



# Russian Policies toward the Nordic-Baltic Region

By Dmitri Trenin

**M**oscow's policies toward the Nordic-Baltic region are an important part of Russia's more general approach to Europe and the Atlantic community. They continue to evolve, presenting the countries of the region, the European Union, and the United States with new opportunities and options, while also challenging them in new ways.

To understand Russia's policies in the area, it is important to distinguish between the two very different elements which make up the Nordic-Baltic region, from Moscow's perspective. These are the Nordic countries Denmark, Finland, Iceland, Norway, and Sweden, which the Russian ministry of foreign affairs collectively refers to as Northern Europe and the three Baltic States Estonia, Latvia and Lithuania, which form a small, separate group. The contrast between the two could hardly be more stark.

## Northern Europe

The Northern European group represents, traditionally, Russia's direct link to the West. By now, Russians have learned to respect their north-western neighbors, often admire them, and basically trust them. (The reverse is not always the case). On the Russian side, historical enmities with the Finns and Swedes have long been put to rest. Since the end of World War II, the evolution of relations with former Soviet adversary Finland has led to a historical reconciliation; the last of several wars with Sweden ended in 1809, soon after which Stockholm declared permanent neutrality; and with Denmark and Norway, relations have been friendly for centuries, except for the chill of the Cold War period.

Russia's current policy goals in Northern Europe include:

- keeping a stable security environment in the area which abuts the country's strategic assets: its "second

capital," St. Petersburg; the Kola Peninsula, which hosts Russia's sea-based nuclear deterrent; and Russia's only exclave, Kaliningrad;

- getting access to the Nordic countries' advanced technology and investment resources; and
- being able to use the Baltic Sea for direct and unimpeded access, including by pipelines, to Russia's principal partner in Europe: Germany.

The second group, the Baltic states, is treated wholly differently by Moscow. Although their independence is not questioned, they are seen, historically, as former provinces of the Russian, and later the Soviet empires, still ungrateful for Moscow graciously freeing them in 1991. Having only grudgingly accepted the three countries' 2004 integration into NATO and the European Union, Moscow regards them as essentially anti-Russian in their foreign policies. Moscow believes that the Baltic states form a vocal anti-Russian lobby in both NATO and the EU. Moreover, Latvia and Estonia are faulted with refusing to grant automatic citizenship to their sizable Russophone minorities, and restricting Russian-language education.

Russia's policy goals regarding the Baltic States include:

- preventing the deployment of NATO's infrastructure in the Baltics;
- acquiring some key infrastructure assets in the Baltic States;
- getting Tallinn and Riga to lower the barriers for acquiring citizenship, and enhancing the political weight of Russian speakers in Estonia and Latvia; and
- defending the Soviet Union's role in liberating Europe from nazism.

## Modernization

While these general views and policy goals are relatively stable, the Russian leadership's acute awareness of the pressing need to modernize the country, or face its further marginalization in the world, have recently added new elements to the table. President Medvedev's July 2009 speech to Russia's top diplomats sets the broad guidelines for what may be called "foreign policy to support domestic modernization:" the Russian MFA document leaked in May 2010 details the specific objectives in support of such a policy; and Prime Minister Putin's article in the German paper, *Sueddeutsche Zeitung*, in October 2010 reflects Moscow's desire for a closer economic relationship between Russia and the EU.

In this context, the Nordic countries, with their advanced economies and membership in the EU, are seen by Moscow as a valuable modernization resource. This pushes Russia to resolve outstanding issues with them, such as the Exclusive Economic Zone border dispute with Norway in the Barents Sea (resolved in 2010); to accommodate Finnish, Swedish and Danish environmental concerns in order to obtain their approval for the proposed route of the Nord Stream pipeline (taken care of in 2009-2010); and to seek to engage Nordic energy companies, such as Statoil, in joint projects, as in the Shtokman gas field. Norway and Denmark, moreover, are also littoral countries in the Arctic, where Moscow now focuses on promoting its claims using political and legal means. In 2010-11, Medvedev and Putin visited all Nordic countries; top-level contacts with Finland have been particularly frequent.

Under the same rubric of assisting modernization, which requires a progressive demilitarization of relations with NATO and a much-improved relationship with the EU, Russia has been taking initial steps in order to review its relations with the Baltic states. Latvia's president was invited to pay a first-ever official visit to Moscow in December 2010; a minister for regional development visited Estonia in May 2011. The logic here is broadly the same as in the case of Poland, which Russia has been seeking to engage since 2009, in order to remove obstacles to more-satisfying relations with the European Union, and to make the EU and NATO as a whole less suspicious of Russia by engaging some of the harsher critics of Moscow's policies.

## Two Important Challenges

Russia's modified approach to the Nordic-Baltic region creates opportunities for healthier relations between the individual EU/NATO members and Moscow. This prospect, however, presents Russia's partners with two important

basic challenges. The first one is analytical—how to read Moscow's overtures. The second is practical—how to deal with Moscow in the absence of genuine foreign policy coordination within NATO and the EU.

Dealing with the first challenge requires re-examining the drivers of Moscow's foreign policy. This is not easy, for the actual decision-making in Russia remains opaque, and the picture is confused. There is a temptation, in the cacophony of Russian voices and among the multitude of Moscow's specific actions, to look for the familiar, so as not to be bitterly disillusioned later. There is also a powerful argument for limiting one's exposure to authoritarian governments, of which Russia's is one. There is, finally, a genuine lack of trust between the Baltic states and Russia, and deep-seated suspicions toward Russia across the Atlantic community.

Yet two cases—the Norwegian case on the one hand, and the Polish case on the other—argue in the opposite direction. A long-time border dispute resolution and the beginning of a difficult reconciliation process suggest that Russia's foreign policy has indeed turned the corner and is essentially post-imperial. Moscow no longer has the resources, or the will, to restore the empire lost two decades ago. Instead, having accepted its new position, it is looking for a new international role: not uncommon among former empires. If Russia's neighbors in Europe and the Atlantic community agree on the finality of this change in Moscow's international persona, and see this as separate from Russia's political system, which remains essentially authoritarian, they would be able to take a constructive approach to relations with Europe's biggest neighbor.

This is the key point. Accepting Russia as post-imperial has been easier for the Nordic countries, which have felt self-confident and relatively secure for some time. Despite the ongoing Moscow-Warsaw rapprochement, it has been much more difficult for Poland, as the internal Polish debate following the crash of the Presidential plane in Russia in April 2011 demonstrates. For many in the Baltic States, the only real security guarantee can be a democratic Russia ruled by liberal governments and strategically aligned with the United States: a very tall order, to say the least.

This situation, however, makes it easier to tackle the other challenge: policy coordination. Poland has shown the way by being firmly committed to the Euro-Atlantic institutions and thus confident enough to reach out to Russia. The outreach, in turn, has strengthened Poland's position within the West. A similar attitude by the Baltic states could produce, in principle, similarly positive results, by making the Baltics more like the Nordics. Of course, Warsaw's

initial rapprochement with Moscow was neither doubted nor questioned by Poland's allies, who consequently showed their confidence in it. The Baltic countries, being much smaller and feeling more vulnerable, would require encouragement and support from their Nordic EU neighbors as well as from their NATO allies—above all, the United States. This clearly calls for policy coordination and leadership both within the EU and across the Atlantic.

Such leadership and coordination should address the following issues:

- NATO-Russia cooperation on ballistic missile defense;
- Baltic-Russian historical reconciliation;
- EU-Russia energy cooperation in the Nordic-Baltic region; and
- humanitarian issues.

### Missile Defense

On missile defense, while the Russian proposal of sectoral defense has been rejected by NATO, Moscow's concerns over the security of its nuclear deterrent remain. The Russian military is adamant that US/NATO missile defenses deployed at sea in the Baltic could pose a threat to Russian ICBMs in the western part of the country. One way out of this would be to reach agreement soon on the modalities of NATO-Russian missile defense cooperation and to start practical cooperation where it is already possible: by establishing data exchange centers and resuming missile defense exercises.

The idea is that a modicum of trust thus built would make it easier for Russia to see the general US missile defense effort as benign, and for the US to take effective steps to accommodate valid Russian concerns. By agreeing to the principles of national sovereignty in protecting against incoming missiles, and of missile defense deployments commensurate with the pace of the potential missile threat, the Baltic and North Sea areas may be exempt from US/NATO-Russian tensions, without detriment to Europe's defense or Atlantic solidarity.

### Reconciliation

When it comes to historical reconciliation with the Baltic states, Russia, of course, needs to take the first steps, just as it did with Poland. Russia needs to distance itself from the ineffective and self-damaging means of pursuing its policy goals toward the Baltic States, such as:

- staging noisy propaganda campaigns against the Baltic states' naturalization laws and practices;
- accusing Baltic leaders of being pro-nazi;
- organizing military exercises in the vicinity of the Baltic states' borders, especially without inviting their representatives as observers;
- overtly or covertly supporting pro-Russian political forces in the Baltic states; and
- subjecting the Baltic states to economic sanctions, and other attacks.

Instead, Moscow needs to show genuine respect for its Baltic neighbors and deal with the thorny issue of their historical grievances, particularly referring to the 1939-49 period. As in the Polish case, a simple reference to past condemnations of Stalin's crimes is insufficient. Moscow will need to honor the memory of the Balts who were murdered, jailed, or deported by Stalin's NKVD. It will need to acknowledge, and condemn, the illegal and involuntary annexation of the Baltic states by the Soviet Union. It will need to open up the archives that deal with this period to allow an objective study of the past.

The Baltic states, of course, will need to deal with their own past. They need to reject the notions that the German occupation was preferable to the Soviet one; that opposition to stalinism justified siding with the nazis; and that the defeat of Hitler in 1945 was "meaningless." In fact, all three notions harm the image of the Baltic states, in the eyes of nazism's victims and their descendants. In more practical terms, they need to make sure, as Estonia has done from the beginning, that the Soviet Union's occupation of their countries carries no financial consequences for the Russian Federation, whose population suffered from stalinism as much as any other country. With World War II being so central to the identities of the Baltic states and of Russia, "getting history right" by means of a moral compass is crucial.

### Energy

On energy cooperation, it is important to make sure that

- Russia remains a reliable energy supplier to the region, as it has been, (i.e., for Finland);
- that interruptions of oil supplies, which happened with regard to Lithuania, are not repeated;
- that safety standards at the Russian nuclear power plants, both existing and envisaged, such as in Kaliningrad, are sufficiently high; and

- that exploration and exploitation of the energy resources in the Arctic are carried out in cooperation with Russian and international energy companies.

That said, the issue of energy companies “unbundling” will probably remain controversial between the EU and Russia and will hardly be resolved before there is full agreement on energy policy within the Union itself.

Energy activity, of course, is closely linked to ecological considerations. With the Nordic countries so keen on ecology, Russia will need to drastically upgrade its practices, and it will benefit from its neighbors’ experience and technology. Disposing of the enormous waste accumulated in the Russian Arctic over the past several decades will require a monumental effort. On non-energy-related economic issues, increasing transportation links between Russia and its Nordic and Baltic neighbors is key. The high-speed train between Helsinki and St. Petersburg, launched in 2011, has been a breakthrough; the proposed Riga-Moscow rail connection could be another. These improvements make cross-border people-to-people contacts multiply, for the common benefit.

### **Other Unresolved Issues**

On humanitarian issues, with the rise of new generations of Russian speakers the issue of citizenship in Latvia and Estonia is gradually being resolved. Societal integration between two communities, however, is becoming more important. Clearly, this is an internal matter for Tallinn and Riga. Contacts among the young people of the Baltics, the Nordic countries and Russia can be very useful both for cementing Baltic-Russian reconciliation and for creating a sense of community in and among the Baltic Rim nations. Mutual easing of the visa regime by the Schengen countries and Russia would help a great deal, especially for Kaliningrad, which lies inside EU territory, and for St. Petersburg, historically looking to Northern Europe.

Regional institutions, such as the Council of the Baltic Sea States (CBSS); the Barents Euro-Arctic Council (BEAC); and the Arctic Council, need to be turned into platforms for planning and execution of specific projects aimed at promoting and strengthening the culture of multilateral cooperation in the Baltic Sea area and the High North. These institutions also provide a vital link between the Nordic and Baltic states; the Russian Federation; and the United States and Canada. The resultant cooperation is an important contribution toward building an inclusive Euro-Atlantic security community.

There are other issues which may come to the fore in the near or longer-term future. One is the fate of US and Russian tactical nuclear weapons in Europe. Clearly, Europeans—including the Nordic and Baltic countries—are very much interested in removing those systems from their vicinity. A US-Russian dialogue has already started, and it needs to lead to negotiations with the aim of reaching an agreement on mutual redeployments and generally reducing the dangers posed by those weapons.

Another issue is the prospect of Finland and/or Sweden deciding to join NATO. There is no doubt about the sovereign right of each country to make decisions about its security arrangements. However they decide, they must make sure that such a step does not lead to decreased security for themselves or the region. The amount of trust that exists between Helsinki and Moscow and the mutual respect between Moscow and Stockholm are grounds to believe that this matter will be handled with the utmost care and responsibility.

As indicated above, the United States has a major role to play in preserving stability, strengthening security and promoting cooperation in the Nordic-Baltic region. Washington is the key decision-maker on the issue of cooperation with Russia on missile defense. Being so much stronger than Russia militarily, the United States has much maneuver room. This can be used to engage Russia in strategic collaboration with the US for the first time since World War II. Missile defense cooperation in Europe is not so much about Iran as about finally securing Europe from traditional threats and winning a useful independent partner for the United States globally: something certainly worth considering. Paying attention to Moscow’s perceived vulnerabilities, without prejudice to the sovereignty and security of NATO allies, is a small but crucial step toward realizing that potential.

The United States can also play a critical part in facilitating Baltic-Russian historical reconciliation. Washington can embolden Riga, Tallinn and Vilnius in their quest toward “normalcy” in their relations with Russia. In other words, help the Baltics be more like the Nordics vis-à-vis their common neighbor. Achieving historical reconciliation will not happen overnight, but this needs to be encouraged because of the fundamental importance of the issue. Essentially, reconciliation between countries is not primarily about history, or foreign relations, but about the values that societies decide to adhere to. The United States need not mediate between Moscow and the Baltic capitals. It can, however, indicate its clear preference and serve as a source of confidence for its allies.

The United States is a major player in issues dealing with the Arctic, which have relevance to the Nordic-Baltic countries, and can ensure that all differences in the High North are decided peacefully, through negotiation or legal judgment. By making full use of the multilateral framework which already exists in the region; by supporting the legal mechanisms and the principle of fairness in solving the issues; and by showing the good example in its own problem solving with Canada, the United States can make a massively positive contribution. Fully acceding to the UN Law of the Sea Convention would strengthen US position and promote its own interests in the area.

These are only a few examples. If the United States does indeed play a constructive leading role, it will help turn the Nordic-Baltic region into a key element of a Euro-Atlantic security community, which will be the ultimate solution to the European security issue. As a result, substantial US resources will be freed up for use where they are sorely needed.

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