional change these are not the best preconditions.

In addition, the ability of a parliamentary organisation to acquire specific expertise is limited due to the fact that its members change regularly. This puts a parliamentary organisation in a much weaker position than an intergovernmental one as it limits its capability to act. Due to the limited expertise, parliamentary organisations should not deal with too specific activities simply because their cooperation format does not enable it. Parliamentary organisations should, however, confine themselves to expressing parliamentary opinion in important foreign policy matters, strive for more responsibility through transparency and use their parliamentary expertise and awareness in formulating issues of importance.

Evaluating Baltic parliamentary cooperation

The Baltic Assembly constitutes only one level of parliamentary cooperation between the parliaments of Estonia, Latvia and Lithuania. Noteworthy cooperation of varying intensity and regularity among the three parliaments takes place also at the level of Speakers, several standing committees and their chairpersons. The Speakers of parliaments meet at least 3 or 4 times a year within the framework of activities of other parliamentary organisations.[8] With the amended Statutes of the Baltic Assembly of 2004, meetings of the Speakers have been brought within the framework of Baltic Assembly sessions. Due to their prominent role and personal engagement, the Speakers are in many ways considered as the initiators of Baltic cooperation (N7).

However, also several standing committees of the Riigikogu (Estonian parliament) have direct contacts with their Latvian and Lithuanian colleagues. For a number of years, regular cooperation has taken place between the Foreign Affairs Committees and the European Affairs Committees of the three countries. The European Affairs Committees have held annual meetings to discuss important EU matters such as free movement of workers, the Lisbon strategy and subsidiarity. Importantly, the European Affairs Committees have coordinated their positions in the EU context in order to influence the EU-decision-making in areas of importance.[9] For a similar reason, cooperation between the European Affairs Committees of the three Baltic states has been expanded on an *ad hoc* basis to include Poland.[10] This may pave the way for a continuous cooperation in the long term, the channels of which may be quickly used when common interests emerge. Because of Poland's size and influence in the EU, such a model of open cooperation could be most useful for the Baltic states. In addition, the members of the European Affairs Committees regularly meet in the context of the meetings of the COSAC.[11]

Furthermore, meetings of the Foreign Affairs Committees take place at least once a year but in practice actually more often. In this framework, different foreign policy subjects of mutual interest are discussed, including EU external relations or the relations with Russia. The purpose of such meetings

[8] The main cooperation formats include IPU, Northern-Baltic cooperation and the Speakers' Conference of the Parliaments of EU countries.

[9] E.g., positions were coordinated before the joint session of the Financial committee of the European Parliament and the European Affairs Committees of the national parliaments on financial perspectives in 2005.

[10] Common initiatives include the free movement of workers for new member states and the initiative on agricultural support in the framework of the financial perspective.

[11] Conference of European and Community Affairs Committees of the Parliaments of the Member States of the European Union.

is to create a favourable political environment, explain positions, look for allies and jointly lobby (N11). Also the Foreign Affairs Committees have used *ad hoc* cooperation with Poland in order to strengthen their positions in matters of mutual interest. Similarly, the members of Foreign Affairs Committees of the three parliaments meet regularly in the framework of other initiatives of parliamentary cooperation.[12] Generally speaking, all the three parliaments appear to be satisfied with such cooperation (N11).

In addition, longstanding regular contacts exist between the National Defence Committees and the Social Affairs Committees of the parliaments of the Baltic states. Notwithstanding that cooperation between the standing committees of the parliaments has been irregular, depending on domestic policy cycle, the persons concerned and their mutual interest in the cooperation (N9), these examples show the need for direct contacts between the standing committees. The main objective of such cooperation is to maintain contacts and exchange information.

More specifically, parliamentary cooperation between the Baltic countries is however associated with the Baltic Assembly. The Baltic Assembly is a consultative and advisory parliamentary body to discuss issues of mutual interest, express common positions and promote joint projects.[13] The Assembly was established in 1991 in the conditions of newly regained independence of the Baltic states to promote unity of the Baltic states, and strengthen their statehood. This particular historical context is reflected also in the set-up of the Assembly. The establishment of a body comprising 60 parliamentarians from the three countries was motivated by the wish to involve a substantial part of the parliaments to demonstrate the central importance of the Baltic cooperation. However, some observers also noticed certain hidden aspirations to establish a confederal organisation in its design (N13).

In the early 1990s, the activities of the Baltic Assembly were largely aimed at achieving greater international attention to the problems of the Baltic states. Later, it contributed to the preparations for EU and NATO accession. The priorities of the Baltic Assembly have changed in the course of the strengthened statehood of the Baltic states. The original, mostly foreign policy orientated priorities were supplemented with solving practical issues, for example, connected with border crossing in the middle of the 1990s. Other spheres of activities of the Assembly have included developing infrastructures and energy networks, combating organised crime, coopera-

[12] They include meetings of chairpersons of foreign affairs committees of the EU countries and annual meetings of NB8.

[13] The legal basis of the Baltic Assembly are its Statutes that entered into force on 31 October 1993, the legal acts adopted by it, and the Agreement on Baltic Parliamentary and Governmental Co-operation between the Republic of Estonia, the Republic of Latvia and the Republic of Lithuania of 1994.

tion in environment, culture and education. However, it has been observed somewhat cynically that in terms of content, the largest part of documents adopted by it was of an administrative nature (N7).[14]

Without any doubt, at least in quantitative terms the results of the Assembly are quite impressive. During the 15 years of activity, it held 24 regular sessions. It adopted altogether 190 documents of political content, which makes on average 7.9 documents per session. The Assembly dealt with a large number of policy areas reaching from environmental and social questions to industrial policy. During the early 1990s, it mainly dealt with foreign policy questions such as the withdrawal of Russian forces from the Baltic states and closer cooperation with international organisations. Later, practical issues related to the facilitation of the border crossing and other economic matters emerged. It played a certain role in regulating economic relations (N13) and helped to find solutions to a number of concrete problems (N12).

In the middle of the 1990s, the Baltic Assembly displayed particular enthusiasm for joint activities. In addition to the large number of documents adopted,[15] the scope of activities of the Assembly is viewed as extremely broad.[16] However, in light of the abovementioned characteristics of parliamentary organisations dealing with too specific themes appears to go beyond their capabilities. An excessively wide scope and lack of actual priorities may be the reason why the Baltic Assembly in the late 1990s has been called a talking shop by some (N8).

Relations with the Russian Federation have been an overall theme in the work of the Baltic Assembly. In 1992-2004 a total of 15 documents aimed at Russia were adopted. This was especially prevalent in the first half and middle of the 1990s when almost every session adopted appeals to the Russian Federation.[17] Activities directed at Russia are considered to have been effective especially in the first half of the 1990s, when the Baltic Assembly was able to react rapidly and enjoyed strong authority (N8). Russia-related issues have remained on the agenda for the Baltic states also in the conditions of the EU and NATO membership.[18] Russia's continuing unwillingness to correct the interpretation of its recent history does not rule out the need for

[14] 37 documents adopted between 1991 and 2005 concerned the administration of the Assembly.

[15] E.g., 15 documents were adopted at the 5th session in 1994 and 14 documents on both 6th and 7th session in 1995.

[16] This is illustrated by documents of a very specific character such as a resolution on industrial cooperation and specialisation (1995), common procurements in medical technology (1995) etc.

[17] In the first years they concerned the withdrawal of Russian troops (1992, 1993, 1994), later they were focused on the pressure exerted by the Russian Federation on the Baltic states (1994, 1995, 1997, 1998) and on solving the situation in Chechnya (1996, 1997).

[18] This is proven by the adoption of the resolution on the accusations of the State Duma of the Russian Federation, adopted in December 2004, and the appeal to the State Duma of the Russian Federation to condemn the occupation of the Baltic states, adopted in 2005.

similar joint positions in the future. Although in some important cases the Baltic Assembly has been unable to react or has done it too late,[19] it serves as a joint instrument of the Baltic parliaments for showing their solidarity in foreign policy issues.

Overall, the activities of the Baltic Assembly do not evoke a uniform assessment. Interestingly, the evaluation of its work differs in terms the observer's country of origin, whereas in Latvia and Lithuania, it generally tends to be more positive than in Estonia. It also differs in time horizon whereas its earlier activities usually tend to be more positively assessed than those during the recent years.

One can certainly agree with the self-assessment of the Baltic Assembly that it has done valuable work regarding the strengthening of the statehood and of the foreign political positions of the Baltic states. Its major achievements include the withdrawal of the Russian forces from the Baltic states in 1994 and EU and NATO accession in 2004. In addition, the Baltic Assembly provided a highly appreciated forum of political dialogue for the parliamentarians of the Baltic states. It performed a function of socialisation of political elites and contributed to the creation of a certain favourable political environment. For some, its importance derives foremost from offering a "training ground" for parliamentarians where the first skills of parliamentary dialogue could be developed (N8). Without doubt, this aspect was quite important early 1990s in view of limited parliamentary communication within other parliamentary forums. Another achievement of the Assembly is setting up an intergovernmental organisation of the Baltic states, the Baltic Council of Ministers.

On a more critical side of the coin, one must admit that the bulk of the activities of the Baltic Assembly have never brought any concrete results. The persons involved admit that most documents adopted by it have never found any feedback (N7). Apart from the criticism about too general and vague wording (N7, N8), all too often they neither reached the competent ministries nor were even discussed in the national parliaments. Consequently, the overall awareness of the activities of the BA is considered to be low even in the national parliaments let alone in the broader public.[20] The sad conclusion can be drawn that the Assembly has produced resolutions which were not reflected anywhere (N7, N13). It has been observed that 129 of the 163 documents adopted by it during 1992-2001 never got any feedback.[21] In addition,

[19] An example was the ratification of Estonian-Russian border treaty in early summer of 2005, when the Assembly could have expressed its position.

[20] One of the main problems for this is the weak link between the joint committees of the Baltic Assembly and those of national parliaments.

[21] M. Jurkynas, "Brotherhood reconsidered: Region-building in the Baltics", *Journal of Baltic Studies*, vol. XXXV, no. 1 (Spring 2004), p. 13.

procedural reasons have often caused the documents to be adopted too late, which has considerably lowered their influence.[22]

To a large extent, the Assembly's problems lie in its cumbersome structure and procedures. Its main bodies of decision-making are the session comprising 60 parliamentarians, its leading organ – the Presidium, joint committees and secretariat. Over the years, the organisation has gradually increased its bureaucracy. Some streamlining of its structures finally took place with the amendments to its Statutes in 2004, enabling to reduce the size of the Assembly to 12 MPs from each country[23] and to adopt documents faster due to the enhanced power of the Presidium. However, despite these limited measures, the Baltic Assembly remains a highly institutionalised organisation with a labour-intensive decision-making process. In practice, the proceeding of the documents can still take up to a year. For foreign policy issues, this speed is clearly insufficient.

One of the main structural problems of the Assembly remains its system of joint committees,[24] which was criticised by most persons interviewed. The task of the committees is to prepare the documents in their respective area of competence for the adoption by the session and to supervise their implementation. Unfortunately, the competence of committees in general tends to be low as the membership of the parliamentarians in the Baltic Assembly committees and in the permanent committees of the national parliaments often does not coincide. This generally means a low level of debate in the Assembly committees and considerable information losses between them and those of national parliaments. Such a set-up is problematic from the point of view of the functioning of the whole organisation as it reduces its capability to act. The second most criticised organ of the Baltic Assembly is its Secretariat, the work of which is considered to be minimal and expensive (N13).[25]

Most recently, the Assembly has been stuck with its inability to determine new purposes. It has realised that its initial objectives are not adequate any more but has failed to define new ones. A number of initial topics have disappeared from the agenda such as diplomatic recognition, withdrawal of the Russian troops, the creation of a Baltic Customs Union and of a Common Market. EU membership has transferred a number of issues of regional cooperation into the EU context - the most salient example will be the abolition

[22] It is frequently criticised that due to the length of the procedure, a number of Assembly documents have never been adopted at all.

[23] By the end of 2005, only Estonia had reduced its delegation to 12 persons.

[24] According to the Statutes currently in force, the Baltic Assembly has the following specialised committees: Economic Affairs, Communications and Informatics Committee; Education, Science and Culture Committee; Environmental Protection and Energy Committee; Legal Affairs and Security Committee and Social Affairs Committee, http://www.baltasam.org/documents/23/doc9.htm.

[25] In 2004, the Secretariat was consuming up to a quarter of the whole budget of the Baltic Assembly.

of border controls after the forthcoming accession of the Baltic states to the Schengen Treaty. Defence cooperation has increasingly been transferred into the framework of NATO and, to a certain extent, the EU. Establishing specific Baltic common positions within the framework of these organisations is in many cases not desired since one or another Baltic state prefers to cooperate with other partners for pragmatic reasons.

There is a fundamental difference of views among the Estonian, Latvian and Lithuanian parliaments, which hinders moving forward with discussions about the future direction of the organisation. All in principle agree on the need to cooperate but see for the Assembly a different role. Estonia tends to be more result-oriented and aims to achieve "better value for money" though a more effective form of cooperation and better use of its potential. Latvians in general agree with the need for reforms in order to increase efficiency.[26] In contrast, the Lithuanian parliament tends to be rather satisfied with the current form of cooperation and considers the Baltic Assembly as a "well functioning effective organisation".[27] While the controversial perception of the current and future role and functions of the Baltic Assembly persists, its bureaucratic structure continues to live its own life along robustly established institutional patterns. It has assigned its own interests and a certain 'path dependent' agenda reflecting self-interests of the organisation to protect its very functioning. These institutional features combined with characteristics of parliamentary cooperation mean that the overall prospects for reforms do not look overly rosy. Yet the reforms of 2004 are a positive sign of the overall ability of the Assembly to transform itself.

Is the world changing or does it only seem so?

The international environment and the position of the Baltic states in it have undergone considerable changes during the past 15 years. Most importantly, EU accession has brought regional cooperation between the Baltic states to a new level and placed it into a wider international context. It has expanded the geographical focus of cooperation to the whole Baltic Sea region and expanded the area of common interests. The political system and the broader environment of the EU have considerable impact on other international organisations operating in the region. For example, its regional initiatives, such as the Northern Dimension and the European Neighbourhood policy, set a wider

[26] A. Petersons, "Balti Assamblee peab muutuma pragmaatilisemaks", *Riigikogu Toimetised* 11/2005, pp. 25-26.

[27] V. Simulik, "Balti riikide edasine koostöö Balti Assamblee vaatenurgast", *Riigikogu Toimetised* 11/2005, pp. 27-28.

framework for cooperation in the Baltic Sea region and influence its content.

EU membership has also brought considerable changes in terms of decision-making processes. In a number of policy areas, the decision-making competence has been transferred to the EU level. This concerns many important issues in the Baltic Sea region such as maritime safety, environment and border issues. Further, the political system of the EU promotes intensive contacts between the governments through different levels of decision-making process. The role of the national parliaments in this system is often limited to exercising domestic scrutiny over the actions of their governments on the EU scene. National parliaments themselves, however, can rarely bring their voice directly to the EU level. Consequently, the EU decision-making has intensified governmental cooperation of the Baltic Sea states through increased everyday contacts and exchange of information while not having a similar effect regarding national parliaments.

At the same time, the EU political system is characterised by the multitude of topics, activities and interests which increase the need for parliamentary cooperation. In order to defend the interests of the Baltic Sea region and put them on the agenda, it is crucial to act in a coordinated manner. Joint action of several actors can considerably enhance the chances of success in the EU forums, especially when small countries are involved. In order to make one's voice heard in the EU political system and exert influence, the parliaments should combine their potential and limited resources in a particularly effective way.

The main channel for the national parliaments to take part in the EU decision-making processes is through scrutinising the activities of their governments at home. This takes place through the European (Union) Affairs Committees of the national parliaments. In the Nordic countries, the parliaments have won a strong internal position in giving their governments mandates for EU-level negotiations.[28] In some Member States, the European Affairs Committees delegate the discussing of specific issues to specialised committees, forming opinions on the basis of their positions. Cooperation of European Affairs Committees is a possibility for the national parliaments to influence matters of regional importance in the EU. By coordinating their positions in important regional matters before giving the governments respective mandates, larger coalitions with similar parliamentary mandates are created. Due to the high speed of the EU decision-making processes, such coordination mechanism presumes a quick exchange and analysis of information.

In order to strengthen the parliamentary dimension in the EU, a number of other channels of parliamentary cooperation have gradually been put in place. Their purpose is to spread information on EU legislation, to strength-

[28] This applies especially to Denmark, but also to Finland and Sweden.

en parliamentary scrutiny in issues of EU-competence, and to guarantee the principle of subsidiarity. The European Parliament has been the initiator for several cooperation initiatives. Among them, the COSAC uniting the European Affairs Committees of the national parliaments of the Member States is considered to be of most importance. It is first and foremost a political discussion forum, not aimed at influencing the everyday policy-making process but rather defending the long-term interests of national parliaments. Also for the Baltic states, the COSAC is the main channel of parliamentary communication on EU affairs. The contacts established in its framework are extremely useful for a rapid coordination of parliamentary positions in important issues.

In addition, a regular cooperation forum uniting the Speakers of national parliaments of the Member States has been established and the European Parliament is organising with some regularity meetings with members of standing committees of the national parliaments. The latter is a rapidly developing form of parliamentary cooperation, aimed at involving more the national parliaments in the EU policy-shaping process.[29] Although such channels of cooperation are mostly of informative character, they can shape common positions or that of the European Parliament in a given issue. Cooperation between the Baltic states and consultation with the Nordic countries before the relevant meetings considerably strengthens the position of the countries. So far, such coordination of positions has been practiced on several occasions among the Baltic states (N6).

Finally, national parliaments of the Baltic countries regularly participate in the parliamentary dimension of other international organisations such as the OSCE and the Council of Europe as well as in the parliamentary organisations of the Baltic Sea region.[30] The intensity and accents of these cooperation forums vary considerably, and so does the extent of cooperation of the Baltic states within them. These parliamentary forums certainly provide a good possibility for informal communication with other Baltic colleagues, through establishing contacts and exchanging information on issues of mutual interest, and representing and defending common interests at international level. However, defending common Baltic interests may not always succeed in their framework for political reasons (N16, N8). This has occasionally been observed to be the case regarding relations with Russia, where interests of other members of the given organisation may differ from those of the Baltic states. It is, nevertheless, certainly possible to raise awareness and achieve

[29] During the recent years, the number of meetings of specialised committees of the European Parliament and national parliaments has increased manifold, from 10 in 1998 to 40 in 2002. See http://www.cosac.org/en/documents/biannual/first/

[30] In the Baltic Sea region, the Nordic Council, the Baltic Sea Parliamentary Conference and the Conference of Parliamentarians of the Arctic Region are active.

greater international understanding of one's problems in the framework of these organisations. Overall, the possibilities of international parliamentary cooperation have undoubtedly widened considerably for the Baltic states over the past decade.

The way forward for the Baltic Assembly

Changing international environment naturally requires some adaptation of actors operating in it. Though institutions in general tend to be rather 'sticky' and resistant to change, some adaptation to the changed conditions is unavoidable. Not surprisingly, discussions about reforms are on the agenda on a number of international organisations, both parliamentary and intergovernmental.

Considering the implications of the changed international environment for parliamentary cooperation, and the specific Baltic situation, one can posit some general assumptions for increasing the potential of the Baltic parliamentary cooperation. Changes in international environment require a quick reaction, which overly formalised and complicated structures cannot provide. Their ability to respond to foreign policy questions and EU matters is insufficient. Further, cooperation structures should certainly take into account the small size of the Baltic countries and the resulting need to optimise the use of financial and human resources. Therefore, preference should in general be given to lighter institutions.

In order to maximise parliamentary influence on decision-making in the EU, the structures of parliamentary cooperation in the Baltic Sea region should be designed in such a way that their interests could be defended in the best possible manner. To maximise the effect of cooperation, cooperation should be thematically open to the other EU partners. This means more activities on *ad hoc* basis and presumes the existence of appropriate flexible cooperation structures. Moreover, parliamentary cooperation should focus on a fewer number of priority areas, in general abstaining from dealing with specific questions of intergovernmental cooperation. International parliamentary cooperation should also be more closely linked to the everyday work of the parliaments. This would enable to take into account international aspects of legislative work and use the expertise and experience of partners for improving the quality of legislation.

The continuation of the Baltic Assembly as an organisation is based on the presumption that there are common interests uniting the three parliaments. Without any doubt, this is the case today and will continue to be so also in the future. The Baltic states operate in a similar international environment

notably in its security political dimension. Hence, the preservation of statehood and protection of national security in the broader sense continues to be an important uniting element. The comparable situation of the Baltic states in the EU and NATO means that often their interests in these organisations are similar and practical cooperation makes sense. Moreover, comparable domestic situations in the three countries in certain aspects such as the environmental situation or the presence of non-citizens necessitate cooperation. Of course, there are also competing interests such as economic competition. Probably more importantly in this context, cultural differences play an important role causing differing expectations regarding cooperation.

Based on the perceived need for cooperation, there is an understanding among the three parliaments about the necessity for Baltic parliamentary cooperation. It is widely recognised that it would be premature to abolish it (N13, N7, N14). The parliaments have experienced that not all Baltic interests can be successfully represented in the format of other international parliamentary organisations and continue to see therefore the Baltic Assembly as an instrument for expressing common Baltic positions. Moreover, it would allow the organisation to make foreign policy statements that national parliaments could not make separately (N8, N14, N16).

However, at the same time, a necessity for reforms is increasingly perceived within the Baltic Assembly. This is mainly due to the achievement of the initial objectives of the Assembly but partly also due to its current bureaucratic and slow structures which impede make pressing foreign policy decisions (N7, N8). The clumsy structure has even provoked opinions that the Baltic Assembly is in fact a "hindering mechanism" in the Baltic parliamentary cooperation, unnecessarily involved in the work which could be done by the Foreign Affairs Committees and the Speakers of parliaments more effectively (N7). There is no consensus about the nature of the necessary reforms among the cooperation partners. Estonians are most critical regarding the current functioning of the Baltic Assembly and regard it as outdated and expensive. Latvians overall agree with the need to streamline its structure while Lithuanians as well as the Secretariat of the Baltic Assembly do not see any need for changes, referring to the latest amendments to the Statutes in 2004 (N10).

The problem of objectives and that of the structure of the Baltic Assembly are to a large extent intertwined. Concrete forms of cooperation should be developed only on the basis of defined objectives. The broad objective of parliamentary cooperation to contribute to a more favourable political environment and to promote parliamentary dialogue should be complemented with more concrete goals. In the conditions of changed international environment, in particular the EU membership, the future objectives of the Baltic Assembly should include one or several of the following:

- Representing a common Baltic position in important international questions;
- An effective representation of the interest of the Baltic states in the EU;
- Explaining and coordination of the position of the Baltic states in the framework of international parliamentary organisations;
- Performing a function of a bridge between the regions, promoting parliamentary dialogue with the new neighbours and offering its reform experience to the transition countries;
- Exchanging of experience in order to improve the quality of legislation and solving concrete problems.[31]

Naturally, the above-mentioned objectives are not achievable at once like the previous objectives of EU and NATO accession. But they are certainly very ambitious and require a full commitment. In all those areas, intrinsic characteristics of a parliamentary organisation realistically allow the Assembly to act and exercise influence. Among the mentioned objectives, the most important goals of the Baltic Assembly are likely to be expressing common positions in foreign policy questions and defending regional interests in the context of the EU. In this context, the Baltic cooperation should be more open to other partners, for example by including Poland and other countries of Central and Eastern Europe to represent common interests where possible.

However, another important objective for the Assembly should be transferring the Baltic reform experience to the countries of the neighbourhood (e.g. from the Caucasus region, Ukraine, Moldova). In this area, the contribution of a parliamentary organisation tends to be very much appreciated by the partners. The Assembly could provide a forum for parliamentary dialogue for them by inviting them to its sessions, thematic seminars and conferences. This would allow it to function as a bridge between the regions by promoting parliamentary dialogue and representative democracy. Intensifying contacts with the neighbouring countries is also important in view of broader foreign policy priorities of the Baltic countries as they could turn out to be their allies in several issues.

In this context, a priority for the Baltic Assembly could also be intensifying cross-border communication with Russia. It has been observed that communication as such with Russia is considered to be easier on the level of parliamentarians than on the inter-governmental level (N14). Exchange of information with Russia is considered by parliamentarians to be important in view of alleviating risks and improving understanding of each other's positions (N14). Due to their previous experience, the Baltic states continue to

[31] Some of the listed objectives are included in the 2004 reform plans of the Foreign Affairs Committee of the Estonian Riigikogu. Cf. press release of the Foreign Affairs Committee 22.03.2004, http://www.riigikogu.ee/?id=13432.

be sceptical about the possibilities of constructive cooperation with Russia.[32] They see the overall need for cooperation but prefer flexible and thematic parliamentary cooperation, which would reduce the opportunity for manipulation with institutionalised structures (N13).

The defined objectives are best achieved by a structure of the Baltic Assembly, which combines elements of formal and informal cooperation.[33] Formalised cooperation in the form of annual sessions would guarantee the continuity of the organisation despite the regular change of its members. However, the bulk of the work of the Baltic Assembly should take place in the framework of flexible cooperation. This cooperation model would allow a quick reaction to the international events, a better use of resources and prioritising issues. Flexibility of cooperation would be considerably increased by the replacement of the current system of joint committees of the Baltic Assembly by regular contacts of permanent committees of the national parliaments. In view of the defined objectives, the cornerstones of such a cooperation model should be the European Affairs Committees and the Foreign Affairs Committees of the three parliaments. They would take the lead in building common positions in foreign policy matters or in EU affairs. Their high expertise and a possibility to formulate positions upon need would save the organisation of overly bureaucratized and time-consuming procedures. Particularly in EU affairs, the speed of the legislative proceedings of the EU simply determines the need for direct contacts between the European Affairs Committees. Both mentioned committees have already a well-established record of regular cooperation that is highly appreciated by all partners (N7). Similar cooperation has occurred between some other standing committees such as defence and social committees in a more or less regular way. This successful cooperation model could be taken over by the Baltic Assembly and widened to other standing committees.

Cooperation between the European Affairs Committees assumes particular importance in the context of effective representation of interests in the EU. Due to the smallness of the Baltic states, such cooperation would be highly desired, as it would considerably increase their political influence. For the same reason, such cooperation should be open to other countries such as

[32] For example, an attempt to invite representatives of the Russian State Duma to a session of the Baltic Assembly in spring 2005 ended with an "invigorating electric shock" when the visitors accused Latvia and Estonia of restricting Russian language cultural, educational and information space and persecuting the veterans of the Second World War, http://www.parnupostimees.ee/020505/esileht/uudised/10055519.php.

[33] The final report of the joint *ad hoc* work group of the Baltic Assembly and the Nordic Council, adopted in April 2005 might to a large extent serve as a template for reforming the Baltic Assembly. It combines elements of formal, institutionalised cooperation with those of the flexible cooperation, aimed at more flexibility, project-based activities and improved implementation http://www.norden.org/ncba5/sk/BA-NC_AHG_Report.pdf.

Poland and other countries of the Baltic Sea on *ad hoc* basis. In this regard, the first positive experiences have been made. Similar thematic cooperation with the Nordic EU Member States also helps to bring the issues of the Baltic Sea region more to the limelight and strengthen their positions in the EU context.

Direct contacts between standing committees of the parliaments would also contribute to improving the quality of legislation and to strengthening of parliamentary scrutiny. The loss of information would be minimal in terms of time and content as it would go directly to the standing committees of the national parliaments. Due to the direct involvement of the members of relevant standing committees, the level of expertise and the quality of debate would considerably rise. Increased competence is also expected to strengthen the authority of the committees. A system of cooperation between the permanent committees of national parliaments would thus meet the largest number of objectives of parliamentary cooperation.

Naturally, flexibility means by definition that cooperation should not cover all committees but only those that consider it useful. One can assume that in the areas of mutual interest such as European affairs or foreign policy, the need for cooperation is perceived. A regular annual meeting would provide consistency to cooperation, which would be supplemented by additional meetings upon need, supplemented by contacts between the committee chairmen and electronic exchange of information. If agreed that one of the main objectives of the Baltic Assembly is to formulate common positions in foreign policy questions and European affairs, such a form of cooperation should be preferred because it would allow a quick reaction to international events.

In addition to the regular contacts between the standing committees of the national parliaments, the session should be able to establish special *ad hoc* committees to deal with crosscutting matters or matters of particular interest. Being limited in time and the scope of the tasks covered, they would enable to direct resources to deal with changing priorities. This cooperation scheme has already proven to be successful in the cooperation between the Baltic Assembly and the Nordic Council, and is likely to be used increasingly also in the future.

However, the sessions could be more thematic allowing to focus on specific topics such as promotion of civil society etc. Preserving sessions would also retain a connection with Baltic Council of Ministers, which would leave the parliaments a theoretical possibility to initiate or influence policies. This may turn out to be important in the EU context, for example, where parliaments of the Baltic states could direct the activities of their governments on the EU level in important issues (e.g. submitting proposals concerning the action plan of the EU Northern Dimension). Sessions would continue

to provide a forum for parliamentary dialogue and be a good possibility to invite partners from the neighbouring countries. They would also ensure continuity of the Baltic Assembly in the conditions of regularly changing parliamentarians.

Outlook for reform

Despite growing understanding about the need to reform the Baltic Assembly and the presence of several concrete proposals for change, one can be only modestly optimistic regarding the reform prospects of the Baltic Assembly. Partly, this is due to the very characteristics of parliamentary organisations such as a tendency for "path-dependence" and conservatism. A more severe obstacle for changes are the fundamentally different views about the role of the Baltic Assembly among the parliaments of the three countries. In view of the discrepancy of opinions among the partners, it will be difficult to reach even a basis for any constructive discussion about the reform.

Without any doubt, the Baltic Assembly is an organisation with considerably more potential than currently used. In order to use its potential, it should re-define its objectives according to the realities of changed international environment and bearing in mind the intrinsic characteristics of parliamentary organisations. On this basis, its structure should be streamlined in order to enable the best possible fulfilment of the defined objectives. Due to the phenomenon of 'path dependence', a moderate reform plan designed on the basis of previous broad discussion about the new objectives of the organisation is more likely to find the necessary support than a radical one.

Changing international environment requires constant adaptation of organisations operating in it. This does not concern only the Baltic Assembly but also other organisations of parliamentary and intergovernmental cooperation. Due to their institutional robustness, some have managed to ignore the changing environment for quite some time risking to be become marginalised in the international system. However, a discussion about rationalisation of cooperation is a common theme in a number of international organisations today. In 2004, the Baltic Council of Ministers underwent changes in order to increase its flexibility and effectiveness and focus on a smaller number of priorities. Similar discussions about the rationalisation of parliamentary cooperation and better using its potential are taking place in the Nordic Council.

A number of developments have already taken place for the Baltic Assembly, which are encouraging in view of the reform ability of the organisation. Among them, changes made to the Statutes of the Baltic Assembly at the

end of 2004 are a good example of the possibility of achieving consensus in the organisation. Further, a number of successful forms of cooperation have been practiced in the Baltic parliamentary cooperation over the past decade and a half. Among them, nearly 10 years of contacts between the standing committees of national parliaments, and the successful experience of *ad hoc* committees, could serve as a basis for the future design of the cooperation and replace the less successful forms of cooperation. The design of cooperation should fulfil the most important objectives of parliamentary cooperation such as defending the interests of the Baltic states in the international forums and particularly in the EU, as well as transferring its reform experience to the countries of neighbourhood. It should provide the organisation with the needed flexibility, openness and speed for that. The reforms will certainly not be easy in the Baltic Assembly. However, they are indispensable for the organisation to move from the past to the future.

Lennart Meri's foreign policy legacy[1]

Toomas Hendrik Ilves

In beginning his funerary oration in honor of those who had fallen protecting Athenian democracy, Perikles expressed his disliked for obligatory eulogies: "Mankind are tolerant of the praises of others so long as each hearer thinks he can do as well or nearly as well himself, but, when the speaker rises above him, jealousy is aroused and he begins to be incredulous."

Everyone who has had long-term interactions with Lennart Meri can reminisce about some amusing instance of his enthusiasm, tardiness, or unexpected action. These anecdotes are truly necessary to humanize the harsh Moses-like role Meri played. We must remember that the accomplishments of the late President are of another domain – from a place where acts of aggression inspire jealousy and mistrust, from a place many simply do not comprehend. Thus the danger arises that President Meri might be remembered more as a sum of anecdotes than as a person whose thoughtful agency, in Old Testament fashion, led his people to the promised land after decades in the desert. I shall therefore focus on Meri's role in Estonia's, and in the other Baltic nations', return to the West.

Post hoc ergo propter hoc

Fifteen years after the restoration of independence, in retrospect, Estonia's history no longer appears quite the same. It is as if noble patriots had fought silently, yet tirelessly, from within the Communist party for freedom and as if Estonia's legal continuity from World War Two would have been a self-evident guarantee along with our return to the West. Unfortunately, reality fails to match this pretty picture. Some thirty years ago, Estonia and the other Baltic nations' independence in no way fit into the plans of the West-

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ern world. The world was stable, the ideological and geopolitical map and relations of the Cold War were fixed in place. They were subject to scientific study. Every minute change, every slight shift from the previous party line, every assembly of the Politburo on the viewing stand by Lenin's mausoleum called for serious academic and diplomatic attention. The fighting continued elsewhere, mainly in Vietnam, Nicaragua, Afghanistan, and Africa in so-called proxy wars. All was quiet on the European front.

The protests of the labor union Solidarity that had begun in 1980 in Poland against the Communist regime occasioned shock in Western circles. They feared that the balance and state of affairs that had ensued from the 1975 Helsinki accords and Willy Brandt's *Ostpolitik* might spin out of control. Helsinki had finally fixed in place Europe's national borders and delineated spheres of influence and in response Moscow had promised to pay attention to human rights. Like the US, Western Europe's governments did not take too seriously the question of human rights. Nordic countries, for example, simply turned a blind eye. Finland's pro-Solidarity group even came under the surveillance of Finnish security services.

Both the advent of Solidarity and the Baltics' later struggles for independence appeared inopportune to the West, because their development was not easily controlled and occurred outside the context of inter-governmental relations. Imagine the nerve of these people who are trying to rock the boat and rebel! Who do they think they are!? Precisely this a German government official inquired when he came to visit me at Radio Free Europe in 1990 to ask us not do anything in support of Estonia's struggles toward independence. Instead, we were to go on air and admonish our compatriots to cease this "nationalist crap." A year later (in 1991!), the US Department of State attempted (unsuccessfully) to force similar restrictions upon the Estonia, Latvia, and Lithuania bureaus of Radio Free Europe. They demanded we restrict ourselves to advocating for some "form of alternative association" within the USSR. This same spirit predominated among George Bush Sr.'s advisors and speechwriters (a line that was toed by, among others, America's present secretary of state, Condoleezza Rice). The American President's exhortatory speech in Kiev in August of 1991 substantively signaled that the Baltics should put an end to their attempts at independence. When, despite everything, the Baltics nonetheless finally regained independence, Germany refused to formally recognize them before the rest of Europe had recognized Croatia. Mikhail Gorbachev's *perestroika* at first surprised the West and engendered mistrust. When it later became clear that the proposed changes were more than cosmetic, the CPSU secretary started to receive support from the West. Its price was burying Eastern Europe in oblivion. A *real*politically completely logical stance, at least from the West's point of view. The Soviet Union's liberalization and

"disarmament" took strategic precedence over Poland, Czechoslovakia, and Romania's liberation.

If anyone at all perceived that Europe's architecture might change in the future, then nobody foresaw what would be loosed in 1989. Rather, gradual liberation from the direct control of Moscow was foreseen and supported for Poland, Hungary, Czechoslovakia, Romania, and Bulgaria (the last of these was, by the way, characterized as Eastern Europe's budding 'software tiger'). The West hoped for a Finlandized Eastern Europe à la Kekkonen, with economies governed by invisible hands and a respect for human rights, but remaining Moscow's subject in matters of foreign affairs. Before 1989, Gorbachev apparently sought the same. There were of course no seats of any kind for Poles, Czechs, and Hungarians at the EU, never mind NATO. And Estonia? Never. The tremendous year of 1989 took all the planners by surprise. Stability, Eastern Europe's silent and slow "convergence" etc. ceased to exist; it was time for damage control. Its primary end was holding together the Soviet Union. Gorbachev warned the West that if Eastern Europe's freedom bug should cross the border into the USSR, Europe would wake up one morning with 25 million Russians on its doorstep. Nobody wanted that kind of nightmare.

The unexpected man from Estonia

Lennart Meri's entire preceding life had been as if preparation for serving as a diplomat of the Republic of Estonia. Inspired by his father, even during the harshest years of occupation he had a clear conception of what an independent Estonia's foreign policy should be. His father Georg Meri was a talented diplomat who, after serving in Paris and Berlin, headed to Washington to end the fifteen-year idiocy of having no Estonian ambassador to the US. Alas, Meri didn't make it to Washington. Rather, his family's path led in the opposite direction, to Siberia. But Lennart Meri had already realized that a diplomat is not simply a tuxedo-toting, champagne-swilling partygoer (as is often still held to be the case), but an analytic intellectual who is constantly abreast of unfolding events, writes analyses, ponders other countries' potential courses of action and unforeseen dangers. Unfortunately, pre-war Estonia had all too few thinking leaders. In this vein, an otherwise hyper-critical Meri once commented to me that the diplomats who restored Estonia's independence were many times more professional that those before the war.

Lennart operated under the assumption that a diplomat must at all times be cognizant of current events. When I met him for the first time in Finland in 1985, German-, English- and Finnish-language newspapers and clippings

bedecked his table. Over the course of a two-day marathon conversation he tuned in to the BBC and Radio Free Europe every few hours and noted the most interesting news in his notebook. And, like zealous international relations or security policy grad students, we discussed, dissected and debated these news. This became our mode of interaction. I do not remember, over the course of our hundreds of foreign-policy-themed marathon-conversations, ever once having discussed personal matters, save when Lennart wished to share his joy over some book he had just read, which he then immediately demanded I read too. Lennart Meri was foreign policy.

With his education in foreign policy learned across great difficulty and radio jammers, Meri became the unexpected figure that confounded all of the West's the expectations for the Baltic states' struggle for independence. The West didn't know what to do with us. The Baltic states' representatives appeared to come from another world and speak of alien things. When they did manage to break through forbidding and dodging responses, they were received at the foreign ministries of the West with a patronizing smirk and at as low a level as possible. Lennart Meri's arrival on the scene induced panic. What to do? No broken English or primitive pathos about how the West owed Eastern Europe for standing against the Barbarians. In their place, Meri offered erudite analysis of unfolding events in the Soviet Union, Gorbachev's options and Estonia's wishes. Shaggy or inarticulate ex-Communist apparatchiks regurgitating talking points were easy to dismiss. But the West's foreign ministries were at first completely incapable of dealing with a foreign policy intellectual who towered over simple functionaries like a mountain. Furthermore, once it was listened to, Lennart Meri's message was hardly easy to digest. Nobody wanted to hear about the (in Estonia self-evident) validity of the legal continuity of the Republic of Estonia from before World War Two. In a 1990 *Newsweek* editorial, Strobe Talbott named it a senseless anachronism. In the West's opinion, Gorbachev was the best thing to happen to Russia in seventy years, and nobody wanted to disturb this idyll on account of some insignificant Balts. Nobody ever wanted to discuss Estonian independence. *Realpolitik* does not recognize noble ideas and justice. Estonia may have been in the right, but so what? It had no power.

Whilst the West could fool other representatives and send them away with cushy empty promises, they *feared* Lennart. Not because his past as Siberian exile or fate as an intellectual touched their *real*political hearts. They feared such a man might employ his skills against them, walking out of meetings and speaking his mind publicly, that he might publish essays on the West's hypocritical attitude and empty and purely rhetorical support of our struggles for independence, or speak at one of the many forums to which he was freely invited, thereby bringing to light the West's real treatment of the Baltic countries. They feared, because they were dealing with a foreign minister

whose international affairs understanding surpassed most of his colleagues', and who was unafraid of demonstrating this knowledge. After all, the foreign ministers of parliamentary countries are politicians who are mayor one day, minister of agriculture the next day, and suddenly their country's top diplomat the third day.

The West received its first lashing from Meri at the December 1990 CSCE summit. The newly freed countries of the previous year – Poland, Czechoslovakia, and Hungary, came represented by non-Communist, democratically elected heads of government. The Czech representative, the great intellectual Vaclav Havel, demanded the participation of the Baltic states. Yet they still belonged to the Soviet Union and, per Gorbachev's request, the leaders of the Western countries left Estonia, Latvia and Lithuania's foreign ministers waiting outside the door. This proved to be a grave mistake. The three ministers called a press conference. Meri was their spokesman, aided by speaking points I quickly dashed off and that he had characteristically improved upon. This press conference became the entire summit's most notable event, overshadowing the feel-good happy-talk that had been scheduled to accompany the Charter of Paris. The Western public found out there was a man in the far-away Baltic who had to be reckoned with, who could shake up an already turbulent Europe.

Thenceforth Estonia was not so easily underestimated, at least when Meri represented Estonia. I remember well the nervousness that prevailed in foreign ministries preceding a visit by Lennart. "What topics is he going to harp on? Is he going to mention *this* too?" It was implied we would do well to stick to narrow and well-defined topics, because officials could then draft talking points for their foreign or prime ministers or heads of state. At different moments, they knew that there was no escape from talking about non-recognition politics, then from discussing the withdrawal of Russian forces from Estonia, and later yet from talk of joining the EU and NATO. But what else might he talk about? There were plenty of such other topics. Already during the first years of independence Meri would consistently harp on energy security, a concern very few people took too seriously back then. He spoke of the need to support democracy in the CIS – in Ukraine, Georgia. He had a marvelous ability to grab hold of a speaking partner's simple retort and connect it to some piece of knowledge that usually astounded and disarmed even the most hardened *Realpolitiker*. In August of 1995 at a security policy conference on the island of Rüggen the German defense minister Volker Rühe had boasted to a Nordic diplomat that he would be meeting with Meri the next day to conclusively notify him Estonia would never join NATO. The next day, Lennart greeted Rühe at the door to the Presidential palace in Kadriorg: "My dear friend, I'm so happy that you've come to visit me just today." Rühe is to have responded with fright: "So what day is this?"

The President elegantly resounded: "But today, my dear friend, is the anniversary of the Molotov-Ribbentrop pact." Rühe's message went undelivered.

President

Whereas as foreign minister Meri had free reign to develop foreign policy because nobody else understood it, the situation was more complicated as President. True, according to the Constitution the President represented Estonia abroad, yet he lacked executive authority; as head diplomat he had the freedom to present positions approved by the government, which he repeatedly delivered with greater aplomb (such as in the aforementioned case of Rühe). On the other hand, he had no freedom to mold Estonian policy. The president of a parliamentary country has no right to participate at either NATO or EU summits. Only a prime minister with a parliamentary mandate can participate at summits, or make decisions and take on accompanying national obligations. Estonia was treading on particularly thin and slippery ice. On one hand, Meri was undoubtedly the standard bearer of Estonian foreign policy, yet paradoxically he wouldn't be allowed to decide or promise anything. Lennart understood this well.

I personally value Lennart's actions so highly precisely because he managed to drive Estonian foreign policy – instinctively feeling what it was or should be – even when the Estonian government lacked such knowledge. He did not exceed his authority, thanks to which Estonia is a more law-governed state than many another. Still, he represented Estonia better than any foreign minister. When Estonia had gotten so far as to discuss the specifics of EU and NATO membership, the president's role fell fully into place within the parliamentary structure. In other words: Estonia's success also meant that Lennart Meri's person no longer needed to play his earlier role. Technocrats and specialists took over matters. Lennart had achieved his goal, and from that point on the work was done by lesser people, the undersigned included.

Legacy

Meri's most enduring contribution to Estonia (aside from making the world take us seriously) actually lies in the one step that still riles the Estonian Communist Party's "underminers from within" and "freedom fighters": he created a Western foreign ministry. The majority of post-Communist countries continued after independence with their soviet era "foreign ministries."

"Experienced specialists" stayed on at their jobs, whereas in Estonia inexperienced patriotically-minded talented boys and girls who knew little of the art of diplomacy went to work. This became one of the keys to Estonia's success.

Lennart tore apart the hapless so-called Ministry of Foreign Affairs of the Estonian Soviet Socialist Republic, that somnambulant KGB-infested nest, and hired young talented officials who continue to help Estonia leave a smart and strong-willed impression (even when it's deceptive). Jüri Luik, Katrin Saarsalu, Priit Kolbre, Priit Pallum, Alar Streiman, Sven Jürgenson, Clyde Kull, Väino Reinart, Andres Unga and many other talented diplomats took to heart Lennart's call to man the reborn foreign ministry. Since diplomacy, international relations, and security policy were fields one couldn't easily study in the Estonian SSR, these people, like Meri, had to start from scratch. Yet they learned. Some post-Communist countries are still represented by diplomats with some political affiliation, members of the ruling party or the head of state's gang. Estonia's then young-blooded, yet zealous, wholly Western and self-conscious diplomatic corps greatly aided their young country's reputation. They took many by surprise. For example, when Lennart arrived on a visit to the US State Department, the guard sent up a notice that "the Estonian President is here with a bunch of college students." Yet by the latter half of the 1990s, when Estonia was against expectations invited to EU accession talks, Lennart's actions had paid off.

Whither now?

Of Estonia's four great foreign policy challenges – achieve independence, lose the image of a Soviet republic, expel Russian troops, join both the EU and NATO – Lennart Meri played a decisive role in at least the first three. Meri laid the foundation for even beginning talks and launching bureaucratic procedures for joining the EU and NATO. The result of Lennart Meri's foreign policy actions is, or at least was, Estonia's being taken seriously in the West, on a significantly higher plane and in a heavier weight category than anyone might have assumed or expected. 'Estonia punches above its weight' was a commonly invoked expression in the 1990s. But to realize its true scope and evaluate Meri one must certainly remind oneself of their context: nowhere did anybody wish to see or receive us.

Western politicians needed symbols to justify the conflicting steps they eventually took toward Eastern Europe's liberation. The first of these symbols was the young dockworker Lech Walesa, who climbed a fence in Gdansk and catalyzed a popular anti-dictatorship movement. The second was Vaclav

Havel, intellectual, humanist, who carried out a velvet revolution. The third was Lennart Meri, also an intellectual, who showed that Estonians, Latvians, and Lithuanians are as much a part of the West as the aforementioned Westerners who scarcely agreed to recognize this. Truly, Lennart Meri led us to Europe.

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