

Regionalization and Security in the European North

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SECURITY AND INTEGRATION IN EUROPE?

A major political issue facing all Europeans today concerns the integration of all nation states into the European Union. The issue is whether or not we can — and really want — to achieve a far-reaching economic and political integration of all European countries. During these last few years the ideas of European integration have gained an enormous momentum, and the progress in the on-going integration process has been impressive. It is no longer any question about whether or not we will have a stronger European integration. The issue today rather concerns the methods and ultimate goals of the integration process. The question is not *if* we are going towards an integrated Europe, but rather *how* and *where* exactly we are going.

Whatever the final outcome of the European integration process it is obvious that it will profoundly affect the way people organise their social life, the way national, regional and local parliaments are composed and work and what type of issues they are entitled to deal with.

Thus, we should expect changes in the character of nations, regions and municipalities. This is a process that entails profound institutional changes and changes in economic and political life. There are many underlying reasons for this structural change process. The historical changes in Eastern Europe —

the transformation of the East European countries to market economies — and the huge difference in the standard of living between East and West that the opening of the East-West borders strikingly exposed raise formidable demands on the future course and contents of the European integration process. This development is both a serious challenge and a potential opportunity for the Western world, where economic crisis has also manifested itself. Structural economic and political change is considered the only solution to our West European crisis caused by over-production and unemployment as well as to the problems in Eastern Europe which are basically related to inefficient resource allocation.

While the changes in Eastern Europe have removed many of the old threats to global security, they have, at the same time and somewhat unexpectedly, revealed new types of threats. The ideological differences that earlier lay behind the division of the world into two spheres of interest have been largely eliminated. Instead, we are now beginning to realise the potential danger embedded in the ethnic and economic problems of Eastern Europe that surfaced after the overthrow of the repressive regimes of one-party rule. Thus, we are facing a new or changed set of issues that may entail a threat to our security. The threat is different, but it may be no less dangerous. Whatever the case might be, the new situation at least offers a way of attempting a solution other than the old military arms race. It seems that the potential benefits for both the East and the West of a continued and intensified process of economic interaction (mainly through trade and investment) might lower tensions by contributing to the solution of the economic crisis besetting both East and West.

REGIONS IN THE NEW EUROPE

The European integration process will affect both the regional subdivision and regional political competence. Exactly in what way it will affect the regional level is not yet clear. However, either of two extreme development paths — one in which na-

tion states are ultimately abolished, and the other in which European integration only ends up in a loose form of economic collaboration — are likely to have an impact on regional administration and regional development. Obviously, the regional level will play an important role in a highly integrated Europe where the nation states have submitted much of their power to the central European level. In fact, in this scenario, nations, or several nations (or combinations of parts of nations), might be considered as regions. However, even if the European integration process takes a path which is closer to the least ambitious scenario, regions (both “old” and “new”) will probably play a more significant role than they do today. There are many good reasons for this belief: Europe is facing economic and social problems that might be easier to solve if the regional level were given more freedom of action. The general level of economic development, with many countries approaching what has been called the “post-industrial society”, implies a new social order in which service production dominates and industrial production is highly sophisticated and increasingly requiring “systems skills”, where knowledge about global markets and a variety of scientific disciplines is decisive. The advanced educational system in Europe has contributed to the fact that we today have highly competent people in many functions in regional government and business — people who will take decisions on the basis of their own knowledge and convictions and who can realize the new opportunities offered by the modern, highly inter-connected world of business.

THE BARENTS REGION PROJECT

The contributions to this book all discuss pertinent issues relating to the security and economic development of the European Arctic. The “Barents Region Project” – the newly initiated venture to create more favourable conditions for sustainable development in the European north by the establishment of a formal agreement about co-operation between the northernmost counties of Norway, Sweden, Finland and north-western

Russia — represents an inventive effort to promote the interests of the periphery in a European integration process with an inherently strong centralist tendency. It is important to remember that regions in the extremely sparsely populated northern Europe, such as the Barents region, are facing problems of a very different nature than regions further to the south with much denser settlement and population patterns. The various counties comprising the new Barents region (Nordland, Troms, Finnmark, Norrbotten, Lapland, Murmansk, Arkhangelsk, and the Republic of Karelia) are all subject to special regional policy measures in their respective countries. They are all “crisis” areas in one way or another. It seems that the former Norwegian foreign minister Thorvald Stoltenberg has launched a project which might become the key to opening new perspectives on issues that for a long time have prevented the exploitation of regional assets that might help to solve some of the most persistent development problems in the area.

Development along these lines, even if it is only on a moderate scale, might simultaneously contribute to a reduction in the military tensions in the North Calotte area by decreasing the potential security threat inherent in the serious economic problems facing the Russian Federation. The mere fact that an increasingly intensive degree of interaction is now emerging between the western and eastern parts of the Barents region is contributing to a future “normalization” of the political and economic situation in Russia.

Thus, it is easy to see the potential advantages of development of the Barents region, but we should be equally aware of the potential risks and the very difficult problems that have to be overcome in order to bring about significant positive results from the Barents project. The authors of the various chapters in this volume all reflect on different aspects of the possibilities created by the Barents region project, but they also identify a number of hazards and difficult problems that this project will have to face.

THE CONTRIBUTIONS

As pointed out by *Niels Aasbjørn Engstad*, the decision to establish a dual organisation, a dual institutional framework, with a Barents Euro-Arctic Council on the ministerial level and a Regional Council in which the heads of the various county administrations can meet, was probably a stroke of genius. One may perhaps add also that the dismissal from the agenda of security issues might have been decisive for the establishment of the new region. However, the logic of this decision is questioned by *Jyrki Käkönen* in his contribution. Käkönen maintains, rather, that collaboration should also include security issues, since the North Calotte will continue to be of great military strategic significance in the future as well.

A broad overview of the potential costs and benefits of the newly initiated Barents region collaboration project is given by *Ulf Wiberg*. Appreciating the great potential of the Barents project, he specifically cautions us not to let our positive expectations carry us away, but to keep a realistic perspective in our endeavours to avoid the most prominent obstacles to sustainable socio-economic development in the area.

Jens Petter Nielsen and *Jörgen Björklund* both remind us that international collaboration has a long history in the Barents region. Norwegian and Russian tradesmen were very actively engaged in the profitable Pomor trade right up to the Russian revolution in 1917. In industry, Swedish, Norwegian, Finnish and English sawmill entrepreneurs established new mills mainly in the Arkhangelsk region around the turn of the 20th century.

The economic and environmental situation in the Russian part of the Barents region and deficiencies in infrastructure development are discussed by several authors. *Gennady P. Luzin* gives a broad overview of the economic development and the current economic situation on the Kola Peninsula. He also identifies the most severe economic problems that have to be faced if this region is to be able to contribute to positive development of the Barents region.

Marian Radetzki reports an analysis of the future potential of the Russian metal minerals industries. The results of the analysis are inconclusive, however, both because of data insufficiency and because of difficulties in evaluating the effects of the introduction of market mechanisms on the production behaviour of Russian firms. There are huge reserves of several important minerals in Russia. Also on the Kola Peninsula reserves are substantial, which might prove helpful in the development of the region, but only as far as efficiency improvements in production can be realized as a consequence of the introduction of market relations.

Henrik Österholm draws attention to a series of threats to the environment which must be taken into consideration in the further exploitation in the oil and gas industry, in forestry, fishery and tourism. Österholm also reminds us of the fact that although there are areas in the Russian part of the Barents region that have been severely damaged by industrial activities there are still vast areas that are almost untouched by civilization. These areas comprise a unique resource in modern western society, a resource that must not be wasted for short-term economic profitability.

Mats-Olov Olsson and Alexei Sekarev describe the disastrous environmental situation in some parts of the Kola Peninsula. A powerful environmental lobby both in Russia and in the West is necessary to accomplish significant measures to improve the environment. Such measures can only be taken with substantial support from the West, and preferably from the neighbouring Nordic countries. There are encouraging signs of such a development. The strong military presence and the frightening amounts of nuclear weapons on the Kola Peninsula of course represent a serious threat to security not only in the Barents region but in the whole world. But today Russians are aware of, and fiercely oppose, the very negative consequences of the operations of the nuclear industry, military as well as civilian. In the new world order, such environmental initiatives might even affect military strategic thinking.

Assessing the economic potential of the Barents region *Na-*

talya Kazantseva and Lars Westin emphasise that, whatever turns out to be the most important type of development, it will require the creation of effective communication networks. Since income levels for a long time to come will vary greatly in different parts of the Barents region, one should expect positive economic returns from increased regional specialization and ensuing collaboration between economic agents in different parts of the region. There are inherent dangers in such a development. However, a well-developed communications infrastructure will help realize the benefits of specialization while at the same time counteracting its potential negative consequences. Based on an inventory of existing communication infrastructure on the Kola Peninsula, Kazantseva and Westin discuss what would be the most efficient way of improving the transportation network.

Vladimir Putilov demonstrates the inadequacy of the existing telecommunication infrastructure in the Russian part of the Barents region. He also argues for the use of modern computer assisted methods of analysis that might be profitable in regional management. Such methods require well-developed telecommunications. There are today proposals for improving the situation in Russia and concrete measures have also been taken in this direction. As the economic development of Russia is increasingly dependent on contacts and collaboration with foreign enterprises, access to modern means of communication is becoming ever more crucial.

Lena Jonson draws our attention to the fact that the Euro-Arctic region occupies a special position in military strategy, in the East as well as in the West. Military constraints will not let Moscow delegate too much political power to regions such as Murmansk. The area is still of great importance for the Russian armed forces and for Russian national security. The military will probably continue to exert a significant influence over developments for a long time yet. This is not only because Russians perceive the situation in the area as a potential security threat, but also because the number of military personnel is so large that it cannot change in a short time. Thus, we are faced

with the fact that Barents co-operation will require the consent of the military in the foreseeable future.

Oleg Andreev and Mats-Olov Olsson discuss the political power distribution between the Russian centre and periphery. They conclude that the regionalization tendency that we can witness all over Eastern Europe is a result of people's frustration over the long lasting and repressive experience of one-party rule. It would seem, rather, that citizens in these countries have much to gain by strengthening the central political level. However, this road to efficiency presupposes a well developed democracy. In the current situation one can only expect regions to continue to strive for increased autonomy. For the Russian member counties of the "Barents Region Project", increased self-government is contributing to — but is at the same time a product of — the development of the region.

Anders Karlqvist points out that research collaboration in the Arctic has a long history. Today a large number of international research organizations are engaged in Arctic research collaboration. The research has mainly been devoted to fundamental issues in, for example, meteorology, astronomy, oceanography and geology. Karlqvist concludes that the need for Arctic research is greater than ever and that the presently existing opportunities — not only from a political but also from a scientific point of view — are greater than before. However, since this kind of research is quite costly, economic problems, especially in Russia, will be an obstacle in the way of continued international research collaboration. Joint research must, therefore, mainly be based on western resources.

In the final chapter of the volume, *Truls Hanevold* focuses our attention on the importance of natural resources in the continued collaboration process in the Barents region and in the Arctic in general. In particular, the huge oil and gas resources in the Arctic seas are likely to provoke controversies between nations which can claim sovereignty over parts of the continental shelves. Hanevold sees the newly initiated Barents region co-operation project as an important way to improve the security-policy climate in the area. Political power should, how-

ever, be partly delegated so that decisions about the control and disposal of natural resources will not be taken entirely at the central level without leaving any real influence in the hands of the people living in the north. If there is over-centralization, it might create potentially serious conflicts between the centre and periphery and such conflicts are likely to influence the foreign and security policies of the country concerned.