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RUSSIA'S 'NORTHERN' FOREIGN POLICY

WHAT IS THE LONG-TERM STRATEGY OF RUSSIA IN THE BALTIC SEA AND ARCTIC REGIONS?

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Introduction

Being the largest country in the world, Russia faces many challenges in different directions and has to conduct a balanced foreign policy. This is reflected in numerous official strategies and doctrines as well as in practice. In the south and east Moscow worries about the emergence of the Chinese superpower, though tacitly, and openly about instability, separatism and terrorism in Central Asia and the Caucasus. In the west Russia opposes NATO enlargement into former Soviet republics like Ukraine, where it tries to maintain its influence. Only in the North, which includes the Baltic Sea region and the Arctic, is Russia faced with relative calm and stability. However, this has not always been the case. Important changes are going on and there are differences between the regions and countries. Some people claim that new conflicts are brewing in the Arctic. These are the issues addressed in this essay.

Post-Soviet Decline of the Baltic Sea Fleet

During the Cold War, the Soviet Union and its Warsaw Pact allies held the southern and eastern shores of the Baltic Sea, and the Soviet navy dominated over NATO fleets in the Baltic Sea. When the Warsaw Pact and the Soviet Union fell apart, Russia lost control of the region. Kaliningrad became an exposed exclave, as the Baltic states became independent and joined NATO and the EU in 2004. Due to persistent economic crises in the 1990s, the Russian Baltic Sea Fleet shrank significantly, for example from having 28 large vessels (frigates and bigger) in 1985 to five since 2007, and from 26 submarines to two. Despite economic growth in the 2000s and ambitious construction programmes, the Baltic Sea fleet was kept stable, since the other fleets were deemed more important. Its tasks were reduced to defending Kaliningrad and Russia and protecting its economic interests, especially energy transports across the sea including the Nordstream gas pipeline to Germany.

Preventing a Growing NATO Presence

Russia's main military interest in the Baltic Sea region nowadays is to prevent more NATO military presence, which mainly consists of a small air patrol, based in Lithuania, a NATO staff in western Poland, and a US air defence base in eastern Poland. In order to demonstrate its power, Russia therefore regularly stages large exercises in Kaliningrad and has threatened to base a modern missile system there, factors which are seen as threatening in the neighbouring states. Russia is further planning to buy huge assault ships from France, which, if based in the Baltic Sea, would greatly worry the three Baltic countries.

In general, however, Russia has accepted the independence of the Baltic states and mainly aims to win political and economic influence despite their NATO and EU membership. One way to do so in Estonia and Latvia is to use their large Russian minorities, which are claimed to be discriminated against with regard to citizenship and schools, and Russian passports are distributed. The protection of Russian citizens and compatriots abroad has been mentioned as a task in official doctrines, and in 2008 this became a pretext for the military intervention in Georgia. In 2007 Russia supported local Russians rioting against the removal of a war monument in central Tallinn (Estonia) and imposed economic sanctions. Estonian government agencies were subjected to massive cyber attacks. However, this Russian policy has induced the Baltic states to rely even more on NATO and the EU, while undermining the positions of the Baltic Russians who do not want to move to Russia. Thus with time, Russia seems to have become more cautious in supporting the Baltic Russians and more prone to accept the governments. In 2007 it signed a border agreement with Latvia, which has the highest share of Russians, and in 2010 a Latvian president was for the first time officially invited to Moscow.

Strengthening Russian Economic Influence in the Baltic Countries

Another lever is to exploit the lingering economic dependence of the Baltic countries on Russia, especially in the energy sector (gas, oil, electricity). Russia has repeatedly stopped deliveries and closed pipelines for partly political reasons, and state-controlled companies like Gazprom and others have acquired firm positions in energy distribution and other

sectors like banking and construction. Russia has at the same time reduced its own dependence on transit through the Baltic states, which has been an important source of income for them, by building big oil and cargo terminals in the Gulf of Finland. Especially Lithuania relies on trade with and energy imports from Russia, but Russia depends on the other hand on Lithuania for all its land transports to Kaliningrad.

Russia and the Five Nordic Countries – A Relaxed Relationship

The Baltic Sea region also includes the five Nordic countries. According to the Foreign Policy Concept Russia develops practical cooperation with them both bilaterally and in common organizations, and the mutual relations are better than with the new Baltic states. No uniform northern strategy can be discerned (the word Nordic does not exist in Russian) and Russian policy towards them varies from country to country. Despite memories of the Second World War, Russia has the best relations with neighbouring EU member Finland, with which it has more trade than with the others and a frequent exchange of official and tourist visits. Finland launched the EU Northern Dimension, which has become the main channel for economic and social assistance to Russia's northwestern regions. Russia also has good-neighbourly relations with Norway, despite the fact that it is a loyal NATO member irritating Russia with radar bases and exercises, and despite conflicts and incidents over fishing. Norway took the initiative to create the Barents Euro-Arctic Council (BEAC) in 1992, which includes Russia and promotes assistance to its Arctic regions. Russia is also interested in energy cooperation, where Norway is an expert in offshore exploitation (see below).

By contrast, the Russian view of Sweden has long been rather chilly due to submarine affairs, criticism of Russian democracy, and Swedish support for Chechnya, Georgia, the Baltic and other post-Soviet states. However, the trade has grown on account of Swedish oil imports from Russia and Swedish investments (IKEA), and when Sweden in 2009 gave green light for laying the Nordstream gas pipeline through its economic zone in the Baltic Sea, the political relations were soon normalized. President Medvedev visited Sweden, and Prime Minister Putin came on his first official visit in 2011. Concerning the small NATO states Denmark and Iceland Russia has no great problems but less to gain. The main Russia worry in the region is that also Sweden and Finland could drift into NATO. Thus, on the whole, the Russian policy in the Nordic/Baltic region is quite relaxed, differentiated, and generally subordinated to the more important relations with NATO and the EU.

New Russian Activism in the Arctic Region

Compared with the quiet Baltic Sea region with its small states, Russian policy in the Arctic region has become markedly active and engaged in recent years. This has to do with the melting of the ice, which facilitates exploitation and transport of the presumed rich resources of energy, at the same time as the demand on the world market is growing. Russia is especially concerned since it has the longest Arctic coastline and has more population, resources and infrastructure there than the other littoral states. In this case Russia has formulated a strategy (2008), which gave priority to: using its Arctic resources for socio-economic development, maintaining peace and security, including defending the state border in the region, safeguarding the ecological systems, and developing the northern sea route.

Concerning military security, the Northern Fleet remains the biggest of the Russian four fleets and by far stronger than all the other fleets in the Arctic. This fleet is being modernized in order to protect Russia's economic interests and to counter the perceived threat from NATO in the region. Russian military experts claim that the Arctic could guarantee Russia's future as a great power and that it may become a compensation for the losses incurred when the Soviet Union fell apart. However, the Russian leadership apparently realizes the risks of "securitizing" the Arctic. There is no real NATO threat in the region and the costs of expanding the military infrastructure would be abominable in view of the severe climate and long distances. Russia has good military relations with Norway, and rescue exercises have been carried out in the framework of the Barents Council. In May 2011 the Arctic Council [Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden, USA] concluded a legally binding agreement on search and rescue cooperation, which could involve military ships and aircraft.

Settling Maritime Borders in the Arctic

A prominent aim in Russian Arctic policy is to settle the maritime borders in the Arctic Ocean in competition with the other littoral states. Russia claims 1.2 million square kilometers as an extension of the Siberian continental shelf. In order to mark this, a submarine in 2007

placed a Russian flag on the sea bottom at the North Pole, an act which evoked international attention and countermeasures by the other Arctic states. However, the Russian doctrines stress that the claim is being advanced in accordance with international law, specifically the UN Convention Law of the Sea, and in cooperation with the other Arctic states. A scientifically based application is being prepared for the appropriate UN commission. In 2010 Russia finally settled the 40 years old conflict with Norway over the division of the Barents Sea through a compromise and an economic agreement.

The issue of maritime border is connected with Russia's already mentioned first priority in the Arctic, namely to develop its economic resources and welfare. A major part of Russia's oil and gas is extracted here, and these resources are the most important export items, which greatly contributed to its economic recovery in the 2000s. The biggest gas fields in exploitation are those on the Yamal peninsula in West Siberia, and the Shtokman fields off the Kola peninsula is one of the world's greatest potential asset. Developing the transport infrastructure along the coast, partly for sustaining isolated regions (*severnii zavoz*), partly for foreign trade is a related objective. However, Russia does not have the technological and financial resources to develop all this alone and therefore calls for international cooperation and foreign investments. For example, it turned to the Norwegian *StatoilHydro* and French *Total* for assistance to exploit the offshore Shtokman fields, though the project was postponed due to falling world market prices.

Russia further values cooperation with the Nordic states and the EU Commission in the Barents Euro-Arctic Council (BEAC) and with the Arctic Council (AC), which also includes the USA and Canada. Both councils have promoted the socio-economic development in the Russian Arctic including healthcare and transport infrastructure, as well as environmental protection and support for the indigenous peoples, by means of numerous joint projects, mainly financed by Nordic governments and funds, the EU and the UN. Trade and travel across the borders has increased tremendously since the 1990s.

However, while Russia has tried to discuss energy production in the two councils, the other members have been more interested in discussing energy saving and protecting the environment from energy exploration and production. The promotion of trade and investment has been hampered by Russian bureaucracy, corruption and security concerns. Still, both councils are seen as useful for building stability and trust through practical

cooperation and in this as models for East-West cooperation in other areas. They make it easier for Russia to concentrate attention to more threatening and urgent problems in the world. They also complement Russian relations with NATO, the EU, the OSCE and the Council of Europe, where issues like military security, economic development, democracy and human rights are extensively discussed.

Conclusion

It may be concluded that Russia has no uniform strategy or doctrine for Northern Europe and the Arctic, nor does it need to have one, since the regions are relatively stable and peaceful. Russian policy in these regions is subordinated to its global interests and relations with NATO and the EU. The policy differs from the Baltic Sea to the Arctic and from country to country, depending on local circumstances, and thus is quite flexible and pragmatic, using both bilateral channels, in which it may prevail over smaller partners, and multilateral ones, which bring more publicity. The overarching aims in strategy and practice appear to be the promotion of Russia's economic development, safeguarding its security and integrity, and gaining influence and recognition as a great power. At the moment priority seems to be given to economic development, which may favour cooperation with the northern neighbours rather than confrontation, but this may change as a result of the internal power struggle and/or conflicts in other parts of the world.

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