

FORSVARSSSTUDIER 2/1995

THE BARENTS SPIRIT

A Bridge-Building Project in the Wake of the Cold War

John Mikal Kvistad

Table of Contents

Introduction	5
Why did Norway launch its Barents Region Initiative?	7
A Change of Climate	7
Regional Stability based on Modern Security Concerns	8
Environmental Problems in the Barents Region	9
How the Barents Region was established	11
The Internal Foreign Office Debate	11
From Ad hoc to Standard Lines of Command	12
The Position of Parliament	13
Barents Region Institutionalization	15
Previous Attempts at Cooperation in the Northern Hemisphere	15
Regionalization - A New Approach to Cooperation	16
Institutions of the Barents Region	17
The Regional Council - County Level Structure	18
State or County Authority Basis?	20
Administrative Differences among the Member States	21
The Barents Region as related to	
Other Aspects of Norwegian Foreign Policy	23
The Role of NATO and Russia as Potential Antagonists	23
The Impact of the Western European Union	24
The Effect of Nordic Relations	25
The Arctic Dimension and the Barents Sea	27
Linkages to European Integration	30
Market Economy in the East and Western Investments	30
The Advantage of Natural Resources	32
The Prospects of Trade	34
EU Regional Policies	36

Concluding Assessment of the Barents Region Project	39
Geopolitical Dimensions	39
Final Paradoxes	41
Notes	42
Bibliography	47

Introduction

In a situation where rigid borders between states have lost some of their momentum and importance, there has been a certain opening for inventive regional integration of lower ambition than, for instance, the more all-encompassing European Union. The emphasis has been put on region-building in order not to challenge the nation state concept. Acceptability, thus, may make region-building the more viable strategy to fill the political vacuum that emerged after the Cold War.

It is somewhat early for a full and extensive assessment of the region-building strategy. Nevertheless, some experimental projects, involving territories on both sides of the former East-West division, have indeed occurred in the immediate aftermath of the downfall of the iron curtain. They include among others the Vizegrad initiative,¹ the *Mitteleuropa* concept, the Baltic Sea Cooperation, and the Barents Region initiative.

This study will focus on the Barents Region initiative, which was launched by Norway's Foreign Minister Thorvald Stoltenberg in January 1992. Although the first vague moves in order to seek a closer relationship to the Russians in the north were made much earlier, eg between Finnmark and Murmansk in 1986 and between Finnmark and Archangel in 1990. The County of Nordland even approached the giant city of St. Petersburg (with five million inhabitants) to make an agreement during this period of the great wave of change in the East.

The cooperation in the Barents Region has followed a two-step course. The formal cooperation started in Tromsø in the County of Troms on 25 April 1992 by the signing of a protocol where five counties - Murmansk and Archangel in Russia along with Nordland, Troms and Finnmark in Norway - agreed to form a regional cooperation among themselves. The second step was made when Finnish Lapland and Swedish Norrbotten joined at the conference in Kirkenes in January 1993.

Mainly because of strong pressure from Finland, the Autonomous

Republic of Karelia was also given an option to enter the regional network,² and was able to become a full member on 22 April 1993 when the other members conceded to the Finnish and Russian views and endorsed the enlargement of the region. Karelia enjoys an extended self-government compared to the other two Russian counties and makes more decisions on its own account. Consequently, this particular actor saves a lot of precious time, and could possibly serve as «the engine» on the Russian side.³

The eight sub-state administrative areas that participate are the *core* Barents Region; the *greater* Barents Region, comprising all the members of the Barents Council, is a looser geographic entity which is not included in the Barents Region concept of this thesis.

The study deals with the following questions: How did the Barents Region concept come into being? Why did the Barents project originate as a *Norwegian* political initiative although there were several other capable regional actors involved on the same scene? What are the potentials of the Barents Region in a broader European framework?

Why did Norway launch its Barents Region Initiative?

A Change of Climate

Ever since Norway joined NATO in 1949, Norwegian foreign policy has been a rather stable affair based on the North Atlantic security reassurance. In the characteristic political climate of the Cold War, the static business of foreign policy was taken care of by a few, trusted men in Oslo. One reason was the need and wish to keep certain parts of the security and defence policies, particularly intelligence matters, away from annoying public notice. Apart from this, the main foreign policy line of the Labour Party governments (with hard-line members of the cabinet like Halvard Lange and Jens Christian Hauge) did, at least in the later periods, receive the support of a clear majority both in parliament and in the population. The demand for a broad foreign or security policy debate was contained to the left wing of the political landscape.

Over the years both political and military strategies changed, but not to the extent that the founding principles of foreign policy had to be revised. The first fundamental change arrived on the scene when Mikhail S. Gorbachev initiated the reform processes in the USSR. The new and warmer winds that increasingly came blowing in from the east, did not merely change their places of origin, but also fostered inspiration for the West European countries. As the iron curtain disappeared, the need for a response on the northern flank became apparent. One of the first reactions to the historic opening of the East-West borders was the drive towards regionalization in northern Europe. In Norway, the Ministry of Foreign Affairs was the first government institution where such thoughts were manifested. The Barents project, which later resulted in a political region, was the contribution of Norwegian foreign policy to the challenges of creating cooperation across the old East-West divide.

Regional Stability based on Modern Security Concerns

The more home-grown, less altruistic, argument for launching the Barents Region, was the fact that the unstable political and ecological situation in north western Russia represented a threat to Norwegian security. Although security policies are not discussed within the frameworks of the Barents Region, the development of mutual trust offers an important security-building endowment to a formerly extremely tense area.⁴ This is not to say that the asymmetrical relation between a small state, Norway, and a great power, Russia, is not a source of distress.

The Russian Northern Fleet is still more or less intact although the sea training and operative activity do not follow the old, more active pattern. Its nuclear strike capabilities are, technically speaking, unchanged although maintenance is increasingly becoming poorer. Moreover, few are willing to rule out a nationalist takeover in Russia. Needless to say, the economic situation in the former eastern block also threatens the stability of the Nordic area.

Ever since environmental concerns and green values entered the political arena in the 1970s, the concept of security and stability has been used by pressure groups outside the traditional military-industrial complex. The safety of a state and the future of its people would clearly be threatened by an ecological catastrophe. In parts of the Barents Region air, soil and water are endangered by misuse and lack of regime-building as well as the absence of financial sources to clean up what is already damaged or destroyed. Post-Cold War international relations with less emphasis on military capacity, are best explained using *the extended security concept*, which embodies not only military concerns, but allows for ecological, economic and other relevant considerations.

Under certain conditions, bad management of nuclear plants and atomic waste material might actually lead to a nuclear disaster of Chernobyl proportions. The people of northern Norway and many regional politicians are beginning to understand the looming environmental problems - as manifested by the direct action of "Stop the Death Clouds from the East".

Undoubtedly, a new environmental consciousness, which is closely linked to the preservation of regional stability, is on the offensive also in the Barents Region.

Environmental Problems in the Barents Region

It is beyond the limits of this study to describe in detail all the ecological problems of the highly industrialized parts of the Kola Peninsula. Accordingly, the focus will be set on the single factor that represents the heaviest threat to the regional stability, namely nuclear waste. The nuclear pollution in Murmansk *oblast* is of such immense proportions that help from outside the Barents Region has to be sought. The confrontation between two competing society models, the military-strategic role of the high north and the following militarization has resulted in an environmental catastrophe. Russia and the Nordic countries have since 1988 gradually established bilateral cooperation programmes and agreements to fight the mutual problems.⁵

In 1993 there were 220 nuclear reactors at work in Murmansk County.⁶ The number has declined lately from a total of 270 in 1989-90. Still, considering the many Russian accidents, especially with submarines (eg *Komsomolets* in 1989) and dumping at sea, the picture turns out to be a rather grave one. Furthermore, the exploitation of oil and gas at sea in the region represents another threat to the environment: The planned building of gas producing platforms at the Shtokmanovskoye field in the Barents Sea by the inexperienced company Rossjelf (in stead of *Norsk Hydro* as projected) further endangers the regional ocean life.⁷ Waste material from mines and metal industry also contributes to reduce the ecological stability not only in Murmansk, but in other regional counties as well. The only positive short term effect of this situation is that it offers business opportunities for companies which have the technology to cope with the ecological challenges.⁸ Often, however, the state does the job itself as it is planning to do with the storage depot for nuclear waste on Novaya Zemlya.

One of the 131 Russian nuclear devices tested since 1957 exploded on the northern island of Novaya Zemlya on 24 October 1990.⁹ It was the last nuclear explosion on former Soviet soil. The two main islands of Novaya Zemlya were probably chosen as test sites because of low population density. The only people living there - the Nenets - were moved south in 1954, prior to the first tests.¹⁰ Yet, the Semipalatinsk area in Kazakhstan was used more frequently, and since 1963, "only" 42 underground tests have been conducted on Novaya Zemlya. Regrettably, the relatively low number of explosions does not reflect the amount of nuclear material involved. The devices used at Novaya Zemlya were bigger and accounted for 94 percent of the Soviet total.

Another problem is the climatic conditions on the Arctic islands. The permafrost layer creates risks of soil fractures after an explosion, causing radioactive water to leek into the Barents Sea. Unfortunately, the Matochkin Shar test site on Novaya Zemlya is the only one left within Russian borders after the secession of the former Soviet republics. A test ban has been in force since March 1990, but President Boris Yeltsin is under pressure from the military to authorize a resumption of the testing. This may well be one of the greatest threats to the regional stability in the 1990s.

In order to provide efficient storage of the nuclear material, a satisfactory site has been spotted by the Moscow authorities on Novaya Zemlya. The local government in Archangel disagrees, and refuses to handle the waste material from the neighbouring Murmansk county. In the end, military officials are to decide as military rule has been reinstalled on the islands.¹¹ Undoubtedly, there is an urgent need for western expertise and funding. Too many reactors have over the years been dumped in the sea or temporarily stored on the ship *Lepse* in a harbour just outside the city of Murmansk.¹²

How the Barents Region was established

The Internal Foreign Office Debate¹³

The new opening for untraditional foreign policy after the fall of the Berlin Wall had consequences also in the Norwegian foreign ministry. This was particularly apparent in the Department of Policy Planning and Research, which is supposed to be the source of undogmatic initiatives. After Assistant Director General Sverre Jervell (of the Department of Policy Planning and Research) returned to the ministry after a year of research mostly on a project about the Baltic Sea Cooperation at the Norwegian Institute of Foreign Affairs, the idea of a Barents Region was brought to the ministry itself. The Department of Policy Planning and Research continued to work on the conceptual structure of a region in the north, and the Fridtjof Nansen Institute was given the task to produce some seven reports on the proposed Barents Region.¹⁴ After having the idea presented to him through a two-hour overhead show,¹⁵ Foreign Minister Stoltenberg became very enthusiastic. Aiming at defining the future playing rules in the high north while Moscow was talkative and positive, a small group of senior ministerial officials¹⁶ met at the Holmenkollen Park Hotel to discuss the political concept of the region. Evidently, the Barents project was conducted and promoted on a relatively independent basis in the early stages, detached from the ordinary hierarchical line of administration in the ministry. A small group of people took care of most of the communication with foreign embassies including meetings and lunches to prepare the Kirkenes conference. All along, there was close informal contact with the Russian embassy in Oslo.

Certain aspects of the Barents Initiative faced intradepartmental criticism. Some advocated a more cautious attitude towards Russia; as to the administrative concept of the region, some of these more cautious diplomats

wanted the state's representative in each county (*fylkesmannen*) to play the leading part in the Regional Council in stead of elected local representatives, in order to maintain and protect the centre's control of foreign policy.

The foreign minister himself, however, was very much in favour. He put a lot of prestige in the Barents idea, and, subsequently, a great deal of pressure on the ambassadorial establishment of the ministry. The idea of a region up north was also tested on central members of the government.¹⁷ In due time, the initiative also got clearance from the prime minister and the government. Furthermore, some parts of the ministerial bureaucracy, eg the Eastern European Office, supported the Barents idea from the start. The enthusiastic - almost explosive - welcoming and support of the idea in Northern Norway¹⁸ also contributed significantly to the cause. Preliminary talks with Andrei Kozyrev in March 1992 disclosed great interest on behalf of the Russians. Without his positive response the Barents idea would probably have been dropped without ever receiving publicity.¹⁹ On surprisingly short notice Boris Yeltsin also approved of the formation of a Barents Region in his speech at the Helsinki CSCE conference in June 1992. The United States government also declared its support of the Barents Region although it did not sign the Kirkenes Declaration.²⁰

From Ad hoc to Standard Lines of Command

In its early phases the daily work on the Barents efforts within the ministry was not systematized according to normal bureaucratic procedures. Mainly because of the initial lack of backing from centrally positioned civil servants, one had to undertake most of the early work at the political level of the ministry.²¹ On two occasions a governmental paper (*regjeringsnotat*) was produced by the minister's secretariat. Apart from this involvement, the Department of Policy Planning and Research played a major role in the practical preparations for the Kirkenes meeting and later Barents tasks.

This particular way of handling the Barents question, outside the normal routine lines and rules, had an upsetting effect on the bureaucracy, and the

need for a formalized departmental structure intensified. As a result a working group was established: twelve to fifteen people from different relevant offices and departments had weekly meetings dealing with Barents questions. After a while a Barents secretariat, consisting of two employees was set up to take care of the daily work. In due course (ie spring 1993) the interdepartmental working group was used to coordinate the progress of the project. After the conference in Kirkenes the Barents project was fully integrated in the normal bureaucratic procedures of the Ministry of Foreign Affairs and from March 1993 Mr Klepsvik became Stoltenberg's right hand as far as the Barents Region was concerned. By then, the bureaucratic procedures were normalized in terms of instruction lines, and the Barents Region was no longer a controversial issue in the ministry nor for the new minister, Mr Johan Jørgen Holst, even though the latter perhaps played the Barents project somewhat down in favour of a broader engagement towards Russia.

The Position of Parliament

The reception of the Kirkenes Declaration was in general very positive in all political parties. Inquiring questions to the foreign minister was presented on one occasion only by the foreign policy spokesman of the Left Socialist Party (LSP), Mr Paul Chaffey, where he was asking about the local influence on the proceedings of the Barents Region.²² Some other representatives made a few comments on a smaller, more limited scale. Mr Fritjof Frank Gundersen of the Progress Party pointed out the danger of enlarging the bureaucracy by developing a Barents Region. MPs Ingvald Godal of the Conservative Party and Reidar Johansen (LSP) respectively favoured the support of the Baltic states in stead of pumping money into north western Russia and called the whole thing a flop.²³ This notwithstanding, the response was genuinely a positive one.

The governing Labour Party played an important role in gaining parliamentary support for the Barents project. All contacts to the parliament were

informal until the region was officially established in January 1993. Nevertheless, some Labour MPs, including the vice president of parliament, being at the same time Labour's Nordic coordinator, were informed in advance. Later Mr Jervell met with the parliamentary group of the Labour Party for a briefing. The party's International Committee was also informed at an early stage.

Two successive parliamentary propositions (1992 and 1993)²⁴ laid the economic foundation for the cooperation. Due to an intervention by the political secretariat of Foreign Minister Stoltenberg, the priority on north western Russia was laid down on the very first page.

The Barents Region displays a new linkage between foreign and domestic politics. The initiative allows regional politicians to have a say and raise the prospects of mobilization and vitalization of Norwegian foreign policy. The long term effect of this could increase the responsibilities of parliament in the making of foreign policy.

Apparently, the *Storting* did not play any central role in building the Barents Region. Representatives of foreign states were consulted long before the Norwegian parliament got the chance to utter its opinion.

Barents Region Institutionalization

Previous Attempts at Cooperation in the Northern Hemisphere

Naturally, problems of regional stability have been addressed earlier by other regional initiatives than the Barents Region. Even though the Barents project is the one with the strongest base in terms of institutional cooperation, it is useful to have a glance at some of the other regime-oriented strategies in order to get the entire picture of potential shortcomings and of what is going on parallel to the Barents Region.

Inspired by General Secretary Gorbachev's "Murmansk initiative" on 1 October 1987, the Canadians launched the idea of an Arctic region by proposing an Arctic Council modelled on the Nordic Council.²⁵ Prime Minister B. Mulroney made the suggestion when he met with President Yeltsin to sign an environmental protocol on 1 February 1992.²⁶ So far success has been limited.

Several NGOs have been very active. The Inuit Circumpolar Conference, campaigning for an Arctic nuclear weapons-free zone, and the International Arctic Science Committee (IASC), working with science, are both examples of such activity. The latter was involved in the establishment of the Rovaniemi process (see further below) which was to deal with environmental issues. In the proposed Arctic region framework the intention was to include both indigenous peoples' requests and the Rovaniemi environmental complex.

The Rovaniemi Intergovernmental Forum on Arctic Environmental Issues is, as the name indicates, a Finnish initiative. The same eight countries as in the case of the Arctic Council, which was proposed later, participates: Canada, Denmark (Greenland), Finland, Iceland, Norway, Russia, Sweden and the USA. On top of the agenda figures the sensitive Arctic environment. The forum works through ordinary research and registration of environmental dangers through the Arctic Monitoring and Assessment

Programme.²⁷ Both the IASC and the Rovaniemi concepts are exclusively focused on the Arctic. Also non-Arctic states with considerable interests in the Arctic are included in the IASC (France, Germany, Great Britain, Japan, The Netherlands).

Regionalization - A New Approach to Cooperation

In comparison with the initiatives mentioned above, the Barents Region is less exclusively Arctic, and concentrates on a smaller, more focused geographic area. The smaller area is compensated by a deeper institutionalization.

The regional projects of the 1990s are seldom constructed around an ethnic core or aspiring nation. Instead they emphasize cross-national affinities among nations that remain different from one another - and from other peoples in other parts of the nation-states to which they belong themselves²⁸. One advantage is that inter-state regions are not felt by the nation-states to be disturbingly binding.

According to the current regional planning paradigm,²⁹ one can point out three main categories of regions: There are the administrative, the functional, and the identity regions. Since the Barents Region is not a region within the borders of one state, it is definitely not a separate *administrative region*. It actually comprises eight administrative intra-state regions; one republic and seven counties. The cooperation is built on limited fields of common interest, and is consequently primarily a *functional region*, although not a full-scale one. In a way the Barents Region is *à la carte* based, limited to specific cases of cooperation where any state may participate at least in the greater regional context; ie become members of the Barents Council if not the Regional Council. The Barents Region is also an aspiring *identity region* because of common history and cultural contacts. All three regional concepts involve the idea of decentralised power and responsibility - or even further European integration.³⁰ A combination of (overlapping) concepts might strengthen the region and improve its chances of success.³¹

Institutions of the Barents Region

Undoubtedly, the Barents Region cannot display the same degree of structured regional institutions as, for example, the EU or the UN. Perhaps is the need for a detailed governing mechanism neither so great, nor so realistic as is the case for other similar regional projects.

After Stoltenberg had presented his speech in Rovaniemi on 21 October 1992, it became clear to all potential future participants that the planned region was to consist of *two* pillars: one regionally anchored, dealing with popular legitimization; and one state controlled, addressing resource management. The Regional Council organize cooperation on county level whereas the Barents Council deals with cooperation among states. This is not the situation for other regional projects in the northern hemisphere such as, for example, the Baltic Sea Cooperation or the Nordic Council. After the establishment of the unique Regional Council in the Barents Region, an entirely new trend surfaced. Until then, sovereign states had only rarely accepted or allowed any of their frontier counties to involve themselves in direct interaction and joint ruling bodies with counties of foreign states. The main argument for the dual institutional structure, is that problems of various types have to be solved at different levels and with different kinds of authority.

One of the factors lacking in keeping up the drive of the process at this stage in the Barents institutional context, is the presence of a parliamentary assembly. This could in fact be compared to what several scholars, as well as committed politicians, view as the so-called "democratic deficit" that one can clearly distinguish within the EU power structure. Because of this political gap, regionalism could run the risk of running out of "popular fuel" unless one has some kind of parliament arrangement, with direct elections to go along with it, when the time is ripe.³² If the wish of the elites for a viable and active region is to be fulfilled, the democratic element must be strengthened by the foundation of a *Barents Parliament* in order to gather the people behind the political slogans of the Barents initiative.

The Regional Council - County Level Structure

In the words of Foreign Minister J. J. Holst at the subregional meeting of the Baltic Sea Cooperation, Stavanger, 7 October 1993:

... it is already clear that the work of the [Regional] Council will be the real generator behind the development of cooperation in the Barents Region.

For what purpose, then, did the state authorities wish - or dare for that matter - to delegate power in such remarkable amounts to regional, sub-state actors? Firstly, the threat and fear from the atmosphere of the Cold War were either subdued or had completely vanished. The Barents Council is intended to be a source of engagement, motivation and ideas. Exchange of experience, know-how, and the entire process of learning in a wider framework than five years ago all represent vital sectors where mutual efforts combined with sufficient prudence offer a promising alternative road, less travelled by.

Yet another innovation in the process of regional cooperation on a trans-border basis was the announcement (in the Regional Council's constituting protocol signed in Kirkenes) that a representative from the indigenous Sami people was to be seated in the Council. This representative is elected by the Nordic Sami Council, which includes the Kola Sami Organization. It is the first time that this group takes part in a political body which engages participants from the other nations in the region in a trans-border structure. Not even in the North Calotte Committee does the Sami people have any representation. Since the indigenous peoples were invited as observers to the Rovaniemi process, it was expected that the same concept should be applied to the Barents Region, but after consulting the Nordic Sami Council, the Norwegian Foreign Office decided to give the Sami full representation in the Regional Council. In spite of the right to equal representation in the Regional Council, the president of the Sami parliament in Norway, Mr O. H. Magga, expressed some disappointment

on behalf of his people. In his opinion, the Sami people should be represented even in the trans-state Barents Council, a claim presented by the largest Sami political party, The Norwegian Sami Association (*Norske Samers Riksforbund*).³³ This attitude is assessed as completely unrealistic by the other state and regional actors, particularly because some Sami people wanted even one Sami representative from each member state which would effectively lead to a Regional Council consisting of four Sami representatives and only nine from the other four nations.

The most interesting element in the political apparatus of the Barents Region is, however, the fact that a regional council exists at all. When the new regional initiative in the Baltic was institutionalized in March 1992, there was no such thing as a regional council on its agenda because it was simply thought to be too daring to relinquish "pieces of sovereignty" to sub-state actors. The legitimizing effect of a regional political body ought to be extraordinary, and its origins are probably to be found in the constant ever-lasting problems of revitalizing the Norwegian periphery as well as containing and avoiding the spread of unsuitability in the East.

The traditional inter-governmental way of cooperating is, of course, important also in the case of the Barents Region. In the Kirkenes Declaration the main achievement in terms of institutionalizing at the state level was the agreement on a so-called Barents Council, which was to take care of high-level political connections. A regular yearly meeting of the foreign ministers was written into the common statement that came out of the conference. In addition other ministers have the right, which they are encouraged to use, to meet according to the relevance of the issues at hand. So far scheduled meetings have included the ministers of culture and transportation. These meetings took place in respectively Kirkenes and Alta during the autumn of 1993.

Intentionally, the Barents Council is first and foremost meant to perform a coordinating function *vis-à-vis* the Regional Council, and only interfere if it is necessary to guide the counties' strategies from the state capitals (eg in financial questions). Otherwise the subsumed Regional Council is to be left strictly alone in its initiatives and decision-

making processes to avoid losing regional development momentum. Certain parallels to the principle of subsidiarity in the Maastricht Treaty might be visible in the shadows of this functional separation of political administration: The central governments should - apart from its continuous administrative backing and responsibility on a daily basis - act only if there is a substantial and sufficient need for overlaying coordination work at the inter-county level. Another feature of the Barents Region's institutional structure is the association with the EU arrangements where the Council of Ministers plays the role of the Barents Council, and the Committee of the Regions might be compared to the Regional Council. The comparison may seem a bit far-fetched,³⁴ but any visible similarities could prove to be very helpful when one considers the possibility of EU funding and coordination. (To be discussed in greater detail later.)

State or County Authority Basis?

At first sight, the Barents Council seems to be the arena where the real power is to be located. On the other hand, the corner stone of Foreign Minister Stoltenberg's Barents agenda was a decentralized power structure so that the Regional Council would have the *de facto* means at its disposal to encourage the expected flood of local initiatives once it was in operation. If the Regional Council is essential in identifying fields of common interest and launching initiatives, the Barents Council is in control when it comes to funding. Implementation is very dependent on the Regional Council. In the end, both bodies are needed to achieve the most advantageous result. The distribution of power is of less interest. Since the chairmanship of the Regional Council alternates at two-year intervals and the Barents Council's chair rotates every year, continuity is better protected at the regional than at the state level.

In short, the Barents institutions are characterized by their function as a political meeting place where no *sharp* divisions are prevalent between the administrative levels. Since there is effectively no right of veto, but rather a

consensus mechanism that reigns in the Barents Region institutions,³⁵ the tricky question of sovereignty loss, which arises in tight regional cooperations, is no indomitable hindrance. The different states' need to protect their national sovereignty is not limited by the specific requirements of the Barents institutions. On the intra-state level, however, conflicts of competence may occur between central and regional bureaucracy.

Administrative Differences among the Member States

In Sweden, Norway and, perhaps even more, in Finland the state has always been rather centralized. Over the years this system has undergone a slow liberalization, and lower levels of government have increased their power. In the mid seventies, Norwegian counties (*fylkeskommuner*) were given extensive and increased authority, direct elections (1975) and tax revenues (1977).

The Russian administrative system is at the moment riddled by the same problems as Russia in general. Especially after the unsuccessful *coup d'état* of August 1991, the struggle for power in Moscow between Parliament with its former chairman, Ruslan Khasbulatov, and President Boris Yeltsin intensified. The rivalry and competence conflict certainly provide - and still have - their parallels at the county level in Murmansk, Archangel and Karelia. It is very difficult, indeed, to rule a county where there is one governor, one local soviet, and one representative of the president, who struggle for power and influence at the expense of the other actors.³⁶ In contrast to the situation in the Nordic states, the appointed representative is responsible for the Barents Region. Additional problems stem from old habits; in Russia everyone was used to more clearly defined political and administrative channels. Doubt about who was to give orders and who was to obey was virtually non-existent before the turbulent change of climate in the East.

Apart from well-known political disagreements based on incompatible economic programmes and the scarcity of financial funds, the obsolescence

of military rule in some areas in the Russian part of the region (Severodvinsk, Severomorsk etc.), has proved to be a problem in the cooperation.³⁷

The Barents Region as related to Other Aspects of Norwegian Foreign Policy

Three circles have dominated Norwegian foreign policy since World War II: The Atlantic, the European and the Nordic dimensions have all influenced Norway's relation to foreign powers, but "She has doggedly refused to choose between them, but rather attempted to orchestrate, reconcile and mediate the competing perspectives and interests involved"³⁸. To each of these three political directions a certain Norwegian fear of marginalization may be detected.

The reduction of Norway's very strong *Atlantic* connection to the USA originates from the fact that the focus of NATO strategic interests has moved from confrontation in the Arctic to cooperation farther south. On the *European* scene the Western European Union (WEU) aspires to take over some of NATO's coordinating function. In the *Nordic* context the Baltic Sea region has left the Nordic Council with a less important role both in terms of the number of members and the degree of European connections. Still this is room for manoeuvre. There is no reason to look at the Barents Region as part of a zero sum game where one alternative excludes the other. But in order to safeguard national security interests in the future, Norway must pay sufficient attention to all three of the mentioned aspects, not merely the Atlantic pillar.

The Role of NATO and Russia as Potential Antagonists

The Russian military capabilities in Norway's vicinity are still of significant size. At the same time NATO's interest of and presence in the area is decreasing. The destabilizing impact of the NATO-Russia military rivalry in the region is definitely not as great as it used to be. Russians, by now,

distinguish their relations to the *near abroad* and other countries. The near abroad, ie the CIS, dominate Russian security concerns, the Barents Region is not directly involved in this relatively unstable part of Russian foreign policy. Furthermore, most Russian weapons and installations in the Barents Region are considered to be integral to the strategic balance with the USA. Thus, the forces stationed in the area are often seen as being above the local and regional context.³⁹ The new attitude of central foreign policy actors in Moscow, stressing that they look upon the NATO countries as friends and partners and expressing a wish to free Europe from the heritage of the Cold War, helps create stability.⁴⁰

On the other hand the existence of Russian strategic forces influences the regional stability since, in contrast to the navy in the Black Sea and Baltic Sea, they do not have to pass through narrow straits to be operative. Their vast numbers also contribute to the asymmetrical regional power structure, and effectively the stability is endangered. Only because of the political thaw between east and west, the situation is very much under control. Norwegian authorities seem to react to this improvement by “benign neglect”,⁴¹ while emphasizing that there is no reason to respond in the same demonstrating way as before. Lying in the periphery has also been an advantage in terms of guarding regional stability.

The Impact of the Western European Union

Norway is an associated member of the WEU. For a long time the alliance lived in the shadows of NATO, but at a ministerial meeting in Rome in 1984 the organization was revitalized to strengthen EU security policy and the European pillar of NATO. Political forces in Russia view the Barents Region as “a window to the West” in general, and to the EU in particular. This opening to the West is essential to attract sufficient capital and technology to improve, for example, the environmental security. In order to safeguard and stabilize economic contact with western states, military security and stability must be treated as a prerequisite. It is likely that the

Russians prefer the *European* WEU to the *Atlantic* NATO to play the main defence role in Western Europe in the future, since that would keep the Americans at a comfortable distance. Another factor which draws increasing attention to the WEU, is that the American forces in Europe are reducing their numbers drastically.

The WEU, by now, enjoys a kind of sub-EU authority on the security arena.⁴² Since security motivations were so strong in the process that led to the Barents Region, and Russia is orienting her economy in the general direction of Europe, the WEU has, indeed, a potential of influencing the Barents states. Finland is particularly vulnerable to such a development. Finnish national security will always be more or less a function of the situation in Russia. On the other hand an up-grading of the WEU is probably easier to accept for Russia than a Europeanization of NATO.

The Effect of Nordic Relations

The relations among the Nordic states have been peaceful and sincere throughout the Cold War, and Nordic foreign policies have even been coordinated in some cases, particularly concerning connections to distant parts of the world.⁴³ After the changes in the Soviet Union/Russia, Nordic low tension policy was replaced by an extended security policy which includes the Baltic and Barents Regions.⁴⁴ The problem is that the relative strategic importance of the Barents area is greater to Norway than to any other state. To handle inter-Nordic relations, it is essential for the Norwegians to meet that challenge without discriminating any of the available options too much.

Finland is in no position to take advantage of the reduced influence of Russia; eg border revisions are out of the question. Regional solutions, where Karelia and Pechenga (Petsamo) are included, are nevertheless warmly welcomed. Between the Finnish and Norwegian governments there are now only minor differences of opinions, but it is well known that the Finns were thinking about a similar project in the high north just as Nor-

way set out to create the Barents institutions.⁴⁵ Most differences of opinion stem from the wish of both parties to act as «the primary gate to the West» for Russian interests.⁴⁶ The Finnish government has always regarded itself as the main Nordic contact to the USSR/Russia,⁴⁷ and was probably taken by surprise when Foreign Minister Stoltenberg all of a sudden introduced the idea about a northern region. All the same, Finnish wishes to include Karelia in the region has now come true, and, despite some difficulties in the past, Norway's relations to Finland are just as friendly as they have been for decades. After the social democratic candidate won the presidential election the political channels between Nordic social democrats may also be exploited to promote the Barents cause.

A quite significant Swedish-Norwegian obstacle concerning the region, is the fact that *Sweden* is much more geared towards the Baltic Region than her western neighbour.⁴⁸ Sweden, with her traditional strong bonds to Germany and the south, has proved to be more interested in the Baltic Sea Region than, for example, an all-encompassing Barents variant. The Swedish government regards the state's size and pivotal role in *Norden* as one of the most important features in the Nordic-European perspective.⁴⁹ Sweden finds her central position in the Baltic area closer to the continent to be serving Swedish interests better than the Barents project. One should also keep in mind that Sweden does not have any access to the Barents Sea. Thus, much of the point about hanging on for possible future economic advantages is neither imperative nor very promising. In other words, the Barents Region is not a matter of the highest priority for Sweden. However, as Sweden considers herself the leading Nordic country, she has also kept a keen eye on Barents affairs.

Both *Denmark* and *Iceland* are states that, with the exception of some fishery clashes, have few direct interests in the Barents Region. Norway's foreign policy relations to them are, therefore, not so relevant as for the other two (Finland, Sweden) in this particular case.

To build a stable political situation in *Norden*, the Nordic states have sought to diminish the consequences of the Cold War by a "secret alliance" between the bridgehead of the sea power and the deference zone of the

continental power.⁵⁰ Prudent assessment of possibilities and limitations has always signified the foreign policy environment in the Nordic countries. Moreover, as it is emphasized throughout the thesis, the compatibility of the different regional projects in northern Europe is *not* the biggest problem. Regions can be knitted together in more or less overlapping and adjoining structures (eg sub-regions, dual membership etc.) so that conflicts are avoided. Since the Nordic relations are exceptionally smooth (to such an extent that the rest of the world due to lack of conflict is likely to forget about *Norden*), there are few hindrances to be seen ahead. The main difficulties lie in finding capital for the enormous investments that are needed to create a viable Barents Region.

The Arctic Dimension and the Barents Sea

The unsolved sovereignty questions of the Barents Sea and its future implications offers interesting solution alternatives, particularly in a regional perspective: If the ocean beyond the Murmansk coast is included in the Barents Region at a later stage, new and vital resources are included on the regional agenda. Exploitation of oil and gas as well as the building of petroleum refineries are central issues in that context. A broader fisheries' management in the Barents Sea, which is now ruled on a predominantly Russian-Norwegian bilateral regime basis, is one of the possible outcomes of a widened maritime Barents Region. The reason why the Barents Region is entirely land - and not also water - based can be found in the still unsolved jurisdiction dispute between Russia and Norway. The circumstances and implications may change fundamentally if - and when - the unresolved question about the sea border is finally fixed.

The single most destabilizing factor in the vicinity of the Barents Region is the bilateral conflict of interests regarding the borderline in the Barents Sea. In 1967 Norway proposed negotiations with the Soviet-Russians in order to obtain a clearly defined border between the two countries. Negotiations started in 1974 and the parties signed a temporary

agreement on 11 January 1978, regulating the fisheries in the so-called Grey Zone. The parties could not agree on a final delimitation line in the Barents Sea, and the Grey Zone was mainly set up to enable the coastal guard of both states to control the fishery. The agreement has been renewed annually over the last two decades. One has not managed to reach a final solution on whether the border should follow the sector line (Russian position), the median line (Norwegian position), or, more likely, a compromise between the two.⁵¹ The negotiations have been dragging on ever since Mr J. Evensen and Mr A. Treholt made their first efforts to find a permanent arrangement for the disputed area, covering 155 000 square kilometres (11 percent) of the Barents Sea.⁵² Recently, nationalist sentiments among Russian politicians have obstructed the process that seemed to be near a breakthrough only a couple of years ago.⁵³ The unresolved questions involve only 16 percent of the border, the section closest to the land territories and the Varanger Fjord. As for 2/3 of the distance, the problems were solved in March 1991, but since then, progress has been slow.⁵⁴ At any rate it is hard to see which assessment, political or economic, that is the more important to the Barents Sea states. There is, however, reason to believe that the establishment of the Barents Region might have a positive spillover effect to the troubled situation at sea. Anyway, the situation of undefined borders is not a new one in the history of Russian-Norwegian relations. Until 1826 the Pasvik border was more like a vague frontier.⁵⁵

“The Loophole”, a 62 400 square kilometres area of high seas in the Barents Sea that no state claims, is not affected by any sovereignty dispute, and is for the time being merely interesting as a growth area of the Arctic cod stock. This international area may be integrated in a common fishery regime (eg based on the extensive Norwegian regional experiences) with the rest of the Barents Sea.

The status of the ocean areas in the far north have yet to be juridically defined. International law in general and the UN Conventions on the Law of the Sea (UNCLOS) contain outlines for the procedures which have to be followed to obtain a lasting solution to the disagreements on who should have the right to natural resources in the area. Especially the zone around

the Svalbard archipelago is controversial because of the special provisions for foreign commercial activities laid down in the Svalbard Treaty. Norway insists on exclusive rights to the continental shelf which is seen only as an extension of the mainland (Finnmark) one.

Both the northern and the southern dimensions of the Euro-Arctic Barents Region are strong and significant, but at least on a short-term basis the European link is the most promising one. If the southern connection is given time to develop properly, the northern link, too, has greater chances of receiving the necessary technological and financial support so that the competition between the two dimensions will not lead to alienation or one excelling the other.

Linkages to European Integration

The economic potential of a solid linkage between Europe and the Arctic lies in the coordination of the enormous Arctic natural resources and Central European capital and technology. Ten out of twelve million people inhabiting the circumpolar area live in Russia, and with growing stability, the Russian work force may in the end provide inexpensive labour resources.⁵⁶

Even without a strengthened European link the Barents Region was not likely to lose all importance; The combination of technologically advanced Nordic countries in proximity to Russian natural resources are nevertheless interesting.⁵⁷ Especially for the Russians, the viability of the region will not totally diminish even if the region does not turn out to be «the window towards the west», which they envisaged at the start.

It is significant that the Commission has ratified the Kirkenes Declaration before any of the core Barents states were members of the Union. The Oslo delegation of the European Commission was very active in advocating the role of the Barents Region among the commissioners.⁵⁸ It would be a signal of increasing EU interest if a commissioner (in stead of an ambassador which is the case now) announces a wish to be present at a Barents Council meeting. Today the Barents Region is not an issue of high priority for the EU.

Market Economy in the East and Western Investments

However necessary, the reforms to establish a market economy in Russia have created a certain “wild east” atmosphere, where bribery and blackmail are flourishing. Such conditions might be an advantage for western companies because of their - in Russian terms - vast capital resources,⁵⁹ but the need for physical safety and sound financial principles probably by far

exceed the potential gains. Other acute problems, which the Barents trans-border trade faces, are connected to what one could call the «time factor»: Low operating flexibility and a high risk rate require an extensive endurance ability in order to defend a long-term investment in Russia. Huge disintegrating factory complexes also complicates foreign industrial involvement.⁶⁰ Nevertheless, it is vital that western investors do not leave the impression in Russia that they command a certain *Besserwissen*, and thereby create negative reactions in a proud people.⁶¹ Mr Vladimir V. Zhirinovskij's election victory for the nationalist Liberal Democrats in December 1993 gives an indication of the strength of such forces in Russia.⁶²

Economic cohesion is, of course, not merely dependent on finance. Also the political situation, regional infrastructure etc. play decisive roles in restructuring a national economy. However, the possibility of a closer linkage and improved access to a greater market is the main aim for the Barents counties in Russia. The EU, the EEA, and the PHARE states combined offer a market perspective that comprises approximately 450 million people!⁶³ With an erosion of the nation-states and increasing regionalization, this vastly extended market may open hitherto unknown opportunities for Barents industries.

The turmoil, which Russia is going through, allows for several authority conflicts to arise: After President Yeltsin announced the summary dissolution of the regional soviets, there was no reaction to this reassertion of the centre's authority - basically for two reasons: First, the regional governors, who are responsible to the president, but not all of whom support him, had as much as anyone to gain from the dissolution of local soviets, which were a source of constant trouble anyway. Second, these governors are waiting for President Yeltsin to tell the world through presidential decrees what kind of state he favours - a unitary state, as it used to be, a decentralized state, as it used to be in name, or a loose confederation, as many regional leaders would like it to be. Yeltsin has not abolished the federation council, the upper house of the new parliament, as he threatened to do before the 1993 elections, and, thus, there exists a forum where the centre and the

regions can meet. Much is now dependent on whether the government can control the budget deficit and bring down inflation.

The Advantage of Natural Resources

The Barents and adjacent northern territories represent a tremendous lot of untapped resources. The northern areas of Russia, of which the Barents Region is a part, comprise the largest remaining territorial and environmental reserve of the country - and mankind in general. The geographic immensity of unexploited resources by far surpasses the relatively small exploited and polluted areas. The high north is perhaps even more important as a reserve of unoccupied and unspoiled areas than as a supplier of raw materials and fuel. To illustrate the economic perspectives of the Barents Region, we will address some dominant industries - almost all offering great future opportunities.

By 1991 crude oil extraction in the Russian high north, the basic national fuel and power supply area, had suffered a decline. One reason, among others, was insufficient investments.⁶⁴ Russia relies heavily on the Arctic for the supply of fossil fuel resources to the extent that the Russian Arctic accounts for almost 2/3 of national oil and more than 60 percent of natural gas production. These percentages are bound to increase substantially when the Arctic offshore production of oil and gas starts.⁶⁵

A number of off-shore oil and gas fields in Russia and Norway are situated in the Barents Region. Since a future increase in EU imports of these products is primarily planned to come from Siberia, the North Sea, *and* the reserves in the Barents Sea, the European dimension of the Barents Region turns out to be quite strong in the energy field.⁶⁶

The problem is that these opportunities occur amid administrative and economic chaos. The Barents Sea border controversy with Norway must be settled before off-shore production can speed up significantly. As soon as a border at sea is negotiated, there is reason to believe that the practical results will emerge in a couple of years.

The industrial production in the Barents Region does not represent any comparative advantage, on the contrary. Only cheap export of raw materials can redress inefficiency in management and obsolete production methods. The present state of the mining industry complex is characterized by utilization of only the richest components of mineral deposits, mono-product orientation, and low level of processing. However, scientific reports support the conclusion that northern Russia will remain the main world supplier of cobalt, diamonds, nickel, niobium, gold and phosphate for at least another twenty-five years.⁶⁷ Furthermore, immediately adjacent areas, such as the Komi Republic to the east of the Barents Region,⁶⁸ may contribute to the already strong regional mining industry if their export routes were connected to the Barents infrastructure.

The opportunities that lie in the vast forests of the Archangel county probably offer the best business alternative for western investors during the early experimental stages of the Barents cooperation. In comparison to the western part of the region, the riches of Archangel represent a greater potential than the combined wood resources in *Norden*. These Barents resources may well be combined with the Nordic planting and marketing capacity and thus, from a Nordic point of view, provide stable raw material delivery which is important for the Nordic industry's very strong international commitments.⁶⁹

Like the oil industry the fishery sector, which is also concentrated at sea and thus outside the geographic borders of the region, is one of the industries with great future prospects. However, for the time being, lack of equipment control and quota supervision foster a somewhat underdeveloped fishing industry. If the region develops an off-shore dimension in the Barents Sea, the best environmental solution in the end, for most parties, might be some kind of fishery cartel built on the foundations of the Joint Russian-Norwegian Fishery Commission that already exists.⁷⁰ As it is now, unorganized interest conflicts are emerging since some EU member states (Germany, Portugal and Spain) are already entering the Barents Sea without any inter-regional resource agreement in advance.⁷¹

The Prospects of Trade

In a treaty-regulated market, the Russian Barents counties would probably be the ones to profit most from both intra- and inter-regional trade in the long run because of knowledge and technology transfers. The huge potential for economic development also favours the three Russian counties in terms of their function as a transit arena to the east (Northern Sea Route) or to the west by way of the Nordic countries.

The trade potential of the Barents Region is somewhat hard to imagine, taking into account the meagre situation in 1987 when Eastern Europe and the USSR represented less than 2 percent of Norwegian exports. The USSR accounted for about 1/3 of that. At the same time Norwegian goods represented less than 0.5 percent of Soviet imports. But, because of the Barents initiative, the border is by now less of an "edge of economic differences". The old lesson that trade means peace - and vice versa - still seems to be plausible, but trade needs to be properly organized.

In order to encourage intra-regional trade, several steps have been taken over the last two years. By a normal parliamentary decision, an Eastern Trade Centre (*Østhandelssenter*) was set up in Kirkenes in the spring of 1992, cooperating with the Norwegian Export Council. In November the process continued with the establishment of a link between *Nordhandelsforum*, a unilateral organ for Norwegian trade in north western Russia, and the Working Group for Northern Trade which was the bilateral forum for trade between Russia and Norway. Further progress is likely to take place within the framework of the Barents institutions. In terms of exact financial support, the Norwegian Parliament has granted NOK 130 million of the total NOK 351 million to Barents projects through its Eastern Europe programme.⁷²

"Many of the newly established horizontal border regions share common historical, physical, economic and cultural features with adjacent regions in neighbouring states".⁷³ Critical voices have noted that the Barents initiative came too soon after the Cold War, developed too fast, and at a too high political level. Particularly because of the atypical *politi-*

cal treatment received by the Barents Region, the region has the potential to strengthen its (relative) position through developing inter-regional alliances and networks towards, for instance, the Baltic region and the EU itself as well as minor regional entities *within* the EU.

The similarities between the Barents and the Baltic regions are quite apparent. These are strategically very important and sensitive areas, and institutionally they resemble each other; the Barents Council mirrors the Baltic Sea Council. Even though the Regional (Barents) Council has no Baltic parallel, the trans-border, county-based structure is the same. The focus on history and the identity-building role played by the Pomor era is matched by the traditions of the Hanseatic League which was stronger based in terms of administrative organization. The talk of the so-called New Hansa points to some of the common aims of the 16th century trade organization and the new Baltic region, namely profit by an enlarged market and an extended common exploitation of the resource potentials.⁷⁴ Most important is, of course, that both regions cross the former East-West divide. In addition both seek to create an economically oriented environment policy. They also try to pursue the EU to channel funds to environmental programmes, which indirectly contributes to a harmonization to EU norms and standards. The required modernization in the former Soviet Union also needs such extra-regional investments to cope with environmental challenges. In many ways the Barents Region represents a direct extension of similar initiatives farther south, particularly to the Baltic region. In any case they are both parts of a greater European mosaic. Only two months after the Copenhagen inauguration of the Baltic Sea Cooperation the Barents idea was publicly mentioned for the first time, and the question is really whether the Barents initiative was an inspiration of, or a reaction to, the Baltic variant. A combination of the two explanations is probably the most plausible approach to the motivation for regionalization - and it was indeed the Norwegian point of departure. If one keeps in mind that the Nordic relations with Germany are now quite similar to what they used to be before 1914 (ie strong), that the Baltic Sea is considerably closer to the EU than the Barents Sea, and that Germany, the key northern Euro-

pean state, is more concerned about the Baltic *Ostseeraum* than the Barents Region, the outcome of a possible rivalry between the two should be pretty obvious. However, the Baltic cooperation cannot expand to comprise its Barents "counterpart" in economic and geographic terms anyway.⁷⁵ Seen through a pair of European glasses, what is important after all, is that the infrastructure connection from the Barents Region through the Baltic region to the EU (*Via Baltica*) ensures the inevitable inter-regional cooperation between the EU and the Baltic and Barents Regions.

EU Regional Policies

From the launching of the EU regional policy, ie the establishment of the European Regional Development Fund in 1975, to the creation of the structural funds through the Single European Act in 1985 and beyond, the funds' proportion of the EU annual budget has risen from an initial 5 percent to 27 percent in 1992.⁷⁶ At the Edinburgh summit the EU decided to spend 141 thousand million ECU on regional policy programmes before the end of 1998. The complex administration of these funds are more and more spread out because the immensity of the different programmes requires a broad supervisory approach: Three of the EU Commission's Directorates Generals (V, VI, and XVI) are directly involved in laying out the coordination of the structural funds. After heavy pressure from the German *Bundesländer* the Maastricht summit set up a Committee of Regions to coordinate regional endeavours within the EU. Besides, a similar institution, the Nordic Committee for Senior Officials for Regional Policy (NERP), exists at the Nordic level.⁷⁷ The latter could be used to gain economic resources for the Barents Region from EU-funds. In such a situation the Barents Council could appeal to the EU for financial support by conveying the idea that one should give priority to a trans-border region that also penetrates into the former Soviet Union as part of EU policies towards Eastern Europe.

The new trend, represented by cross-border regions, reflect the new

requirements of post Cold War world politics. The acute need for trust and communication channels, meeting places and arenas for information paves the way for an increasing number of regional institutions such as the Barents ones. A similar county-based body, resembling the Regional Council of the Barents Region has been proposed by Foreign Minister Kozyrev for the Baltic Region. Many of Europe's border areas share common historical, economic, geographical and cultural features with their neighbouring territories across the borders - and could easily gain from the adoption of regionalization strategies. Some of these regions have suffered from neglect and been regarded as buffer zones instead of growth areas. The EU has for years taken certain measures to develop such regions.

The EU strategy for regional, social and agricultural funds, which all together form the so-called structural funds, follow two basic principles: *The classic common regional policy*, which is financed partly by the EU budget and partly by each member state, constitutes the main pillar; *the rules for competition and subvention* represent other ways of regulating regional development. A set of rather detailed rules divides the different regions into categories in order to qualify for EU support. This is done by the use of a *Nomenclature Unitaire Territoriale de Statistic* (NUTS I, II, III), which divides the EU into three types of regions. Areas targeted as either NUTS I or NUTS III (ie the largest and smallest regions) may receive support through the EU regional funds. Six different objectives are then used to determine whether the region qualify for support - three of which are relevant in our case. Those are: objective 1 (underdeveloped areas, NUTS I), objective 2 (decline of traditional industries, NUTS III), and objective 5b (rural areas, NUTS III). The Nordic counties which are members of both the European Union and the Barents Region, will qualify for EU regional support. Farming under the label of "Arctic conditions" would also benefit from the structural funds. Anyway, the Barents Region comprises more than just regional development. It includes foreign policy and international trade policy, too. Norwegian authorities use it as the main framework for *their* contribution to the aid to the East.

As is the case with the Baltic region, the Barents cooperation is one of the first east-west regions to be realized within the framework of a new European order of more relaxed state borders, made possible by the fall of the iron curtain. The experience and expertise which the Barents institutions are collecting may be of more long-term use to other regional projects in Central Europe. Consequently, the project will be followed with close attention by the EU Commission. If it fails, nobody will lift an eyebrow, but the failure might discourage similar projects elsewhere. On the other hand, if it succeeds, it may have a positive effect on the EU's Eastern Europe relations in general - as an example to be followed. This is where the Barents Region becomes important in an all-European perspective.

Concluding Assessment of the Barents Region Project

Generally, the Barents Region now rests upon three integrated pillars, which all represent processes that started after the end of the Cold War. Through *normalization* of the East-West relations one aims to establish connections between the Nordic countries and Russia similar to the bonds between the Nordic countries and Western Europe. Another strategy is to promote regional *stabilization* by reducing economic, environmental and military threats in the area. Finally, one should note that *regionalization* is used to create a multilateral cooperation framework where the Barents Region has been positioned in relation to the broader European political development. This remains important, although the Norwegian no-vote on 28 November 1994 in the referendum about membership in the European Union, has somewhat weakened the Norwegian potential in this respect and created some uncertainty about the future.

Geopolitical Dimensions

The Barents initiative came from the Norwegian Ministry of Foreign Affairs as a result of the search for a combined solution to the economic, environmental and security relations to Russia and the EU, combined with the need for further development in northern Norway. The project was in a way meant to be a Norwegian contribution to the establishment of a new arrangement for European cooperation and security. The intention was to create a framework for solving the multidimensional security and environmental challenges as well as to exploit the economic opportunities in the high north based on a Norwegian-Russian axis with an anchorage in the east, the west and the south. The intention was, in other words, to weave a

network that would promote stability and cooperation as opposed to the militarization of the area.

The idea of a Barents Region in many ways signalled the biggest change in Norwegian foreign policy since the state joined NATO in 1949. The realization of the idea was done on Norwegian initiative partly because of altered strategic conditions and partly because of general interest in reinforcing "an open society" and economic reforms in Russia. The new strategic situation implies that the Barents Region is the only east-west region in Europe where Russia meets the West, except for the St. Petersburg area within the Baltic Sea Cooperation. Because Russia is now more of a regional rather than a global power, it has become more important than ever to avoid any further turmoil within the giant, unstable neighbour to the east of the border. If *low politics* could have a spillover effect on *high politics* in terms of security interests, nothing would be more welcome to the Barents initiators. After all, the economic profit potential was not the most important motivation. Many observers have pointed out that the Barents Region would soon be dead without proper security guarantees from outside actors. As the military's influence in north western Russia may continue for years, this question will probably be found higher and higher on the Barents agenda. Because of Norway's singular position in the north and decreasing American military support, the need for security is more a Norwegian than a Russian concern. No one can know exactly what happens if the Russian reform process suffers a setback.

Political innovation and pursuit of regional friendship are the only methods of reaching results and of cooperating in order to use the new opportunities. Especially for Norway, which failed to become a member of the EU, positive results of the Barents cooperation will be increasingly important. The Barents Region can in some respects help heal the damage of a split *Norden*. As for EU regional funds, some of which have become unobtainable, the initiative is very much in the hands of the Swedish and Finnish governments. Russia is at the moment more fenced in than ever - at least in this century. Both Norway and Russia are now peripheral states.

Final Paradoxes

The most puzzling and fascinating dynamics concerning the Barents Region are represented by the issues that are not yet incorporated in the regional cooperation: Matters of military security and sovereignty at sea are not at all dealt with in the Kirkenes Declaration. Furthermore, the opportunities of the petroleum and the fishery industries in particular are on one's mind when it comes to the Barents Sea border negotiations.

There are also differences in interests among the Barents partners. The Russian motivations are first and foremost economic, whereas the Nordic incentives are predominantly stability in terms of environmental safety and regional security. In this respect it is no paradox that "unity in diversity" could be a slogan for the Barents Region. The final test of the region's durability as a viable political instrument will probably arrive after the EU-*Norden* relations have been more specifically clarified.

Notes

¹ *The Vizegrad initiative refers to an agreement between Poland, Hungary and The Czech Republic. The cooperation has a political - rather than economic - character.*

² *In his foreign policy speech in Parliament on 19th January 1993 Foreign Minister Stoltenberg indicated quite explicitly that Karelia would become a member of the Regional Council at a later stage.*

³ *Governor Erling Flotten of Finnmark County was originally sceptical towards letting the Karelians join the Barents region on the grounds that the republic was geographically situated too far to the south. Mr. Flotten - among others - later changed his mind after a visit to Petrozavodsk (= Petroskoi = Äänislinna = Onegaborg), the capital of the republic, because of the greater degree of independent decision-making procedures one hopes to face in the case of Karelia (Interview 30th August 1993).*

⁴ *The fact that security concerns is a very important underlying factor in the Barents co-operation has been emphasized in both speeches by Th. Stoltenberg and talks that the author has had with politicians and civil servants (cf. list of sources).*

⁵ *Cf Castberg & Stokke 1992; St.meld. 1992-93b; Stokke 1994.*

⁶ *Aftenposten, 13 March 1993, p. 10.*

⁷ *Cf Moe 1992:12-15; Castberg & Stokke 1992:20; St.meld. 1992-93b:48.*

⁸ *Cf Castberg & Stokke 1992 p.8.*

⁹ *According to Focus (13/1993) 18% of the tests in the Soviet Union took place on Novaya Zemlya: 131 (90 atmospheric and 41 underground) out of a total number of 713.*

¹⁰ *Cf Skorve & Skogan 1992 p.13.*

¹¹ *Aftenposten, 13 March 1993, p. 10, and 1 June 1993, p. 4. The environmental organization Bellona has also repeatedly reported on the projected storage.*

¹² *The International Herald Tribune (3-4 April 1993) refers to a Russian governmental report, which states that the most significant threat comes from the dumping of reactors from submarines ice-breakers and other seagoing vessels. See also Castberg & Stokke 1992:36f,46-47; Hauge et al. 1992:7.*

¹³ *The information which is used in this sub-chapter is based on informal*

interviews and is, therefore, problematic to cover with direct references.

¹⁴ Other institutes were also involved: The Nordic Sami Institute and the Norwegian Defence Research Establishment were among the contributors. An expert conference was held.

¹⁵ Mr Jervell wrote an extensive internal report (117 pages) on the Barents project.

¹⁶ Those, who took part in the seminar, were former Director General Einar Ansteensen, Head of Division Lars Fure, Assistant Director General Sverre Jevell, Ambassador Dagfinn Stenseth and Foreign Minister Thorvald Stoltenberg.

¹⁷ For instance, Minister of Defence J. J. Holst and Minister of Agriculture G. Oyangen were consulted in advance.

¹⁸ Some critical voices were registered among members of the Left Socialist Party because of the region's European link. The critics were heavily attacked by the foreign minister, asking where their call for co-operation with the Eastern countries had gone.

¹⁹ Some scepticism towards the Barents region still exists in the Russian foreign office (interview with Embassy Counsellor Rozanov). The main problem on the Russian side is that too few people are engaged in the Barents work in the foreign ministry.

²⁰ Fear of becoming involved in covering the enormous environmental clean-up costs restrained the U.S. authorities from being among the signatories.

²¹ State Secretary Helga Hernes (who was somewhat sceptical to the project), Political Secretaries Dag Terje Andersen and Nils Asbjorn Engstad were all involved in this work.

²² Cf. Stortingsforhandlinger (1992-93), pp. 2491-2420. Mr. Chaffey's inquiry was presented during the questioning hour on 20th January 1993. His party did not oppose the Barents region, although local LSP activists in Northern Norway argued against it in several newspaper articles.

²³ Nordlys, 15 March 1993.

²⁴ St.prp. nr. 80 (1991-92): Om utbygging av Norges samarbeid med reformlandene i Øst and St.prp. nr. 74 (1992-93): Om plan for samarbeid med Sentral- og Øst-Europa samt SUS-landene og i Barentsregionen.

²⁵ Cf Pedersen 1993:14.

²⁶ Cf Archer 1990:165; Young 1993:36,39-40.

²⁷ Cf *St.meld. 1992-93b*:32, 46.

²⁸ Cf *Buzan et al. 1990*:220.

²⁹ *Common categorization used eg by DG XVI (Regional Policies) of the EU Commission.*

³⁰ Cf *Veggeland 1992a*:29.

³¹ *To pursue this particular purpose and to work towards further regionalization an interest organization, The Assembly of European Regions (AER), has been established.*

³² *Professor James Mayall at the London School of Economics emphasized the negative effects of such, what he called, undemocratic behaviour (Interview 7 August 1993).*

³³ *At the party congress April 28 - 29 1993 this aspect was strongly emphasized in Resolution No. 5: "The Barents Cooperation».*

³⁴ *The Committee of Regions was formally set up in the provisions of the Treaty of the European Union (Maastricht Treaty). For further details confer Articles 198a-c of the treaty (Part Five, Title I, Section 5, Chapter 4). This point was emphasized by former Foreign Minister Holst at the Barents seminar in Det norske Videnskapsakademi, 3rd November 1993.*

³⁵ Cf *St.tid. 1992-93*:2419-2420.

³⁶ Cf *Castberg 1992b*:6f.

³⁷ *A television programme ("Rysslands okända hörn") on the Swedish TV2 channel (1 September 1993) suggested that the people who live in the zones which are governed by the military actually prefer military to civilian rule because it protects them against the frightening realities of the crime rate in Russia.*

³⁸ Cf *Holst 1990a*:9.

³⁹ Cf *Tannes 1990*:13.

⁴⁰ Cf *Kozyrev 1993*:5-6.

⁴¹ *This specific term stems from speeches held by Dr. S. Lodgaard.*

⁴² Cf. *Article J.4 in the Provisions on a Common Foreign and Security Policy of the Maastricht Treaty.*

⁴³ *For instance, Nordic co-operation has functioned very well in the UN and in relation to the SADCC countries.*

⁴⁴ Cf *Værno 1993*:159.

⁴⁵ This particular Finnish effort was known as the Great Calotte. There were also other options; an extension of the Baltic region to the north was considered at one point.

⁴⁶ Cf. article in the Northern Norwegian newspaper *Finnmarken* on 24 May 1993, p. 5.

⁴⁷ Cf Joenniemi 1992:3.

⁴⁸ Even though the number of inhabitants in this case does probably not give a proper indication, the country's proportion of the total population of the Baltic region is a mere 17.1% (Veggeland & Hedegaard 1993:136).

⁴⁹ Cf Neumann 1992a:86; Værno 1993:79.

⁵⁰ Cf Tunander 1989:17.

⁵¹ The various border alternatives and Russian and Norwegian preferences are discussed in greater detail in Fleischer, C. A. (1984): Folkerett, Oslo: Universitetsforlaget. See also Holst, J. J. & Heradsveit, D. (eds.) (1985): Norsk utenrikspolitikk, Oslo: TANO.

⁵² Cf Tresselt 1988:80.

⁵³ Cf Hoel 1993:5.

⁵⁴ Stated by State Secretary S. Bjerke at the PETRO '93 Conference on 2nd September 1993 in Harstad.

⁵⁵ Cf Skogan 1993b:49.

⁵⁶ Cf Roginko 1993:25.

⁵⁷ Stated by Embassy Counsellor Vadim Rozanov, Embassy of the Russian Federation, Oslo. Technical expertise and banking/finance institutions, which are available on short notice, enhance the important role of the vicinal Nordic counties.

⁵⁸ Stated by sources at the EU delegation in Oslo.

⁵⁹ Confirmed by Embassy Counsellor V. Rozanov, Embassy of the Russian Federation, Oslo.

⁶⁰ Cf St.prp. 74 1992-93:11.

⁶¹ Cf Kjolberg 1993:12-13.

⁶² *International Herald Tribune*, 15 December 1993, pp. 1-2.

⁶³ Cf Dolvik et al. 1991:46.

⁶⁴ Cf Cheredeev 1992:124.

⁶⁵ Cf Roginko 1993:26.

- ⁶⁶ Cf Veggeland & Hedegaard 1993:101.
- ⁶⁷ Cf Cheredeev 1992:123.
- ⁶⁸ Cf. articles in *Aftenposten*, 8-9 December 1993.
- ⁶⁹ Cf *St.meld. 42 1992-93*:52.
- ⁷⁰ Cf *Hoel* 1992:4.
- ⁷¹ *Dagens Næringsliv*, 30 November 1993, p. 16.
- ⁷² Press release no. 206/93, Royal Ministry of Foreign Affairs.
- ⁷³ Cf Veggeland & Hedegaard 1993:128.
- ⁷⁴ Cf Joenniemi & Wæver 1992:9; Skaaning 1990:4.
- ⁷⁵ In an interview with the author, this view was expressed by Mr F. Thiollier, Deputy Head of the EU delegation, Oslo.
- ⁷⁶ Cf Forsell 1991:41; Randa 1993:5-6,10.
- ⁷⁷ Cf Veggeland & Hedegaard 1993:128.

Bibliography

Archer, C. (1990): Arctic Cooperation: A Nordic Model, *Bulletin of Peace Proposals*, vol. 21, No. 2, pp. 165-174.

Buzan, B. et al. (1990): *The European Security Order Recast: Scenarios for the Post-Cold War Order*, London: Pinter.

Castberg, R. (1992b): Local Russian Priorities in the Barents Region, The Fridtjof Nansen Institute, *RSN Report*, No. 7.

Castberg, R. and Stokke, O. Schram (1992): The Barents Region: Environmental Problems in Murmansk and Archangel Counties, The Fridtjof Nansens Institute, *RSN Report*, No. 4.

Cheredeev, S. (1992): Economic Development and Reforms in the Russian Arctic under Transition to Market Economy, in: **Jervell, S., Kukk, M. and Joenniemi, P.**: *The Baltic Sea Area*, pp. 120-129, Oslo: Europa-programmet.

Cohen, S. (1973): *Geography and Politics in a World Divided* (Ch. 3: Geostrategic and Geopolitical Regions), New York and London: Oxford University Press.

Dølvik, J. E. et al. (1991): Norsk økonomi og europeisk integrasjon, *FAFO Report*, No. 130.

Fleischer, Carl August (1984): *Folkerett*, Oslo: Oslo University Press.

Forsell, L. (1991): *Regional politikk i EF*, Oslo: Oslo University Press.

Hauge, F. et al. (1992): Dumping of Radioactive Waste in the Barents and Kara Seas, *Bellona Working Paper*, No. 3.

Hoel, A. H. (1993): Researching the Barents Sea Fisheries Resources: Widening the Agenda?, The Fridtjof Nansen Institute, *N Report*, No. 2.

Holst, J. J. (1990a): European Security. A View from the North, *NUPI Report*, No. 438.

Holst, J. J. and Heradsveit, D. (eds.) (1985): *Norsk utenrikspolitikk*, Oslo: TANO.

Joenniemi, P. (1992): Norden i det nya Europa: Quo Vadis Finlandia?,

Europa-programmet, No. 6.

Joenniemi, P. and Wæver, O. (1992): Regionalization around the Baltic Rim, *Background Report*, Stockholm: The Nordic Council.

Kjølberg, A. (1993): Sikkerhetspolitiske aspekter ved et samarbeid i Barentsregionen, *FFI (Norwegian Defence Research Establishment) Report*, No. 5015.

Kozyrev, A. (1993): Det nye Russland og Atlanterhavsalliansen, *NATO Nytt*, No. 1, pp. 4-7.

Moe, A. (1992): The Energy Sector of the Barents Region, The Fridtjof Nansen Institute, *RSN Report*, No. 6.

Neumann, I.B. (ed.) (1992): *Hva skjedde med Norden? Fra selvbevissthet til rådvillighet*, Oslo: J.W. Cappelen.

Pedersen, R. E. (1993): Canadas utenriks- og sikkerhetspolitikk. Atlanterhavsforbindelsene og utfordringene i nord, *Security Policy Library*, No. 1.

Randa, S. (1993): The Barents Region in an EC Context, Center for European Studies, *NMS Working Paper*, No. 10.

Roginko, A. Y. (1993): Arctic development, environment and northern natives in Russia, in: **Käkönen, J.** (ed.): *Politics and Sustainable Growth in the Arctic*, pp. 25-33, Dartmouth: Dartmouth Publishing Company.

Skogan, J. K. (1993b): Kontakt i nord under en historisk synsvinkel, *Nordisk Kontakt*, No. 6, Special Issue, No. 2, pp. 59-64.

Skogan, J. K. (1993c): Norge, Russland og betydningen av Kola-halvøya i historisk lys, *Internasjonal Politikk*, No. 1, pp. 37-60.

Skorve, J. and Skogan, J. K. (1992): The NUPI Satellite Study of the Northern Underground Nuclear Test Area on Novaya Zemlya. A Summary Report of Preliminary Results, *NUPI Research Report*, No. 164.

Stokke, O. Schram (1994): Beauty and the Beast? - Norway, Russia and the Northern Environment, *R Report*, No. 1.

Stortingsproposisjon nr. 80 (1991-92): Om utbygging av Norges samarbeid med reformlandene i øst («Øst-Europa-programmet»), Oslo: Royal Ministry of Foreign Affairs.

Stortingsproposisjon nr. 74 (1992-93): Om plan for samarbeid med

- Sentral- og Øst-Europa samt SUS-landene og i Barentsregionen*, Oslo, Royal Ministry of Foreign Affairs.
- Tamnes, R.** (ed.) (1990): Soviet «reasonable sufficiency» and Norwegian security, *Defence Studies*, No. 5.
- Tresselt, P.** (1988): Norsk-sovjetiske forhandlinger om avgrensning av kontinentalsokler og økonomiske soner, *Internasjonal Politikk*, No. 2-3, pp. 75-94.
- Tunander, O.** (1989): *Cold Water Politics: Maritime Strategy and Geopolitics of the Northern Front*, London: SAGE Publications Ltd.
- Veggeland, N.** (1992a): Hvor stort eller hvor lite et Europa - Visjoner om et «Regionenes Europa», *Europinion*, No. 3, pp. 23-30.
- Veggeland, N.** and **Hedegaard, L.** (1993): *Impact of the Development of the Nordic Countries on Regional Development and Spatial Organization in the Community (Final Report)*, København: NordREFO.
- Værnø, G.** (1993): *Lille Norden - hva nå? Splittelse og samling i EFs kraftfelt* (including a chapter on «The Barents Initiative»), Oslo: J. W. Cappelens.