

# The Dilemmas of Combining Military and Academic Studies - The Israeli Experience

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**L**ike any professional military in a democratic country, the Israeli Defence Forces (IDF), and especially the Colleges, have to train officers who can meet challenges successfully.

At the Military Colleges, we consider the military profession as a vocation in the full sense of the word. The profession's uniqueness is expressed in its definition as an art and a science. The two - art and science - exist in a state of mutual tension between the intuitive and the analytic, between understanding and knowledge, between conceptual development and its translation to a concrete goal. This dialectic unity

is moulded into the concept of the officer's training.

The Colleges' mission is to train senior officers for the tasks they will have to perform - to create a conceptual infrastructure, to broaden their horizons, to nurture their intellectual curiosity while focusing on military and defence issues in the specific context of the IDF and the state of Israel. The Israeli Defence Forces is a military organisation which operates in a most complicated environment, defending the country minute-by-minute, day-by-day, against conventional and non-conventional threats, including, of course, the threat of terror.

For a long time now, the military profession has been perceived as interdisciplinary in essence, and this is surely the case in times like these, which are characterised by many changes, complex threats, conflicts and warfare, and in which there is an ongoing dialogue between the military and society. Such a profession demands an interdisciplinary understanding of different knowledge structures, including history, education, science, culture, ethics, psychology, philosophy, strategy, and tactics. It is a profession that demands thought, vision and application, team leading, historical and moral consciousness, abstract thinking together with

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performance, planning and organisation, self-inquiry and criticism.

This perception constitutes a major influence on the way in which curricula are constructed in the Colleges, and the way the trainee's command concept is developed. The task is not at all simple. How can such a diverse person be designed? How do you raise such a soldier? What sort of education will be appropriate and will manage to do it all?

In this article, I will briefly try to portray our dilemmas, as well as some of the answers. However, it is necessary to start with a short introduction which will describe the special professional training of commanders in the IDF; I will then go on to describe the interaction of the Colleges Command with the academic world in Israel, and then discuss the way we perceive the worth and the value of academic studies. The heart of this article will present the embedded contradictions between military and academic studies in our view, refer to the commander's role in this process, and finally portray our campus vision.

First of all, let us have a look at the 5 IDF Colleges, and the way they interact with the officer's career.

Seeing and analysing the professional growth of the Israeli officer will make it clearer. Let us examine the growth of an army officer as an example. Recruitment to the army takes place at the age of 18. A soldier becomes a commander - goes to a cadet school - approximately at the age of 20, after which he acquires his first commissioned officer's rank and becomes a platoon leader. From then on, all the major professional turning points in his career will involve one institution or another of the Colleges Command. He will study two years in the Tactical Command College and become a company leader. Then he will come back to us at the age of approx. 30 to the CGSC, where he can study in one of our three institutions: the Joint Staff Course, the Air Squadron Course and the General Command and Staff Course for Land Brigade Leaders. Then he will go on to the National Defence College. Senior managerial training is part of another course,

which will eventually become part of the IDF Colleges.

Division Commanders will learn the operational level in another course. It should be pointed out, by the way, that most of the professional staff officers (engineers, lawyers and the like) acquire their BA degrees on their own time outside the college.

As we can see, current military- academic interaction is characterised by dependency on two universities: Haifa and Jerusalem. We still do not give our own academic degrees, although we plan to do so in the future.

Academic studies, in our eyes possess three important advantages: they develop certain competences and abilities; they provide some highly important instrumental values, and, last but not least, they truly support the military profession. Any army wishes to promote officers intellectually: by encouraging their spirit of inquiry, by encouraging them to explore their surroundings, by providing them with research skills - the ability to collect and analyse data wisely, they enhance and develop their systematic approach to in-

terpreting reality and learning to understand interactions between realms of knowledge or disciplines. In addition, they learn more about the complex world they live in, broaden their horizons, and develop the ability to ask, not only to answer. And no less important—a soldier has to be integrated into his own society. We attach great importance to maintaining dialogue between the military and civilian society in every aspect, including by mutual study.

However, we are not naïve: academic degrees also provide extrinsic benefits. They mean higher salaries, better social mobility, especially when officers begin a second career (after the age of 50) By sending better educated officers into the civil service and the business world, we indirectly contribute to an improved society, and nation.

But the most crucial benefit of them all is their real contribution to the military profession, which is multidisciplinary. Academic subjects shed light on implicit dimensions and add validity and depth to the military profession.

However, at this point, we should ask ourselves: can we really separate between military and academic studies? Is a course on Military Ethics, a seminar in Military Psychology or Military History merely academic? Is it not rather at the heart of our profession? And conversely: Is a course in Tactics, Command and Control or Military Law given by our staff and colonels, that gives full academic credit, not to be considered academic? Sometimes the line between the two is not so clear-cut.

Having said all that, we can now proceed to an analysis of our eight dilemmas, pointing out some embedded contradictions between military and academic studies.

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### ***1. The Dilemma Between Academic Scepticism and Military Discipline***

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**Is it right to educate toward self-reliance and “undermining” the system, or toward discipline and obedience?**

A leader must possess, among other things, the ability to critically examine

his own moves and those of the environment, to be able to change and to be changed. Perhaps in the armed forces more than anywhere else a leader should know how to walk against the current, to be doubtful, not to conform, to search for a new order, to ask questions about the benefits of a course of action, to “drill” alternative models in his mind for analysing reality – that of his unit as well as the enemy’s. In a complex and dynamic world, this ability is vital for success, to be able to anticipate the enemy’s moves, thoughts and performance. Nevertheless, military command structure is based on the idea of cohesion, continuity, unified language, discipline and a unified goal. Only so can a human being find the strength to rise up and act against its own nature and endanger its life. Both a commander and subordinate must obey orders, otherwise anarchy would ensue. Discipline is, among other things, the professional reasoning for performing one’s tasks. It makes it possible to rely on a hierarchical authority structure contained in

orders and a systematic comprehension of the superior echelon's intentions. The question is, what is the role of the Colleges in this? How does one build an officer to function in the tension between these poles?

The solution to this dilemma is found in setting a proper mix of clear external normative rules and a common professional base. These are based on the idea of a military command structure vis-à-vis an intellectual dialogue and academic culture.

In the Colleges, we attempt to develop a sceptical attitude; to encourage creative and independent thought, listening to other opinions in the group and being tolerant; to carry out research which elicits new questions; to examine the officer's performance in exercises; and to encourage analysis and professional acts which rely on stratagems and professional thought on the one hand, and on "subversive" ideas on the other.

We encourage enterprise, autonomy, non-simplistic thinking and critical exami-

nation, and reward each of these. A student's appraisal is not based on narrow questions, having a single right answer, but on a diverse and rich vision of reality. All this is done without making any concessions on normative military codes: dress, schedule, reporting, honouring high-ranking commanders and systematic explanations of different professional opinions.

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### ***2. The Dilemma Between Choices in Curriculum and Obligatory Courses***

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The whole idea of an academic curriculum is the freedom given to the students to choose among courses according to their own will, taste, interest and curiosity. However, the military profession demands control over specific subjects. For example, officers must take courses on terrorism and guerrilla warfare, the 1973 War, technology and so on, so that together with the core courses, we leave them less choice to follow their own way. So, what is the

solution? We try to build "subject clusters". The cluster itself is obligatory (for example, World War II); however students can focus and choose within it. We also enable our students to do research on topics that appeal to and suit their interest. But, as mentioned above, most of the courses cannot be omitted from our college curriculum.

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### ***3. Time Consumed by Academic Studies vs. Time Consumed by Military Subjects***

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The academic courses can be very demanding and require a vast amount of reading and writing. However, military studies are also very demanding: reading, war-games, simulations, drills, case studies. How can we guarantee that our officers will dedicate time to their core profession? We do it by constantly emphasising commands, by putting an effort into building a reasonable curriculum, keeping our promises and offering students a full day off dedicated to self-directed study.

#### ***4. Mixed Classes with Civilians vs. Secluded Classes***

Our students usually study one day a week at the university, while other courses take place in our military college. While studying in the civilian university, we encourage our students to feel the “campus atmosphere”, to mingle among the other students, to hear other opinions, and to actually contribute to the discourse between civilians and army commanders. Learning in secluded military classes encourages the same common, limited rationality of the dominant military culture. However, not all the courses can be shared with the general public, for a number of reasons: first of all, there is confidentiality; sometimes also because we wish to promote advanced, relevant professional interactions among members of the group.

#### ***5. Academic, Classic Knowledge vs. Existing, New Experience***

The current conflict and the rapid changes in the battlefield have laid a new dilemma at our doorstep. New knowledge needs to be taught, some of which has not yet been formalised by the universities, or canonised by the Army’s Doctrine Department, but it is nevertheless crucial, legitimate and relevant. Are all the classical paradigms still effective? What should be taken out? As mature students, holding the rank of Major or Lieutenant Colonel, our trainees have rich combat and command experience. So, learning from them is crucial. However, we must balance between classics and innovation and the right course must be checked constantly.

#### ***6. Broader Approach vs. Job-related Studies***

Is it right to prepare a trainee for a specific assignment or rather for a func-

tional environment? Hence: Is it right to invest time in practical procedures or should the study of broad theories be emphasised?

Acquiring a solid theoretical basis together with a broad vision is necessary for any senior position. But all positions require experience and practical vision.

The role we aim for is generic - senior commanders and officers in HQs and general staff. It is not our purpose to train for flight professions, naval or electronic warfare, gunnery or intelligence. For these purposes there are the service schools which develop specific expertise.

The trainees, as adult learners, are particularly motivated to master the use of practical tools which will assist them in their duties as soon as they return to the field. They sometimes do not appreciate that for most of them the Colleges are the last station of acquiring military education for the years to come. They therefore often believe that it is more important for them to be trained as future “best battalion commander” or “best squadron commander”.

Our insistence on a broad education for a functional environment derives from our will to advance our officers' familiarity with the organisation, the IDF as a whole included, and to create for them the ability to best participate in the design of processes and outcomes in their units. Hence, they must learn theories of command and control, force design, technology, history, management, military psychology and many other subjects. An officer must understand reality "several levels higher" than his current specific position, and also understand the needs that might occur in the battlefield, whether his commanders' or those of the military units he must support.

That is why theory is integrated into practice, academic courses together with workshops, simulations along with theoretical conceptualisation. On top of that, we stress that sometimes the theoretical context builds a talented commander, who knows how to consider substantial aspects in different situations. Usually, only when on duty after the studies, the true value of theory is realised. As a well-known say-

ing goes: "There's nothing as practical as a good theory."

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### ***7. Attractive to the Officer vs. Serving the System***

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An adult learner wants to have control over the course he pursues. He expects the system to offer him an attractive academic degree, for example, a programme that combines many management courses, cyber technology, economics, law and so on. However, the military profession, broad as it may seem, must focus on specific domains, and therefore the proportion of these other topics is smaller than the officer would wish. How do we balance between the two poles? This is a very complex question, and I will stress this complexity even further in my summary.

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### ***8. Academic Independence vs. Military Influence on the Curriculum***

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A university, by definition, grants the degrees and has the final say on the cur-

riculum. However, can't we also have a say? Is it not our right to ask for specific emphases, to point out the importance of learning certain subjects, to propose new courses, and to ask for improved teaching techniques? The answer is yes, but very carefully; this has something to do with the next point.

The military-academic education process must not be the realm of an academic professor, but of the instructors'-commanders' staff. The commander is an object of identification, an example for soldiers, and creates stimuli and learning experiences. He integrates the topics of study in the student's mind, coaches research, and is expected to follow the officer's development in the academic world as well. Our staff, as mentioned before, also teach many courses that are integrated within the academic programme. So, the staff itself must become more professional in the military realm, study and complete their PhD's, so that they can teach in the MA programmes as well.

To summarize: Our vision is to establish an independent military university

focusing on Security and Defence Studies. This university will grant BA & MA degrees, and will also have research facilities. For example, this year we have opened the "Combat Studies Institute", the main purpose of which is to serve as a military and academic think-tank for combat environment tactics, the tactical context and operational art. Its tasks will be: to examine IDF doctrines and theories, then confirm or refute them as the case may be; to develop theoretical concepts and products and answer needs in the domains of training, leadership and organisation; and to create and maintain contacts with similar organisations in other armies as well as with relevant civilian research institutes around the world.

Some of the institute's products were developed by trainees at the Colleges, mainly candidates for the position of battalion commander or staff officer in a formation. Thus some excellent studies have been made which shed new light on combat inside tunnels, on learning processes in a changing environment, on combat inside refugee camps, on coping with

a civilian population in low-intensity warfare, on the legal aspects of the fight against terrorism, on the negotiating skills required in this kind of action, and many others. Some of these studies were presented at the international conference held this year by the Ground Forces Command on the subject of low-intensity combat.

Our vision here, at the Colleges Command, is to develop an independent college for military and security studies the degrees of which will be widely respected and which will possess chairs for a variety of specifically security-oriented subjects such as military ethics, military law, military geography, military history, and more. This college would have advanced research capabilities, provided by the best minds in the State of Israel and by up-to-date facilities. The college would be attended by military officers studying full-time, before or during their service, as well as members of other security organisations in Israel and even civilians. This vision already guides our actions today and we believe it will become reality within the coming decade.

In conclusion: The challenges facing Israeli officers are enormous. The Israeli military colleges have to check themselves constantly, while building a multi-dimensional commander: a commander who is able to deal with various threats, a commander who is both philosopher and practitioner, a commander who understands the complexities, but also knows how to give simple solutions. We hope we see this mission accomplished.

# Just an illusion? Organisational change in the Netherlands Defence Forces

By Dr. Myriame T.I.B. Bollen\*

## 1. Towards a New Equilibrium

In September 2003, the Dutch Government introduced a whole gamut of changes to reach a new equilibrium between the Dutch Defence Forces' tasks and the available means to perform these tasks. Two keywords form the core of the Government's change plans, the first is "reduction" and the other is "innovation." Both have serious consequences for personnel within the Dutch Ministry of Defence (MoD). Earlier, in November 2002, the MoD announced the probable reduction of 4,800 functions as a result

of efficiency measures. At that time, the keywords were "less bureaucracy" and "less staff." Today's changes aim at streamlining tasks and budgets, at quality improvement and at an increase of the deployment in crisis operations. To reach these three goals, an additional loss of 3,800 jobs is foreseen.<sup>2</sup> Due to overrunning the budget in 2003 and ongoing reorganisations, by 2007, the Dutch MoD will have given up a total of 11,700 jobs.

The intended changes strike out on three new courses:

- The restructuring and reduction of staff personnel and supporting units
- Efficiency measures

• Interventions in operational capabilities.

The first and second courses should result in improving and streamlining the organisation's administration and, in line with this, it has been proposed to cut 2,000 on a total of 6,000 staff jobs by 2006. Moreover, departments within the Ministry of Defence, offices of commanders-in-chief and departments of Personnel, Logistics and Finance will be restructured. The much-coveted efficiency gains will be pursued by co-locating various departments for control into shared service centres and by avoiding duplication among the military services and the Central

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Organisation. One example of co-location is the setting-up of a Central Pay Office. Once this office is in use, all processes concerning the payment cycle will be centralised. Another example is the introduction of functional commands (i.e. Materiel Logistics and Personnel) which should prevent future duplication, for instance with regard to the commissioning of servicemen and women.

This paper concentrates on organisational change with regard to restructuring, reduction and efficiency measures in the Royal Netherlands Army as this service is facing extremely severe budget cuts. Throughout the article, examples from military practice are described in brief intermezzo's to illustrate the consequences of change processes at hand. The current change strategy (reorganisation) is discussed from two perspectives on change management. The first perspective I will call "bureaucratic change management," the second perspective I will name "change by co-operation." In three subsequent sections three questions are posed to show the relations between the two

perspectives on change management to military practice. The first question that is dealt with is *why* the defence organisation has to change. Secondly, the question as to *what* is meant by organisational change is discussed from the two perspectives on change management mentioned before. Thirdly, the question as to *who* are supposed to make change happen is being explored, and finally, the epilogue revisits this article's title: Is it just an illusion?

## **2. Why Should the Netherlands Defence Organisation Change?**

Organisational change is considered both a necessary and logical event when the relevant environment in which the organisation operates decides that either the organisation is not doing the right thing (effectiveness problem) or the organisation is not doing things in the right way (efficiency problem). In other words, the organisation's stake-holders, clients or users are of the opinion that there

is a problem. In the case of the Dutch MoD, two main problems in the relevant environment form the upbeat to the change processes at hand. The first problem is of a socio-political nature. While the Dutch people do not think their Defence Forces to be unimportant, they attach even more importance to other public services such as healthcare, education and fighting crime in the streets<sup>3</sup>. The second problem is of a (macro) financial-economical nature and was already referred to in the first section of this article. Both problems are closely linked, and in view of the Dutch people's priorities with regard to public services in an era of economic decline, there seems to be no way the MoD can escape the proposed budget cuts.

*Intermezzo: Why are financial control organisations subject to change?*

*The consequences of externally defined problems as mentioned above are being transferred into the organisation. For example, before changing the financial control organisation along the lines of functional commands or shared service centres, questions such as the following have to be addressed:*

- *Is the financial control organisation still doing the right thing?*
- *Is the financial control organisation still working in the right way?*
- *Are the assignments from top-level executives adequate and up-to-date?*
- *Is staff fully equipped to perform all tasks?*
- *Is ICT-support adequate?*
- *Did performance in the area of financial control prosper or suffer from decentralisation in the 1990's?*
- *What can be learned from best practices in other departments for public service, in non-profit organisations, or even in profit organisations?*

Addressing these questions can be considered a major step in the direction of the Minister of Defence's wish for "quick implementation in order to reduce uncertainty to employees as much as possible". To make this quick implementation possible, a project organisation (SAMSON) was introduced, which supports the Government and the Joint Chief of Staffs in supervising, co-ordinating and keeping an eye on the implementation of the changes.

### **3. Management Pitfalls in Change Processes**

It is SAMSON's job to direct all change processes and while directing change processes in a top-down fashion a number of pitfalls can be discerned. The first pitfall becomes a fact if and when the (project) management denies or ignores the problems. The consequences are rather obvious: for a long time little or nothing may happen as is illustrated by the following military intermezzo:

#### *Intermezzo*

*Ever since the plans for the formation of a Central Pay Office became known, employees involved with payment processes have been concerned about this new working environment. They are uncertain about things such as the numbers and know-how of necessary staff, their definite work station, or the ways in which they are going to have to communicate with decentralised units. Some months ago, the project-management invited those concerned to an informative meeting, but sadly enough, the project-leaders were unable to answer these and similar*

*questions. Besides, they made it clear that on the short term no definite answers could be expected. The invited employees felt disappointed, which may prove to be even more painful, since these are the people that are needed to make preparations and also to inspire enthusiasm about the new organisation.*

The second pitfall occurs when managers and staff try to solve problems on their own. In other words, the management and staff will devise a solution and decide upon a blueprint regarding the structure, strategy, systems and culture of the new organisation. Left out of these creative and decision-making processes, chances are that subordinates will not comprehend or agree with the blueprint and the dreamt-up solutions. As a result, they may not feel especially committed to the top-down proclaimed necessity to change. After all, personnel that lacks the insight into the motives for the change processes, will wonder why they should change at all. As a rule, their managers will label such an attitude as "resistance to change..."

## *Intermezzo*

*According to employees at decentralised units of the Netherlands Army, the project-managers did not make much use of their ideas and plans for improving the mismatch between running costs and investments. The employees were at a loss for understanding because previously, the so-called Efficiency Teams that gathered the ideas in the first place, labelled their suggestions as "excellent ideas to improve time-consuming standard procedures." Under these circumstances, it may need a small miracle for these employees to ever again devote any time to improve efficiency.*

Whenever external standards for assessment are absent, chances are that managers and staff tumble into the third pitfall. After all, one can think up a sheer endless amount of potential blueprints and it proves to be nearly impossible to predict the problems that may occur after one or the other blueprint is put into use. Therefore, any follow-up problems are easily blamed on the "wrong" interventions resulting from choosing the "wrong" blueprint. As a consequence, the organisation enters a vicious circle, and

in due course may find itself in the middle of the next reorganisation with a yet another blueprint to solve the problems caused by the former one.

The point of lacking external standards can also be illustrated by comparing current management maxims to those in the 1990s. During the 1990s, organisational change was focused on decentralisation and decentralised *result responsible units* were proclaimed to be the ideal organisational states. Nowadays, in times of economic decline, the managerial maxim appears to have shifted the other way. Centralisation seems to be the leading motive in many instances of organisational change. As in the 1990s, again there seems to be a lack of external standards to assess the effectiveness of the solutions.

## *Intermezzo*

*Due to the outsourcing of support services in the 1990s private firms, specialised in services such as administrative support, have blossomed. These firms regard ICT as an enabler. By means of ICT, these firms provide their clients with information at any time and in any format. In form-*

*ing the Central Pay Office, standards and best practices of these private firms may come into good use. However, up until now there has been little to none communication between civil servants and their counterparts in private businesses. The same can be observed about the developments concerning systems for enterprise resource planning (ERP). By neglecting to consult the "outside world" the project management runs the risk of organising the Central Pay Office along different lines than are needed to effectively implement the ERP systems. In due course, this omission may easily lead to the next reorganisation.*

## **4. Windows of Change**

As stated in the introduction, the question as to what is meant by "organisational change" will be considered by reviewing two perspectives on change management namely: bureaucratic change management and change by co-operation. In order to explain the differences between these two perspectives, this section will discuss each perspective on four aspects:

- Organisational beliefs
- Management

- Perspective on organisational change
- Purposes of organisational change

## ***4.1. The Window of Bureaucratic Change Management***

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### **Organisational beliefs**

Within this perspective an organisation is viewed as the sum total of its structure, culture, strategy and systems. Traditionally, the concept of organisation is closely related to hierarchy, control and regulations and organisational structure is seen as a hierarchical body of rules and regulations connected to organisational behaviour. Differences between formal and informal organisations are acknowledged. Usually, the informal organisation equals the organisational culture: the values, norms and beliefs the organisation's members hold in common. Whereas structure and culture regulate the internal behaviour, organisational strategy defines the organisation's behaviour towards the outside world. There should therefore be

a fit between structure and culture and, to quote Chandler in "Strategy and Structure" (1962): "Structure follows Strategy."

Since 1982, when Peters and Waterman wrote their best-selling 'In Search of Excellence', systems are recognised as a particular kind of structure. Systems refer to the regulations and procedures according to which organisational processes should be run. Structure, culture, strategy and systems define organisational behaviour. Organisational change focuses on and begins by changing structure, strategy, systems and culture, that are often regarded a cybernetic system.

### **Management**

Within this perspective managers are awarded four important roles. Firstly, the manager decides who has to do what, and secondly managerial decisions are delegated in the hierarchy; the manager prescribing the way in which -the delegated- tasks have to be performed. Thirdly, employees are told not only what to do but also how to do it and,

finally, all the while the management commissions staff personnel to regulate the work processes.

### **Perspective on Organisational Change**

When changing an organisation one starts by changing the organisational structure, strategy, culture and systems. Sometimes organisational change even equals changing the power structure, but basically, the bureaucratic assumption is that behavioural change follows organisational change (reorganisation). There are two problems concerning this assumption. Firstly, as many experienced managers have noticed to their chagrin, behavioural change does not manifest itself automatically as a reorganisation's outcome. Secondly, reorganisation processes are seldom looked upon as favourable by the organisation's members, for at best they regard them as time- and energy-consuming affairs that have to be put up with while, at the same time, work goes on as usual. The overall commitment to reorganisations is often rather low and these will have little effect on behavioural change.

Another related bureaucratic assumption is that in organisational change, firstly, you change the organisational design (i.e. a new organisational structure) and, secondly, you go on and implement the new design. In this way, the two processes of reorganisation and organisational learning are forced apart. As a consequence, personnel may adhere to their “old” behaviour for a long time during the reorganisation, which is one of the reasons that reorganisations often result into new bureaucracies. Moreover, there is the fact that processes of reorganisation often turn out to be highly dependent on the will-power and negotiating skills of the change-agents. They are energy-consuming processes, which may strain the change-agents to their limits

### *Intermezzo*

*During the 1990s, personnel throughout the Dutch Defence organisation has been involved in decentralising processes. It took a lot of effort to design the corresponding administrative organisation, i.e. developing procedures and tools for decentralised decision-making and for delegating responsibility to lower organisational levels.*

*Due to current reorganisation processes, the administrative organisation again has to be redesigned. This time, the focus will be on doing the job as requested by superiors instead of on self-reliance and autonomy. To a large extent, the intended changes involve the same personnel also involved in the 1990 reorganisations.*

### **Purposes of Organisational Change**

Bureaucratic change processes begin by presenting a blueprint regarding the new organisational structure. In this way, realising the blueprint becomes the ultimate change purpose. Mainly, the discussion is about the new structure, strategy, systems and culture the management and their staff have thought up. The central question hovering over the intended changes seems to be: “What do we have to do?”

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### **4.2. The Window of Change by Co-operation**

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### **Organisational Beliefs**

Within this perspective, an organisation is viewed as a network of relationships, processes and agreements

needed to co-operate. In order to solve the organisation’s problems, thinking, acting and deciding is considered necessary at all levels. Organisational behaviour refers to all behaviour that is mutually agreed upon. At least, this requires the existence of consented agreements. The function of these agreements is to make the organisation’s members aware of “how” they are supposed to act. The agreements are embedded in insights, and by means of these the organisation’s members are able to understand the agreements in use. These insights shed a light on the question “why” these specific agreements have been made. The ultimate layer of organisational behaviour concerns principles since they are needed to understand the insights. They refer to the organisation’s ideology; the type of organisation “we want to be”<sup>4</sup>. An organisation is viewed to be the sum total of its agreements, insights and principles that define the collectively agreed upon behaviour. Organisational change focuses on and starts with changing organisational behaviour.

## Management

Within this perspective, managers at all levels are required to maintain and develop adequate agreements, insights and principles. There are three important managerial roles to be considered. Firstly, there is the *entrepreneurial* role. In performing this role, a manager is continually on the look-out for threats confronting and opportunities awaiting the organisation. As opposed to their counterparts in bureaucratic environments, it is not expected that the management -together with some bright staff-personnel- should solve the problems on their own<sup>5</sup>. On the contrary, by matching the external threats and opportunities to internal strengths and weaknesses, the management is expected to select the most relevant problems (or challenges) the organisation faces. Together these selected problems make up the *strategic agenda*. By delegating the selected problems to so-called *problem-owners* the management performs its second role. Problem-owners are responsible for solving the problem and they may consist of already existing sections or departments, or else,

new teams formed to fit the occasion. In transferring the problem to the problem-owner, managers should take care to define the problem in terms of the organisation's stake-holders, clients or users. Last, the third managerial role refers to managing the interfaces between various problem-owners. In order to perform this role, managers should be aware of interdependencies in decision-making processes between the different parties. If necessary, the management provides specific structures and systems for communication between interfaces. In its essence, the management is expected to offer conditions for decision-making processes on behalf of the parties involved in problem solving.

## Perspective on Organisational Change

Organisational change equals changing organisational behaviour, and therefore, the effects of change should be that the organisation's members are indeed working differently, showing new behaviour, or doing another job. In this sense organisational change also equals

organisational learning<sup>6</sup>! Structure, strategy, systems and culture are viewed to be means of regulation, as they refer to stability, continuity and permanency. Therefore, they cannot be used as tools to govern organisational behaviour nor as leverage to force organisational change.

In order to change the organisation, at least, the layer of agreements (see section 4.2 organisational beliefs) will have to change. Organisational change processes that are limited to this layer are referred to as *improving* the organisation i.e. quality or service improvement. Basically, the views about how the organisation should operate and its relations to the external environment remain unaltered. At the layer of insights also, change may be needed, and in this case change processes and organisational learning take on the form of *innovation* processes, i.e. changing interdepartmental relations, introducing new concepts of distribution, outsourcing maintenance, etc. In order to innovate effectively, the organisation will have to be clear about why change is necessary for future developments. Last,

the organisation's corporate mission or identity or its position in the market or in society may be at stake. In this case, organisational change affects the layer of principles. Change processes at this level of intensity may result in another organisation altogether and are referred to as *organisational development*. An example of organisational development would be the transformation of Mintzberg's machine-bureaucracy into a demand-driven, task-oriented flexible organisation<sup>7</sup>.

While changing the different layers of organisational behaviour an organisation's strategy, structure, systems and culture will adapt to the new situation. Alterations in these elements of regulation are regarded as the outcomes rather than the starting points of the change process.

### *Intermezzo:*

*Concurrent with the implementation of result responsible units (RRUs) in the Royal Netherlands Armed Forces, the Evaluation and Auditing bureau emerged. This bureau was supposed to support commanders of RRUs in moni-*

*toring their delegated responsibilities and in reporting results to higher levels of command. At first, the bureau was perceived as yet another instrument of control. Thanks to the supporting attitude of the staff at Evaluation and Audits, commanders changed their views and appreciated the services of the desk as valuable tools of management. Based on the information provided by Evaluation and Auditing, commanders improved their capabilities with regard to leadership and the performance of primary tasks. Also, the information enabled commanders to explain more clearly to their subordinates the importance of materiel, personnel and financial control within the RRU's area of responsibility. As a result, members of the RRUs have been able to timely adapt their operational activities if necessary and commanders have been able to inform the higher levels about their RRU's performance adequately.*

### **Purpose of organisational change**

Organisational change starts by acting differently<sup>8</sup>. If and when possible, existing structures, strategies, systems and cultures should be left alone. Current and future users, stake-holders and clients de-

cide what has to be changed and whether things are being changed in the right way. In this perspective, management of change focuses on the course the organisation wants to follow and to know which course to plot, three questions should be addressed<sup>9</sup>. Firstly, the organisation should be clear about what it can do. This question refers to the core competence; as well as to the skills and knowledge of employees, technologies in use and to the organisation's reputation and image in the relevant environment. Secondly, the answer to the question what "risks" the organisation will dare to take is decisive for the sort of strategy the organisation can embark on and lastly, the organisation should state for whom it will put its core-competence into use. Answering these questions indicates the organisation's direction. In turn, the organisation's direction gives meaning to the organisational behaviour.

One question the organisation should refrain from answering, is: "What do we have to do?" After it has been decided which are the most important users, stake-

holders and clients, these parties should be involved in answering this specific question. In that way, they will become participants of the organisation.

### *Intermezzo:*

*The Netherlands Army hosts centres for training and education. Together with important users such as the 1st Division, these centres set standards and goals for military training and education. Feedback from the 1st Division provides the centres with information on the experiences with newly educated personnel. By means of this feedback, the centres are able to adapt their educational programs according to their users' demands. In this way, the users themselves have become partners in the educational process.*

## **5. Who Are Supposed to Make Organisational Change Happen?**

Organisational change is necessary if and when stake-holders in the relevant environment decide the organisation faces some problem. Whenever there is a problem there is also a problem-owner. Prob-

lem definition is conditional on the perceptions of the problem-owner involved, since different problem-owners may regard the same problem from various points of view and besides, they may hold different ideas on the organisation's future state. Therefore, a key question in organisational change processes is: "Who are the problem-owners?" Within both perspectives on change, as discussed in section 4, different views on problem-solving in relation to management of change are expressed.

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### **5.1. Bureaucratic change management**

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In this perspective an organisation consists of three separate groups. Firstly, from their specific disciplines (i.e. finance, personnel, logistics), the *thinkers* define the problem. Then, new sets of rules, regulations and criteria are suggested to solve the problem. In the meantime, the *doers* face a problem that may be characterised by financial or personnel as well as logistical aspects; all demanding to be solved

at the same time. *Doers* are concerned mainly with feasibility. Often, in their view, it will not be likely that all different aspects of the problem can be solved satisfactorily. The third group, the *decision-makers* are supposed to build the bridge between theory (*thinkers*) and practice (*doers*). They command both the thinkers and the doers and they decide on what will be done, how and by whom. *Decision-makers* at the top of the organisation can act either top-down using the hierarchy, or else by commissioning their staff to keep a sharp eye on operational activities. Whenever one way fails, the decision-makers embark on the other way.

### *Intermezzo*

*Within the Netherlands Army, materiel control has always been subject to audits. At first, necessary improvements were discussed among Commander's staff personnel and subsequently, improvements were implemented by way of functional relations. However, from the time the Office of the Auditor General became involved with the Army's ways of materiel control, it has turned into a subject discussed in the chain of*



*command. Note, improvements are implemented top-down.*

A strict division between thinking, doing and decision-making will lead to partial problem-ownership and feelings of partial responsibility for solving the problem. Also, each party is dependent on other parties to solve the problem. Continually, thinkers and decision-makers will have to convince themselves and the doers that they are right. As a result of the partial problem-ownership, neither party is able to solve the problem. Whenever you lack the means to solve things adequately, of course you can always pass the buck to someone else. To this effect, the focus will be on discussing everybody's tasks, rights and responsibilities instead of on solving the problem.

### *Intermezzo*

*The commander of a RRU is responsible for financial control processes within his RRU. In order to cope with financial control tasks, specialised personnel has been assigned to the commander's staff. One would expect "finan-*

*cial control" to be an important topic of conversation in the chain of command. However, in practice, financial control is managed mainly at the level of functional relations. Whereas co-ordination at functional levels to support the commander's financial decision-making processes is useful, keeping financial information out of the chain of command is not. By acting this way, the thinkers communicate along functional lines only and decision-makers are not informed properly. As a result, decision-makers start to feel that financial control is not a commander's business at all. In the meantime, personnel such as business administrators at RRUs (the doers) are trapped between the thinkers and the decision-makers in an example of the paper-world next to the real world!*

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### **5.2. Change by Co-operation**

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Within this perspective on organisational change, the problem-owner plays a crucial role in defining the problem and solving it. Problem-owners are teams that think, decide and act upon the various facets of the problem<sup>10</sup>. Team members are selected on the basis of three

criteria, namely *competence, commitment and their position in the organisation*. Competence refers to the specific knowledge, skills or attitudes necessary to tackle the problem at hand. Competence determines the quality of the problem-solving process and commitment refers to the motivation and drive to solve the problem. Therefore, commitment will be positively related to the amount of energy team members will devote to solving the problem. Finally, the organisational position of each team member indicates the authority and responsibility the team represents.

It is a manager's job to create problem-owner teams that harbour the right mixture of competence, commitment and organisational position to solve the problem adequately. Adequate problem-solving processes take into account all relevant aspects such as quality, feasibility, urgency, interdependency and acceptency of the suggested solutions. Hierarchically, relations between problem-owner and higher organisational echelons can be viewed as a principal-agent relationship as both parties have to agree on the definition of

the problem. Defining the problem is a common responsibility which may sometimes evoke a re-orientation on the organisational strategy. After both parties have agreed, a contract is made, which refers to accountability, conditions and available means. Key-elements are the *problem-owner's responsibility, the degree of autonomy of the team and the required results*. By way of the first key-element, responsibility, the goals are set. Responsibility refers to the problem-owner's mission. The problem owner's scope or authority is not open to discussion. After all, the team is selected to do anything that is necessary to solve the problem, with the exception of those things that are illegitimate. These refer to the second key-element, the limitations to the problem-owner's autonomy. Periodically, the problem-owner reports to the manager on the matter of results and obtained results, the third key-element, are matched with the team's responsibility.

## *Intermezzo*

*To implement a new system for materiel control (MBNS), the management installed a*

*project-team with clearly defined responsibilities, goals and dead-lines. Commanders of RRUs were to report to the project-team about the progress within their RRU. When commanders reached their goals, the project-team conducted an audit. During implementation, the project-team manned a help-desk to actually support the RRUs when necessary. By working this way, problems were solved more quickly and adequately than expected, even those that appeared extremely treachy at the onset.*

## **6. Is Organisational Change Just an Illusion?**

To a certain extent, today's change processes in the Netherlands Defence Forces aim at staff reduction but they are also about innovation. Operational capacities are to be strengthened and the capability for expeditionary deployment is to be improved. Ultimately, the ambition is for the Netherlands Defence Forces to act both effectively and decisively.

Important questions of an "organisational behavioural" nature are put forward. For instance, how is the

organisation going to reach its goals and how do we motivate personnel to actually behave in new ways? How do we make sure things will be done differently from now on?

Within the scope of this paper, I have matched some recent practical military experiences to two perspectives on organisational change. To prove my point, I have emphasised the differences between these perspectives. In practice, both views on change may blend more easily.

However, those who feel themselves at the "receiving end" of the change processes may often favour the co-operative approach. By going about change processes in this way the degree of resistance to change may decrease. Also, change by co-operation may be positively related to employee's involvement and identification with the goals that have to be reached. Besides, as some of the intermezzos make clear, chances are that the new organisational behaviour will actually manifest itself. Like for instance, the centres for training and education that adapt

and improve their educational programmes in close interaction with their “users” at the 1st Division. The same can be said for the staff employed at Evaluation and Audits who, instead of turning themselves into obstacles of control, developed highly appreciated means of management support. In both cases, organisational change started by behavioural change and proved to be anything but an illusion!

To paraphrase two Dutch authors on change management (Swieringa and Elbers, 1996): “In organisational change, to a large extent, the way you go about changing your organisation determines the kind of new organisation you will end up with”.<sup>11</sup>

This maxim holds true, because concurrent with the strategy of change the underlying principles and views are transferred. In case of change by co-operation, together with the most important stakeholders, users or clients the organisation will try to find answers to questions of “what should be changed” and “who are supposed to change.” This approach to

organisational change focuses on the desired and collective organisational behaviour, to which both employees and external stake-holders will be committed.

The strategy of reorganisation, on the other hand, springs from bureaucratic principles and as a result, using this strategy will bring about another organisation that subscribes to the same principles and views as it did before. Therefore, should the Netherlands Defence Forces plan for a new organisation, which is to be both effective and decisive, they will have to change in a way compliant with this ideal.

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<sup>2</sup> *Prinsjesdagbrief*, Ministerie van Defensie, 16 september 2003 en *Najaarsbrief*, Ministerie van Defensie, 8 november 2002.

<sup>3</sup> National Survey held by SMK/NIPO (2001) in: Moelker R. en J. Soeters (Eds.) *Krijgsmacht en Samenleving*, Boom, Amsterdam, 2003, pp. 72

<sup>4</sup> Schein E.H. *Organisational Culture and Leadership: a dynamic view*, San Francisco, 1985.

<sup>5</sup> Bass B.M. *Transformational Leadership: Industrial, Military and Educational Impact*, Lawrence Erlbaum Associates, publishers Mahwah, New Jersey, 1998.

<sup>6</sup> Argyris C., *Strategy, change and defensive routines*, Ritman, 1985.

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# Themes of State Power: People

By Frederic Labarre\*

**O**n his seminal book on international relations, Hans Morgenthau listed a certain number of attributes which affected the relative power balance between States. Among these were geography (size of territory, location, geographic features, such as mountains, etc.), natural resources (water, forest, arable land, etc.), and the size of the population.<sup>1</sup> These are some of the staples of state power, and power is essential in achieving and maintaining independence, and independence, while it has lost much in terms of its definitional purity (and we should be thankful for that, because the isolationism that independence brings is much a factor of international friction), the people, as a resource at the disposal of the state, remain as important as ever.

This does not mean that people, especially those who serve the state in the bureaucracy or armed forces have not been neglected by their employer in the past. People were “neglected” at the Somme, at Gallipoli, Caporetto, Stalingrad, and closer to us, Kigali, Sarajevo and Port-au-Prince. They were neglected by other nations or individuals who associated themselves with the state. This neglect does not only happen in war. This is the drama that is unfolding to the east of the Baltic States: the Russian Federation loses, by some estimates, close to one million people a year. 2000 was the worst year for Russia: a net loss of 958 500 people. The death rate is 1.7 times higher than the birth rate.<sup>2</sup> Russia, once a superpower, is increasingly

at risk of being incapable of doing anything – because there is nobody there to do it.

In Africa, the problem is the same, but repeated in slow motion. Africa will *never* emerge with all its potentialities; despite astronomically high birth rates, the AIDS epidemic will be such a drain on health care and budgets that African countries will only be able to concentrate on that. The psychological impact and hopelessness of the disease will convince African inhabitants of the futility of going to school, changing their habits, strive for better living standards because, quite frankly, what will be the point? And so individually and nationally, the human potential can only be realised there with great difficulty.

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Compare that with China. 1.3 billion people, developing and democratising at a steady –if not relatively rapid–pace. A central government, far from being a liberal democracy, which nevertheless manages what others with far lesser challenges cannot muster; provide and care – in some measure – for the population. Of course, there is a utilitarian motive behind this regardless of the kind of society. Morgenthau would say that some social provisions exist to maintain national cohesion and loyalty, and maintains the population healthy for the case where it might be mobilised for national defence. But such cases are now rare, and the utilitarianism of such policies more revolves around attempts by parties in power to care for the population as a means to attract favours for an election day. Similarly, opposition members will be inclined to make promises to gain power themselves. The status quo is now the norm, even if there remain dictatorships which could challenge it. This has created a state of affairs where national independence is better guaranteed, but where the utilitar-

ian motive of social benefits have morphed into an obligation from the state to provide, while the population is less and less inclined to deploy efforts for national objectives, at least not without certain guarantees and compensations. This is why, for example, conscription is such a controversial issue. A tool of socialisation, it is a costly endeavour, and one which is likely to alienate individuals from their duties toward the state after service time has been done.

For dictatorships, resource and benefit allocation usually occurs through the bureaucratisation of society, which tends to create non-market jobs, but which are essential for social control and maintenance of order. This also generates loyalty to the regime. Such concentration of talent, skills, resources and knowledge amounts to state power. Whether individuals find happiness is very much secondary and therein lies the difference between democracies and dictatorships. Individual happiness is the arbiter of the rise and fall of states.

Individual happiness, fulfilment and engagement must be the end reward for

any participant to the national GDP. And democracies are better equipped to generate this result, which begets loyalty, which begets dedication and power.

At this juncture, the reader may be forgiven for wondering where the argument is going, and how it relates to countries like the Baltic states, who although lacking much of what Morgenthau prescribes as essential for national survival, managed nonetheless to maintain their independence (in the *realpolitik* sense of the word).

Estonia, Latvia and Lithuania have similar problems: small population, small size, few resources, which means that the local production cannot generate enough wealth rapidly enough, that it is dependent on good harvest to feed the population, and that if not, it scarcely matters, because a small population means a small army, seemingly able to fight only a short war, because of lack of strategic depth for pure national defence.

The solution that the Baltic States have sought focuses on alliance. Regional alliances, through schemes such as BALTBAT,

BALTSEA and BALTDEFCOL and collective security guarantees through NATO and the EU<sup>3</sup> to offset powerful neighbours. Morgenthau would certainly say that is wise and prudent to do so, and that alliances, although they limit sovereignty, may help preserve independence. Although a number of other reasons, more important, more relevant and more noble explain this race to NATO and EU membership; “like-mindedness” to the values of the West, for example. But promises of an Art. 5 and economic integration go far in ensuring national independence for a long time to come.

In Spring 2004, this important curve has been completed. All of us who have worked in the Baltics and assisting in this process of integration have shared in the pains and travails of turning Soviet structures into affordable, interoperable and capable ones. Developing policies, positions and laws to ready the Baltic States has been a *strategic* imperative of sponsoring nations like Great Britain, Denmark, Finland, Germany and Sweden. But I know it has been a labour of *love* for every ad-

visor that set foot in Vilnius, Riga and Tallinn. We shared the elation of these governments on Nov. 2002, and we rejoiced again last Spring when these important challenges were consummated.

But this will not be the end of the road. Since the Washington Summit of 1999 and the introduction of the Membership Action Plan (MAP) process, accessing nations have been working overtime to enable themselves to be ready for admission, toiling over language requirements, force generation, national security concepts and military strategy, training doctrine and legal harmonisation. The young staffs of the Baltic MODs and MFAs can certainly sigh with exhaustion – if not relief – at having traversed the most perilous period of their existence: limbo between East and West. And so officials can breath a little easier, but not for long. The feeling of a job well done will be superseded by the pernicious belief that from now on, smooth sailing and a sort of routine will set in. Not only is routine dangerous, it is especially hazardous in the Baltic states, for their respec-

tive bureaucratic structures do not lend themselves to smooth and predictable upward mobility for the staff.

Between 1991 and 2002, employees may have felt job satisfaction and happiness at being the spearhead of integration. In times of uncertainty and danger, success in national matters where individual contribution is diluted is usually an acceptable reward, and civil servants pride themselves on their selflessness. But as normality resumes, this state of affair cannot be expected to endure and neither should it be. Everyone has a great – but limited – well of dedication. What the individual has done for the state, the state must now reciprocate, if the workforce is not to become disillusioned.

Civilians in MODs and MFAs of the Baltics have no such luxury. Upward mobility within the bureaucracy is challenged by the permanence of the people in higher ranks. The size and scope of activities, not to mention the budget of ministries also limit avenues of vertical circulation. Thereby it becomes an impediment to labour replacement and to

develop incentives for those who start from the bottom of the ladder. The current absence of human resource (HR) strategies within ministries of the Baltic states trigger a situation where there is only lateral mobility, and where upward mobility is rare and risks turning into a market for favouritism. Promotions should be merit-based.

What should be the assessment criteria for promotion? What constitutes a reward? What is to be rewarded? What should be the rhythm of promotion? How many new employees can be hired every fiscal year? These are questions that are to be considered by the HR department of the ministries, if not by a separate ministry dealing with such things for all other ministries. Organisationally speaking, this should be an attractive proposition for any HR agent in the Baltics, because it can become a significant factor of power. For example, the HR department could task itself with undertaking an ombudsman function where it impartially conducts advancement reviews or conducts tests for posting allocations. Impartiality

is important if nepotism and favouritism are to be prevented in the Baltic States. Essentially, mechanisms need to be developed so as to ensure that employees will spend more time thinking about their job than themselves and their career. This is why a career path with predictable advancement opportunities must be put in place, and this constitute the first challenge for the Baltic States, now that they have joined NATO and the EU. The task of HR career officers or agents is to pilot, counsel and direct the employee in his or her career. Here a balance must be struck between the wishes of the employee and the needs of the ministry.

Predictability may assume an air of fairness, insofar as it is stemming from internal rules, and as such, since the employees are all subject to these rules, it should maintain departmental loyalty. A sample career path may look like the following. A new employee becomes a veteran after 5 years, where he or she is on "probation". After 5 years, there is, barring any indiscipline, automatic promotion to lower-middle management posi-

tion, where promotion to upper echelons is contingent on language, education and/or training received and experience. Lateral movement should be restricted in the higher the position. In other words, specialisation becomes more and more acute the more an employee climbs the ladder. At some point, to account for the increase in hiring and the tastes of employees, foreign education or postings abroad may be worked as incentive and promotion measures.

The whole process would be managed, for each and every employee, by the HR department. This process would include work pertaining to visa application, study permits, pay distribution, health and dental care provision, per diem allocation, security screening, education and training assessment and internal reviewing. Of course, as each level pushes upward, the question of what happens to the top echelon becomes inevitable. So pension management should also be one of the tasks of the HR department, but this leads us to two conclusions. Upward mobility, taking place in small bureaucracies, must



be long and drawn out for the top echelons to vacate the top spots. It also means that there should be a mandatory retirement age (say 60 years old) from the ministry that corresponds to the aggregate time in each position, the total of which is a single career.

What are the means of movement for those who are promoted? Subsequent levels of promotion must be contingent on some objective achievement. To thin out the chain of command, foreign postings are important. Also, because they represent factors of reward. Evidently, not everyone can go to the capital of their choice, and so certain posts, deemed "hardship" postings could have shorter deployment times, or higher pay. Similarly, disincentives could be developed for those who refuse to vacate their post, and prefer staying abroad and not return (for example, a junior diplomat would never make ambassador if he or she did not return to headquarters periodically). Here the object is to avoid bottlenecks where veterans block the upper echelons and where the lower echelons have nowhere

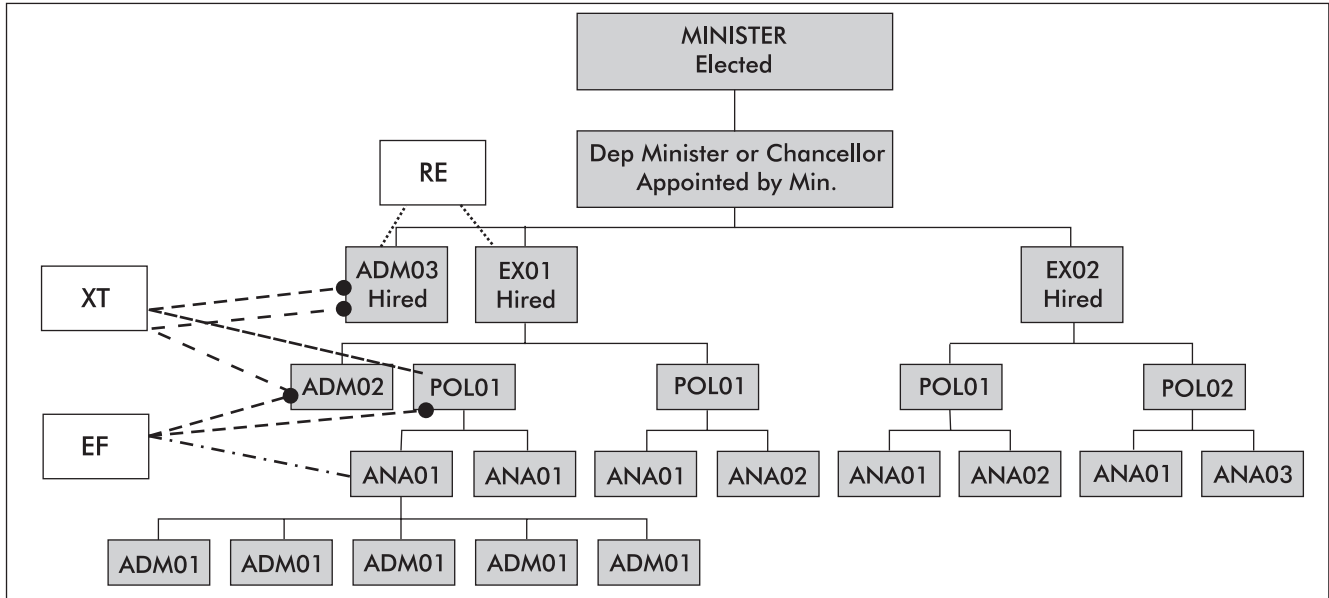
to go, and so start bouncing laterally instead of moving up. Another factor which gives the impression that the employee is not really moving up is the ascription of titles. Seemingly, everybody is an "expert" on paper, but although this could be true, the functions and tasks of a particular position may not reflect upward movement. The solution to this is to categorise levels. For example, you could have administrative, analysis, policy and expert jobs through which the civil servant theoretically navigates. Figure 1 gives a schematic overview of what such processes could look like.

In this scheme, the acronyms refer to position categories, and the numbers refer to pay scales. This path corresponds to the positions found in a ministry. The categories refer to specific tasks, and their acronym reveal that there is a limited amount of authority associated with each function. ADM stands for Administration, ANA stands for Analyst (such as geographical desk jobs), POL for Policy, and this is the track where employees are prepared for higher responsibilities leading to the

EX positions or experts. FED and XPT positions here are located outside the chain of command and outside of the ministry. FED means Foreign Education. XPT means External Posting. Taken together, these functions and positions amount to a career, which ends with RET, or retirement. Once this is figured out, one needs to determine how long the presence of an individual may be required for each position.

So, let us calculate it from the bottom up, bearing in mind that the theoretical retirement age is set by law at 60, and also bearing in mind that university graduates join the ministry after their bachelor's degree, which is roughly at the age of 23. This therefore leaves room for 37 years of service which need to be divided and piloted through the ministry structure. An entry-level rookie may be fresh from university and join at the age of 23 as ADM01, where he or she undergoes probation for 5 years, where only lateral movement (in other ADM01 positions) are permitted, and this includes movement in other ministries, if required. Then

**Figure 1: Sample career path**



comes automatic promotion, with increased pay, to ANA positions, and this lasts also 5 years, but up to 2 years can be spent doing graduate study work, for which the ministry can provide or pay for at least in part. Extra score is accumu-

lated for those who go abroad, or those who complete their study in a short period of time. When the 5 year ANA is elapsed, as long as preconditions are met for promotion (which may include an MA), movement to POL occurs. Placement

in POL may last for 15 years, and may start with 3 years in, 3 years abroad, 3 years in (and an increase in pay), 3 years abroad (in a higher position), and finally, three years abroad, before moving on to an EX position to finish the career (in

this case, 12 years in that position). Figure 1 also features an ADM-only path, which could be married to external positions. This is because some functions are purely administrative, and they should be provided for. When a position is flanked by another of a different category, the function-creation ability and privilege stays within the bureaucracy. This means that the HR department cannot veto that a position of a certain type needs to be created, or the kind of category. This review or oversight could be left to another department, for example Finance, forever the *bête noire* of bureaucrats...

In moments when the ANA or POL are abroad, the lower ranks could fill their positions as interim. This would act as a natural introduction tool to new duties but they would retain their pay, so as not to overburden the budget. The other advantage is that this encourages the development and maintenance of best practices and institutional memory. Special provisions can be entertained for additional experience, time spent longer than usual in a specific position or prior learning and this explains the

differences in pay scales. To reiterate, this career path would be managed by the HR department who would ultimately be the guardian of the system, in an indiscriminate, objective and impartial manner.

This article aims at setting guidelines and making suggestions, including suggestions as to what not to do. The model suggested above is certainly subject to criticism, as it is not the product of an HR specialist. It is merely the product of someone who has been privileged to work shoulder-to-shoulder with the best and most dedicated minds of the Baltics. This article comes in response to personal observations, where the risk of loss of knowledge, skill, dynamism and most of all desire and dedication, remains greater now that the actual struggle for national survival adopts a new meaning. The necessity of developing comprehensive career paths and incentives for civil servants of the Baltic states was temporarily sent to purgatory, in expectation of NATO and EU membership.

In that last respect, that race is won, but there are many others. These other,

smaller races are crucial so that every Ally may have the chance that I had working closely with the best from the Baltics. Material success is not what matters to Man, wrote André Gide. Only having a duty brings happiness to Man. NATO and the EU are in the bag. Now for the most elusive prize of all: happiness.

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<sup>1</sup> Hans MORGENTHAU: "Politics Among Nations", NY, 1948.

<sup>2</sup> Timothy HELENIAK: *Russia Beckons, but Diaspora Wary*, Migration Information Source, Oct. 1, 2002, [www.migrationinformation.org/Profiles/display.cfm?ID=56](http://www.migrationinformation.org/Profiles/display.cfm?ID=56).

<sup>3</sup> The absorption of the WEU by the EU in late 2000 early 2001 means that the Brussels Treaty of 1954, which contains a powerful and binding Art. 5 means that legally, collective guarantees do exist for some EU members. Interpretation of the Treaty is a matter which is beyond the scope of this paper, but it may be a source for the EU to develop policies for the defence of members not signatory to the Brussels Treaty.

# Putin's Security Policy in the Past, Present and Future

**An analysis of the security documents of 2000 compared  
with the Defence White Paper of 2003**

**By Maj Marcel de Haas\***

**A**ccording to commonly accepted points of view, national security policy should reflect a coherent and consistent system of political, military, economic and psychological means that a state has at its disposal. This article presents an analysis of President Putin's security policy. It starts with a comparison between the most important entries on security policy of the 2000 editions of the National Security Concept (NSC), the Military Doctrine and the Foreign Policy Concept. In October 2003 the

Russian Ministry of Defence (MoD) published *The priority tasks of the development of the Armed Forces of the Russian Federation*, a document which can best be described and will be referred to as a 'Defence White Paper' (DWP). Following the assessment of the security documents of 2000 this article will compare these results with the contents of the DWP 2003. Finally, based upon the security documents of 2000 and 2003, an outlook will be presented on Putin's security policy in his second term-in-office, after his re-election in March 2004.

The NSC was produced by the Security Council of the Russian Federation (SCRF) and provides an overall view of security policy of the Russian Federation (RF), applying all means available to the state. The Military Doctrine was drafted by the MoD and deals with the military means of the state. Finally, the Foreign Policy Concept was drawn up by the Ministry of Foreign Affairs (*Ministerstvo Inostrannykh Del*, MID), and relates to the political and diplomatic means of the RF. Since the NSC is the principle security

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document, for reasons of unity and clarity, the main entries of these three documents as well as of the DWP 2003 will be offered in the format of the NSC.<sup>1</sup> Thus the structure of the comparison of the security documents is divided into four parts: Russia in the world community, Russia's national interests, threats to Russia's security, and ensuring Russia's security.

## 1. Main Entries of the Security Documents of 2000<sup>2</sup>

### *1.1. Russia in the world community: destabilising factors*

A number of destabilising factors are consistently mentioned in all documents:

- Dominance in the international community of Western states led by the United States;
- Unilateral power actions, bypassing the UN Security Council (UNSC), by using concepts such as 'humanitarian intervention' and 'limited sovereignty';

- (International) terrorism;
- Organised crime.

The enumeration of destabilising factors demonstrates an emphasis on **external** aspects. Another striking feature is the prominence of negative tendencies with reference to Western security policy. Over the years, in the three security documents, more and more entries have been included related to this subject. Especially NATO's use of force in the former Yugoslavia (Bosnia and Kosovo) was seen as a clear example of its policy of ignoring Russia, which claimed a decisive role in Europe, as well as of disregarding the UN and the standards of international law. Other concerns were NATO's new Strategic Concept of April 1999 and its enlargement with new member states in the East, adjacent to Russia's borders.

**Internal** destabilising factors seem to be of less importance. Terrorism and organised crime are included in all the documents. Two of the three documents mention illegal trade of arms and narcotics as well as nationalistic and religious strife as factors.

This leads to two conclusions. First, the contents of internal destabilising factors are not consistent in the security documents. Apparently the security agencies had different opinions on the domestic situation. Secondly, external destabilising factors outweigh internal ones in the RF security policy. The security agencies obviously were more focussed on international developments.

### *1.2. Russia's national interests*

The following national interests are prevailing in the documents:

- Primary interests are protection against (international) terrorism, disasters of natural or industrial origin, and the dangers arising from wartime military operations;
- Improving economic development and enhancing the standards of living;
- Preserving and strengthening of the RF's sovereignty and territorial integrity and strengthening the basis of the constitutional system;
- Eliminating the causes and conditions contributing to political and religious

extremism and ethno-separatism;

- Strengthening Russia's international position as a great power;
- Developing mutually advantageous relations, especially with the member states of the Commonwealth of Independent States (CIS);
- Cooperation in the military-political area and in the sphere of security through the CIS (Collective Security Treaty), particularly in combating international terrorism and extremism.

The national interests as listed are a mixture of provisions on **domestic** and **international** matters. Nowadays the perception that security is more than protection with military means against an external aggressor is widely accepted as realistic. Chechnya has made clear to the RF authorities that not only **external** but also **internal** threats exist against national security and that these threats are not confined to the military dimension but also have their roots in political, social and economic dimensions. However, if the RF authorities had taken this interdependence between internal and external

national interests seriously, this should have brought them to the conclusion that conflicts of the type of the Chechen war cannot be solved by military means. Consequently, for ensuring a consistent national policy security not only military and diplomatic means come to the fore, but also social (human rights), economic (development projects, building and maintenance of houses, schools and medical facilities) and political (reform of the bureaucratic apparatus) activities are essential. A stable economic development is a prerequisite for realising these activities. These basic conditions are, in general terms, reflected in the 2000 editions of the NSC as well as of the Foreign Policy Concept. However, in Russian civic society they had not yet become visible. Probably, this was due to the slow economic development but surely also to the continued presence of a deep-rooted bureaucracy, which produced corruption. Therefore, the implementation of the aforementioned policy intentions in a broad spectrum of security aspects is likely to be a long-lasting process.

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## ***1.2. Threats to Russia's security***

The RF sees the fulfilment of its political-strategic objectives as well as its internal and external security threatened by a number of causes. In discussing general roots of threats the NSC above all points out **internal**, socio-economic aspects: the poor status of the economy, a failing governmental apparatus, polarisation between entities, (organised) crime, corruption and terrorism. These internal aspects are further elaborated in the enumeration of internal threats in the three security documents. Apart from internal threats these documents naturally also recognise **external** threats. When comparing the three documents the following threats are prevailing:

### ***Internal threats***

- Extremist national-ethnic and religious separatism and terrorism;
- Trans-national organised crime;
- Erosion of the territorial integrity of the state by separatist aspirations of a number of constituent entities of the RF,

by poor organisation of state control; and because of linking of some parts of the executive and the legislature to criminal organisations (corruption).

### ***External threats***

- Attempts to belittle the role of existing mechanisms for international security of the UN and the OSCE, by economic and power domination of the United States and other Western states;

- Attempts to ignore (or infringe on) RF interests and influence in resolving international security problems;

- The strengthening of military-political blocs and alliances, above all the expansion of NATO eastwards;

- NATO's practice of using military force outside the bloc's zone of responsibility without the UNSC sanction.

### ***1.3. Ensuring Russia's security***

In this part of the documents the various policy dimensions come together. It consecutively portrays the principles of socio-economic and domestic policies (fundamentals and objectives), as well as

of foreign and security policies (military security, the use of force and the deployment of forces and troops abroad), for the purpose of achieving the objectives of Russia's grand strategy and of ensuring its national security. As a final point this part of the security documents presents a hierarchy of the institutions responsible for national security.

### ***Socio-economic and domestic policies***

- Decreasing Russia's economic dependency on other states by strengthening state regulation of the economy and by organising a common economic area in the CIS;

- Improving the system of state power of the RF, its federal relations and its local self-government (constituent entities) to reinforce the social and political stability of society;

- Guaranteeing strict observance of the laws by all citizens, public servants, state institutions, political parties and social and religious organisations to diminish crime, corruption and terrorism;

- Adhering to the fundamental principles and rules of international law.

President Putin regarded strengthening of central authority as the main solution for the socio-economic problems. In his 'vertical' approach he made an effort to enhance his grip on developments in these and other fields, by withdrawing power and influence from enterprises (especially the oligarchs, who control vital areas of the economy) and from the constituent entities (governors of the regions) for the benefit of the Kremlin.<sup>3</sup> In this way Putin wanted to increase government revenues (taxes), to finance policy objectives such as the fight against crime and terrorism, as well as to enlarge influence of the central apparatus on constituent entities, by deploying presidential plenipotentiaries at the regional level. Another objective of the installation of plenipotentiaries was to prevent or neutralise separatist movements. It was doubtful that simply increasing central authority over the regions would result in improvement of the relations between central and regional powers. Still, reinforcing central authority could also be beneficial for Russia. The RF is a state without a heritage of civic,

democratic governance. Yeltsin's period of rule demonstrated that a vast and complicated country such as Russia without steadfast, centralised authority offers certain groups, such as oligarchs and regional governors, the opportunity of abusing power. On the other hand, centralisation of power demands guarantees for a democratic development, in order to prevent totalitarianism. In this respect it is important to realise that since the introduction of the Constitution of 1993 the powers of the Legislative, to properly check the Executive (President and Government), have been restricted. Theoretically this could lead to unlimited and uncontrolled centralisation of powers. This tendency was enhanced in autumn 2004. After the hostage taking in Beslan, in September 2004, Putin took the opportunity to further strengthen the centralised powers of the Kremlin, at the expense of the governors of the regions (federation subjects).<sup>4</sup>

### *Foreign policy*

- Reinforcing vital mechanisms for multilateral management of international processes, above all under jurisdiction of

the Security Council of the United Nations (UNSC);

- Partnership with all CIS member states, and development of integration processes within the CIS, as well as implementation of other objectives of Russia's interests about the CIS;

- Defending and guaranteeing the legal rights and interests of Russian citizens (compatriots) resident abroad or of the Russian-speaking population, in the CIS as well as in the Baltic states.

**Reinforcing mechanisms of international security.** The RF clearly rejects a leading role in international politics of other institutions than the UNSC. This provision, of course, is related to the objective of strengthening of Russia's international position. In the UNSC, the RF possesses the right of veto and is thus able to block undesirable resolutions. Therefore, the objective of reinforcing Russia's international status can be promoted within the constellation of the UN. However, if NATO dominated international politics, the situation would be

different. In such an arrangement of the international system, the RF, without a veto right, would be more or less 'dependent' on NATO's policies. This explains the prominence of the UN and the UNSC especially in the relevant entries in the documents.

**Advancing regional stability.** In the practise of politics, Russia's standpoints on good neighbourhood (partnership) and on regional conflict resolution in the CIS get mixed up. On some occasions, the RF allegedly has actively encouraged regional conflicts, for instance in Abkhazia, followed by an offer of conflict solution, thus making a CIS state, in this case Georgia, dependent on Russia for ensuring its security. Subsequently, this dependency in the field of security was aimed at enhancing RF influence on this state, thus 'ensuring' good neighbourhood.

**Protecting Russians abroad.** This is a recurring theme of the RF foreign policy. In the Foreign Policy Concept, this pro-



vision is mentioned no less than four times: under the heading 'General principles', under 'Human rights and international relations', and twice under 'Regional priorities', in discussing relations within the CIS and with the Baltic states. The NSC as well as the Foreign Policy Concept, in describing the location of Russians abroad, use the term *za rubezhom*. This term points at states adjacent to the RF. The expression *za rubezhom* has an emotional connotation: it refers to something familiar, which binds together.<sup>5</sup> In the consecutive military doctrines, a provision on the protection of Russians abroad is also included under the heading 'External threats'. In previous doctrines in describing 'abroad' the same expression was used as in the other two security documents: *za rubezhom*. However, in the 2000 issue of the Military Doctrine this term has been changed into *inostrannykh*. *Inostrannykh* means out of the country in general, it has a neutral, dispassionate implication. Based upon the changed connotation of the term for 'abroad' in the Military Doctrine of 2000 the assumption

could be made that the General Staff/MoD became less willing to use force if necessary for the protection of Russian minorities in a foreign country.

### **Security policy**

With regard to security policy, analysis of the three documents presents three fundamental themes: ensuring military security, methods of using forces and troops and the deployment of forces and troops abroad. These themes generate the following entries, which are only mentioned in the NSC and in the Military Doctrine:

- All forces and facilities available, including nuclear weapons, will be used if necessary to repel armed aggression, if all other means have been exhausted;
- The RF must uphold nuclear deterrence;
- Forces and troops are employed in local, regional, international and large-scale conflicts, as well as for peacekeeping operations;
- The interests of Russia's national security may require a Russian military presence in certain strategically vital regions of the world.

**Ensuring military security.** The NSC and the Military Doctrine permit the use of nuclear weapons to counter aggression. However, the Military Doctrine is more outspoken in this respect: it allows for the use of nuclear arms to repel a conventional attack as well, under certain not specified critical circumstances for national security. Conversely, the Foreign Policy Concept emphasises the desire of declining the role of military power, mentioning reductions of conventional arms as well as of weapons of mass-destruction, ways against proliferation of these weapons and other aspects of arms control, such as confidence and security building measures. Consequently, in contrast to the other two documents, the Foreign Policy Concept regards nuclear weapons not primarily as a means of deterrence, but as an object of arms control. In this case the MoD, acting in its 'own' field, comes forward as the most aggressive institution, with regard to military interests. This attitude is not unexpected, since a decline in the position of the military instrument of national security policy is likely to

cause diminishing power and influence of the MoD as well.

## **2. Defence White Paper 2003: The priority tasks of the development of the RF Armed Forces<sup>6</sup>**

In analysing this document, I will not make a full comparison with the major security documents of 2000, but concentrate on some significant new developments.

### ***2.1. Characteristics of current wars and armed conflicts***

Analysis of conflicts from the 1970s until 2003, leads the Russian military-political establishment to the following conclusions in the DWP 2003:<sup>7</sup>

- A significant part of all the conflicts has an asymmetrical nature. They demonstrate fierce fighting and in a number of cases result in a total destruction of a state system;

- The outcome of conflicts is more and more determined in its initial phase. The

party which takes the initiative has the advantage;

- Not only military forces but also political and military command and control systems, (economic) infrastructure as well as the population have become primary targets;

- Information and electronic warfare nowadays have a great impact in conflicts;

- The use of airborne, air mobile and special forces has increased.

- Unified command and control, joint warfare and a thorough cooperation between ground and air forces in particular has become essential;

- A prominent role in modern warfare, as demonstrated in conflicts such as those in the former Yugoslavia (1999), Afghanistan (2002) and Iraq (2003), is taken by long-range precision guided munitions (PGMs) in combination with airpower, after air superiority has been established;

- Massive use of tanks and infantry has to a large extent been replaced by long-range guided weapon systems and massive air raids, although the role of these

conventional forces is still important after the initial stages of a conflict;

- The dominating role of airpower in modern warfare requires a well-equipped and electronic warfare resistible anti-aircraft defence system.<sup>8</sup>

### ***2.2. Ambivalence towards the West***

In dealing with the West in general and NATO especially, the DWP 2003 poses a vision of two minds. On the one hand, entries show concern on the enlargement of the alliance and the possible deployment of NATO forces on the territory of new NATO members. But it also mentions that the NATO-Russia partnership will be further deepened, in spite of these major differences. Furthermore, it states that nuclear and large-scale wars with NATO or other US-led coalitions are no longer probable armed conflicts and that Russia expects cooperation with the USA and other industrialised countries to grow in ensuring stability. On the other hand, elsewhere in the DWP 2003 this appeasing tone is set aside and replaced by an

antagonistic approach, underlining that Russia expects that the anti-Russian entries will be removed from NATO's military planning and political declarations. Even stronger, the document states that if NATO is preserved as a military alliance with an offensive doctrine, cardinal changes will be undertaken in Russia's military planning and development of the RF Armed Forces, including its nuclear strategy. At the time of publication of the DWP 2003, these entries caused considerable concern in circles within NATO. The ambivalent character of the document clearly gives evidence that it was written by multiple authors. This has, to a certain extent, affected Russia's cooperation with NATO, at least temporarily. Furthermore, these contrasting entries have made it more difficult to acquire a clear picture of Russia's intentions in the field of security. Hopefully, the next RF security document will be better coordinated to prevent unnecessary negative consequences.

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### **2.3. Conclusions**

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#### ***Realistic view***

Reviewing the military-strategic and operational aspects of the DWP 2003, the first and foremost conclusion can be described in one word: realism. Standpoints stressing the importance of information and electronic warfare, unified command and control and joint warfare, which were already included in the Military Doctrine of 2000, are repeated in this document. Furthermore, the entries of the doctrine of 2000, emphasising asymmetric warfare and discussing military actions at lower levels than military strategy, are continued and even further expanded. Rightly, this document focuses on asymmetric conflicts as being on the forefront nowadays, instead of large-scale conventional wars. Clearly, analysis of recent Western-led conflicts and of their own experiences in Chechnya, has convinced the RF military-political leadership to concentrate on irregular warfare. Since this perception in the DWP 2003 is expressed stronger

than in the doctrine of 2000, the assumption could be made that the conservative part of Russia's security establishment has lost influence in decision making, from which modern thinking military leaders have benefited.

#### ***Implementation***

Carrying out this realistic approach towards modern warfare might be a concern. The observation that modern, specifically irregular, warfare can only be fought with sophisticated weapon systems, such as PGMs and avionics providing all-weather capability, and by improving the training level of personnel, requires financial means. The current Russian armed forces, massive in form and still aimed at conventional large-scale warfare, demand a lot of money for upkeep. So far military reform plans have not offered a solution to this dilemma. In October 2004, a further downsizing of the personnel strength of the Armed Forces by 100,000 men before January 2005 was announced.<sup>9</sup> Optimistically, this reduction of ten percent of the overall strength would provide financial means for upgrading the

military for modern warfare. However, the benefits of this reduction might also be used for different (non-military) purposes. Unless the military-political leadership decides to radically change the structure of the armed forces towards one which is capable of conducting asymmetric warfare, the envisaged adaptation of the RF Armed Forces is expected to be hampered.

### *Moderate style*

The overall tone of the DWP 2003 is more moderate than the major security documents of 2000. The documents of 2000 mentioned without any restraint the dominance of Western states led by the USA in international politics, Western institutions weakening the role of the UNSC, as well as NATO's practice of using military force without the UNSC sanction. As mentioned before – discussing the entries on NATO – anti-Western tendencies are still present in the DWP 2003. This document repeats Russia's concern about the continuous dissolution of the system of international relations and the state of grave crisis of a number of inter-

national security institutions, but – in contrast to its predecessors of 2000 – does not directly blame the West for these developments. This tendency in Russian security thinking offers some hope that the contents of future major security documents will show a sincere endeavour of improving the relationship with the West and – as the DWP states 2003 – of “dismantling the Cold War vestiges.”

## **3. Outlook on Russia's Security Policy**

After the terrorist attacks of 9/11, President Putin took a pro-Western course. In the long run, Putin desired to strengthen Russia's international position, not excluding military means to achieve this. However, Putin realised quite well, in contrast to many Soviet leaders, that nowadays influence on a global level is more than ever based on economic leverage. Taking this into account, his rapprochement towards the West, and especially towards Europe, did not seem strange. Closer cooperation with the EU could

serve more than one objective of Russian policy. Firstly, economic cooperation with Europe would most likely bring about growth of the Russian economy, which in turn enhanced Russia's international position. Secondly, closer ties with the EU might also weaken the relationship between Europe and the USA, even more so if Russia would be supporting, or participating in, the further development of an independent European security policy with its own military power, which possibly could be in contrast with American interests. Russia naturally could benefit in the international arena from a weakening or even split in the Trans-Atlantic camp, by promoting its foreign policy principle of multipolarity in international politics and Russia's status as a great power. At the time of the start of the second Gulf War, in March 2003, Putin was well aware of this policy option of splitting the Trans-Atlantic, Western camp. In their plea in the UNSC for military intervention against Iraq, the USA and the UK were diametrically opposed to Germany and France. Putin supported the

latter in their rejection of the use of force by, just like France, threatening to use the right of veto, and, after 'Operation Iraqi Freedom' was launched, by strongly condemning the use of force.<sup>10</sup> Once again, the RF reaction demonstrated the dualistic nature of its policy. On the one hand, Putin used the division in Western camp to strengthen Russia's status in the international community. At the same time, he apparently had instructed Foreign Affairs Minister of the time, Igor Ivanov, to use more measured words towards the USA, thus serving the opposite part of Russia's dualistic policy: cooperation with the West in order to improve the RF economy.<sup>11</sup> Putin's policy regarding the war against Iraq was definitely also intended for domestic consumption. His firm stand against the USA raised goodwill among the conservative representatives of the RF security elite, who had rebuked Putin for his pro-American attitude since 9/11. Hence, in the case of the second Gulf War, by adhering to the customary dualistic approach, Putin managed to accomplish

national as well as international objectives of the RF foreign and security policy.

## 4. Concluding Remarks

Russia's present and future foreign and security policy is laid down in three documents: the NSC, the Foreign Policy Concept and the Military Doctrine. Its defence policy is further elaborated in the DWP 2003. Major points of view of these documents were an assertive attitude towards the West, a strengthening of Russia's position within the CIS as well as on a global level and, lastly, an emphasis on military means as an instrument of security policy. The leading security documents have found their origin in the Russian security establishment, consisting of generals, politicians, diplomats and scientists. Judging from their criticism of Putin's gestures towards the West, the state of mind of this elite did not change after 9/11. Putin's positive policy towards the West since 9/11 had only manifested itself in public statements. Thus Putin's rap-

prochement with the West did not imply a structural change of Russian foreign and security policy.

President Putin has to balance the pressure of his security establishment with reinforcing Russia's economic capacity. Putin's policy is symbolic for its dualistic nature. On the one hand, international (economic) cooperation is continued and internal conflicts receive a higher priority in security thinking. On the other hand, Russia continues to claim a great power status in the international arena. And a large part of the RF security establishment remains focused on preparation for large-scale conflicts, on sabre-rattling with nuclear arms and in its feeling of encirclement by the hostile West. RF security policy is characterised by manoeuvring between traditional Russian imperial thinking, in terms of power and influence, and in recognising Russia's new post-Cold War status, resulting in cooperation with the West. Continuation of this dualism is likely to be the future of the foreign and security policy of the Russian Federation.

**Table 1: Main entries of the 2000 security documents and the Defence White Paper 2003<sup>14</sup>**

Themes	National Security Concept January 2000	Military Doctrine April 2000	Foreign Policy Concept June 2000	Defence White Paper October 2003
<b>1. RUSSIA IN THE WORLD COMMUNITY</b>				
<p><b><i>Destablising factors for the military-political situation</i></b></p>	<ul style="list-style-type: none"> <li>• <b>Dominance in the international community of developed western states led by the United States.</b> This is especially aimed at applying unilateral solutions, including the use of military force, to key problems in world politics, flouting the fundamental principles of international law</li> <li>• efforts to weaken Russia's position politically, economically, and militarily, as well as in other fields</li> <li>• Attempts to ignore the interests of Russia in solving major problems in international relations</li> <li>Terrorism poses a threat to world stability</li> </ul>	<ul style="list-style-type: none"> <li>• Extremist national-ethnic, religious separatist and terrorist movements, organisations and structures</li> <li>• Attempts to weaken (ignore) existing mechanism for ensuring international security, above all the United Nations and OSCE</li> <li>• Applying military force <b>as a means of "humanitarian intervention"</b> without the UN Security Council sanction, in circumvention of international law</li> <li>• <b>Expansion of the scale of organised crime, terrorism and illegal trade of arms and narcotics</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Unilateral actions</b> can destabilise the international situation, provoke tensions and the arms race, aggravate interstate contradictions, national and religious strife</li> <li>• <b>The use of force in violation of the U.N. Charter is unlawful</b> and poses a threat to the stabilisation of the entire system of international relations</li> <li>• Attempts to introduce into the international parlance such concepts as <b>"humanitarian intervention" and "limited sovereignty"</b> in order to justify unilateral power actions <b>bypassing the U.N. Security Council are not acceptable</b></li> </ul>	<ul style="list-style-type: none"> <li>• The current stage of global development is noted for acute socio-economic conflicts and political contradictions</li> <li>• Security is shifting from questions of war and peace to complicated political, financial-economic, ethnic-national, demographic and other problems</li> <li>• <b>The significance of military power in the post-bipolar world has not diminished, since a number of international security institutions are in grave crisis</b></li> </ul>

Themes	National Security Concept January 2000	Military Doctrine April 2000	Foreign Policy Concept June 2000	Defence White Paper October 2003
<b>2. RUSSIA'S NATIONAL INTERESTS</b>				
<b>Social-economi</b>	<ul style="list-style-type: none"> <li>• Realising Russia's national interests is possible only on the basis of stable economic development. That is why the national interests of Russia in this field are the crucial ones</li> <li>• The national interests of Russia in the social field lie in guaranteeing the population a high standard of living</li> </ul>	<i>Not mentioned</i>	<ul style="list-style-type: none"> <li>• To create favorable external conditions for steady development of Russia</li> <li>• Improving Russia's economy</li> <li>• Enhancing the standards of living of the population</li> </ul>	<i>Not mentioned</i>
<b>Domestic</b>	<ul style="list-style-type: none"> <li>• Upholding the stability of the constitutional system</li> <li>• Eliminating the causes and conditions contributing to political and religious extremism, ethno-separatism, and their consequences, i.e. social, inter-ethnic and religious conflicts and terrorism</li> </ul>	<i>Not mentioned</i>	<ul style="list-style-type: none"> <li>• To ensure reliable security of the country, to preserve and strengthen its sovereignty and territorial integrity,</li> <li>• Strengthening the basis of the constitutional system</li> <li>• Successfully carrying out democratic reforms</li> <li>• Observing individual rights and freedoms</li> </ul>	<i>Not mentioned</i>
<b>Inter-national</b>	<ul style="list-style-type: none"> <li>• <b>Strengthening Russia's position as a great power</b>, - as one of the centres of influence in a multipolar world</li> <li>• Developing mutually advantageous relations, <b>especially with the member states of the CIS</b> and Russia's traditional partners</li> </ul>	<ul style="list-style-type: none"> <li>• The RF attaches priority importance to the development of <b>military cooperation with state parties to the CIS Collective Security Treaty</b>, because of the necessity to consolidate the forces towards the <b>creation of a unified defence space</b> and ensure collective military security</li> </ul>	<ul style="list-style-type: none"> <li>• To achieve firm and prestigious positions in the world community, most fully consistent with <b>the interests of the RF as a great power, as one of the most influential centres of the modern world</b></li> <li>• Russia shall seek to achieve a multi-polar system of international relations</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening of the RF Armed Forces may <b>prevent the final dissolution of the system of international relations</b>, based upon international law</li> <li>• The RF Armed Forces can <b>ensure global stability</b></li> </ul>

Themes	National Security Concept January 2000	Military Doctrine April 2000	Foreign Policy Concept June 2000	Defence White Paper October 2003
<b>2. RUSSIA'S NATIONAL INTERESTS</b>				
<b>Inter-national</b>		<ul style="list-style-type: none"> <li>The RF pursues a <b>common defence policy with Belarus</b> in the field of military organisation and the development of the Armed Forces of the member states of the Union</li> </ul>	<ul style="list-style-type: none"> <li>A <b>priority area</b> in Russia's foreign policy is multilateral and bilateral <b>cooperation with the member states of the CIS</b></li> <li><b>Relations with European states</b> is Russia's <b>traditional foreign policy priority</b></li> <li>Of <b>key importance</b> are relations with the <b>European Union (EU)</b></li> <li>The <b>intensity of cooperation with NATO will depend on its compliance</b> with key clauses of the NATO-RF Founding Act of 1997</li> </ul>	
<b>Military</b>	<ul style="list-style-type: none"> <li>Defending its independence, its sovereignty and its state and territorial integrity</li> <li>Preventing military aggression against Russia and its allies</li> </ul>	<i>Not mentioned</i>	<ul style="list-style-type: none"> <li>To ensure reliable security of the country</li> <li>We attach a <b>priority importance</b> to joint efforts toward <b>settling conflicts in CIS member states</b></li> <li>And, through the CIS Collective Security Treaty, to the development of <b>cooperation in the military-political area</b> and in the sphere of security, particularly in combating international terrorism and extremism</li> </ul>	<i>Not mentioned</i>



Themes	National Security Concept January 2000	Military Doctrine April 2000	Foreign Policy Concept June 2000	Defence White Paper October 2003
<b>3. THREATS TO RUSSIA'S SECURITY</b>				
<b>Internal threats</b>	<ul style="list-style-type: none"> <li>• Ethno-egoism, ethno-centrism and chauvinism are helping to reinforce nationalism, political and <b>religious extremism, and ethno-separatism</b></li> <li>• The legal <b>unity of the country is being eroded by separatist aspirations of a number of constituent entities</b> of the RF, and by poor organisation of state control<sup>15</sup></li> <li>• <b>Linking of some parts of the executive and the legislature to criminal organisations</b></li> <li>• Deep division of society into a rich few and an overwhelming underprivileged majority</li> <li>• The threat to the physical health of the nation as seen in the rise in alcohol consumption and drug use and in the dramatic reduction in the country's birth rate and in average life expectancy</li> <li>• <b>The under-funding of national defence leads to a critically low level of operational and combat training</b> in the Armed Forces and other troops</li> </ul>	<ul style="list-style-type: none"> <li>• The unlawful activities of extremist national-ethnic, religious and separatist and terrorist movements, organisations and structures</li> <li>• Attempts to <b>disrupt the unity and territorial integrity of the state</b> and to destabilise the internal situation</li> <li>• Attempts to overthrow the constitutional system</li> </ul>	<ul style="list-style-type: none"> <li>• The growth of separatism, ethnic-national and religious extremism</li> <li>• The growth of international terrorism, trans national organised crime, as well as <b>illegal trafficking in drugs and weapons</b></li> </ul>	<ul style="list-style-type: none"> <li>• Use of force against Russia's constitutional regime</li> <li>• Actions to disrupt and disorganise bodies of state power</li> <li>• International terrorism</li> <li>• Ethnic instability</li> <li>• Actions of subversive separatist, national or religious groups</li> <li>• Drug trafficking</li> <li>• Organised and trans border crime</li> <li>• <b>Illegal armed formations to be dispatched to Russia / its allies</b></li> <li>• <b>Information (-psychological) actions hostile to Russia / allies</b></li> </ul>

Themes	National Security Concept January 2000	Military Doctrine April 2000	Foreign Policy Concept June 2000	Defence White Paper October 2003
<b>3. THREATS TO RUSSIA'S SECURITY</b>				
<b>External threats</b>	<ul style="list-style-type: none"> <li>• Attempts by separate states and intergovernmental organisations to <b>belittle the role of existing mechanisms for the maintenance of international security, primarily the UN</b> and the OSCE</li> <li>• The danger that the political, economic and military influence of Russia in the world will be reduced</li> <li>• The strengthening of military-political blocs and alliances, above all the <b>expansion of NATO eastwards</b></li> <li>• The possible presence of <b>foreign military bases and large military contingents in the immediate vicinity of the Russian borders</b></li> <li>• The weakening of the processes of integration in the CIS</li> <li>• The development and escalation of conflicts close to the state border of the Russian Federation and the external borders of the member states of the CIS</li> </ul>	<ul style="list-style-type: none"> <li>• Interference with RF internal affairs</li> <li>• Attempts to ignore (or infringe on) RF interests in resolving international security problems</li> <li>• Attempts to oppose the increase of influence of the RF on a global level</li> <li>• The expansion of military blocs and alliances</li> <li>• The introduction of foreign troops (without the UN Security Council sanction) to the territory of contiguous states friendly with the RF</li> <li>• <b>Suppression of the rights of RF citizens abroad (inostrannykh)</b></li> </ul>	<ul style="list-style-type: none"> <li>• Growing trend towards an unipolar structure of the world with the <b>economic and power domination of the United States</b></li> <li>• <b>Stakes are being raised by Western institutions</b> and forums of limited composition, and by a <b>weakening of the role of the U.N. Security Council</b></li> <li>• <b>Attempts to belittle the role of a sovereign state</b> as the fundamental element of international relations generate a threat of arbitrary interference with internal affairs</li> <li>• <b>NATO's present-day political and military guidelines do not coincide with security interests of the RF</b> and occasionally directly contradict them</li> <li>• <b>This primarily concerns the provisions of NATO's new Strategic Concept</b>, which do not exclude the use-of-force outside of NATO's Treaty zone <b>without the sanction of the UN Security Council</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Deployment of foreign troops in the territory of new NATO members</b> and countries that aspire to join the bloc</li> <li>• Unilateral use of military power without the UNSC mandate <b>encourages greater demand for weapons of mass destruction</b></li> <li>• <b>Armed force used by temporarily formed coalitions</b></li> <li>• <b>Cold war stereotypes continue to exist, aggravating the international situation</b></li> <li>• Proliferation of weapons of mass destruction</li> <li>• <b>Armed force is increasingly used for protecting economic interests</b>, which enlarges foreign policy requirements for using violence</li> <li>• Reducing the role of the UNSC is seen as a dangerous tendency</li> <li>• <b>Renationalisation of security policy of states in Central Asia, the Far East or elsewhere in the CIS</b> will compel Russia to consider the region as a potential source of ethnic conflicts, border disputes and military-political instability</li> </ul>

Themes	National Security Concept January 2000	Military Doctrine April 2000	Foreign Policy Concept June 2000	Defence White Paper October 2003
<b>3. THREATS TO RUSSIA'S SECURITY</b>				
<b>External threats</b>	<ul style="list-style-type: none"> <li>• International terrorism has unleashed an open campaign to destabilise the situation in Russia</li> <li>• <b>NATO's practice of using military force</b> outside the bloc's zone of responsibility <b>without the UN Security Council sanction, now elevated to the rank of a strategic doctrine</b>, threatens to destabilise the entire global strategic situation</li> </ul>		<ul style="list-style-type: none"> <li>• Russia retains its <b>negative attitude towards the expansion of NATO</b></li> <li>• <b>The protracted conflict in Afghanistan creates a real threat to security of the southern CIS borders and directly affects Russian interests</b></li> </ul>	<ul style="list-style-type: none"> <li>• Interference with internal RF affairs</li> <li>• Demonstration of military power close to the borders of Russia</li> <li>• Expansion of military blocs</li> <li>• <b>Strengthening of Islamic extremism close to the RF borders</b></li> <li>• Infringement on the rights and interests of Russian citizens in foreign states (<i>za rubezhom</i>)</li> </ul>
<b>4. ENSURING RUSSIA'S SECURITY</b>				
<b>Fundamentals and objectives</b>	<ul style="list-style-type: none"> <li>• Timely prediction, detection and neutralisation of external and internal threats</li> <li>• Guaranteeing the sovereignty and territorial integrity</li> <li>• <b>Overcoming</b> the Russian Federation's scientific, technical and <b>technological dependence on external sources</b></li> <li>• <b>Improving the system of state power</b> of the RF, its federal relations, its local self-government, tightening up law and order and reinforcing the social and political stability of society</li> </ul>	The RF adheres to the fundamental principles and rules of international law	<ul style="list-style-type: none"> <li>• The <b>United Nations</b> must remain the <b>main centre for regulating international relations</b></li> <li>• The RF shall resolutely <b>oppose attempts to belittle the role of the UN</b> and its Security Council in world affairs</li> <li>• <b>Preservation of the status of the permanent members of the U.N. Security Council</b></li> <li>• <b>Only the U.N. Security Council</b> has the authority to <b>sanction use of force</b> for the purpose of achieving peace</li> </ul>	<ul style="list-style-type: none"> <li>• Nuclear and large-scale <b>wars with NATO or other US-led coalitions are no longer probable</b></li> <li>• Russia expects cooperation with the USA and other industrialised countries to grow in order to ensure stability and dismantling the Cold War vestiges</li> <li>• Economic relations with the EU countries will further develop</li> </ul>

Themes	National Security Concept January 2000	Military Doctrine April 2000	Foreign Policy Concept June 2000	Defence White Paper October 2003
<b>4. ENSURING RUSSIA'S SECURITY</b>				
<b>Funda-mentals and objectives</b>	<ul style="list-style-type: none"> <li>• <b>Guaranteeing strict observance of the laws</b> by all citizens, public servants, state institutions, political parties and social and religious organisations</li> <li>• <b>Raising the military potential of the state</b> and maintaining it at a sufficiently high level</li> <li>• Organising a <b>common economic area with the member states of the CIS</b></li> </ul>		<ul style="list-style-type: none"> <li>• Other use of force is unlawful and poses a threat to the stabilisation of the entire system of international relations</li> <li>• <b>To protect the rights and interests of Russian citizens and compatriots abroad (za rubezhom)</b> on the basis of international law and bilateral agreements</li> <li>• The RF will seek to obtain adequate guarantees for the rights and freedoms of compatriots in states where they permanently reside and to maintain and <b>develop comprehensive ties with them and their organisations</b></li> </ul>	
<b>Foreign policy objectives</b>	<ul style="list-style-type: none"> <li>• Reinforcing vital machinery for multilateral management of world political and economic processes, above all under jurisdiction of the UN Security Council</li> <li>• <b>Defending the legal rights and interests of Russian citizens resident abroad (za rubezhom)</b></li> <li>• Developing relations with the members of the CIS, and <b>developing integration processes within the CIS in Russia's interests</b></li> </ul>	<i>Not mentioned</i>	<ul style="list-style-type: none"> <li>• To promote <b>elimination</b> of the existing and prevent the emergence of potential hotbeds of tension and <b>conflicts in regions adjacent to the RF</b></li> <li>• Russia regards as its <b>most important foreign policy task to combat international terrorism</b></li> <li>• Russia shall collaborate with other states purposefully to combat illegal drug trafficking and the growth of organised crime</li> <li>• <b>Partnership with all CIS member states</b> to take into account in a due manner the interests of the RF, including in terms of <b>guarantees of rights of Russian compatriots (za rubezhom)</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>NATO-Russia Partnership is maintained despite major differences</b> on issues of enlargement of the alliance and its foreign military operations</li> <li>• The main international obligations of Russia are related to the UN, the Collective Security Treaty Organisation of the CIS, the <b>Shanghai Cooperation Organisation</b> and Belarus</li> </ul>

Themes	National Security Concept January 2000	Military Doctrine April 2000	Foreign Policy Concept June 2000	Defence White Paper October 2003
<b>4. ENSURING RUSSIA'S SECURITY</b>				
<b>Foreign policy objectives</b>	<ul style="list-style-type: none"> <li>• Adaptation of existing arms control and arms reduction agreements to new conditions in international relations and, if necessary, concluding new agreements, primarily concerning confidence and security building measures</li> </ul>		<ul style="list-style-type: none"> <li>• <b>Respect by Lithuania, Latvia and Estonia of Russian interests, including in the key question of respect for the rights of the Russian-speaking population (<i>za rubezhom</i>)</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Russia expects that the anti-Russian entries will be removed from military planning and political declarations of NATO members</b></li> </ul>
<b>Ensuring military security</b>	<ul style="list-style-type: none"> <li>• In the prevention of war and armed conflicts, the RF gives preference to political, diplomatic, economic and other non-military action</li> <li>• <b>All forces and facilities available, including nuclear weapons, will be used</b> if necessary to repel armed aggression, if all other means have been exhausted</li> <li>• Keep up a deterrence capability in the interest of preventing aggression on whatever scale, including when nuclear arms are used against Russia and its allies</li> <li>• <b>The RF must have nuclear forces</b> for use against any aggressor state or coalition of states</li> </ul>	<ul style="list-style-type: none"> <li>• Ensuring military security</li> <li>• Suppression of aggression towards the RF and (or) its allies</li> <li>• The RF retains nuclear power status for deterring aggression against the RF and (or) its allies</li> <li>• The RF retains the right to use nuclear weapons in response to weapons of mass destruction and in response to wide-scale aggression using conventional weapons in situations critical for the RF</li> </ul>	<ul style="list-style-type: none"> <li>• Russia is prepared to give a consent to a further reduction of its nuclear potential on the basis of bilateral agreements with the USA</li> <li>• Russia shall seek preservation and observance of the 1972 Treaty on the Limitation of Anti-Ballistic Missile Systems (ABM) - the cornerstone of strategic stability<sup>16</sup></li> <li>• The implementation of the plans of the USA to create a national missile defence system will inevitably compel the RF to adopt adequate measures for maintaining its national security at a proper level</li> </ul>	<ul style="list-style-type: none"> <li>• <b>If NATO is preserved as a military alliance with an offensive doctrine, cardinal changes will be undertaken in Russia's military planning and development of the RF Armed Forces, including its nuclear strategy</b></li> <li>• RF Armed Forces will contain military and military-political threats</li> <li>• RF Armed Forces will ensure Russia's economic and political interests and its territorial integrity</li> <li>• <b>Ensuring the security of Russian citizens in armed conflicts and situations of instability</b></li> </ul>

Themes	National Security Concept January 2000	Military Doctrine April 2000	Foreign Policy Concept June 2000	Defence White Paper October 2003
<b>4. ENSURING RUSSIA'S SECURITY</b>				
<b>Ensuring military security</b>	<ul style="list-style-type: none"> <li>• One of the most important strategic objectives of military security is the interaction and co-operation with the member states of the CIS</li> </ul>		<ul style="list-style-type: none"> <li>• Russia intends to further promote the strengthening of regional stability by participating in the processes of reducing and limiting conventional armed forces</li> <li>• Averting the proliferation of nuclear weapons and other weapons of mass destruction</li> </ul>	<ul style="list-style-type: none"> <li>• Fight against international terrorism, political extremism and separatism</li> <li>• Preservation of a strategic deterrence potential aimed at preventing power politics or aggression against Russia / allies</li> </ul>
<b>Deployment of Armed Forces and Other Troops abroad</b>	<p>The interests of Russia's national security may require a Russian military presence in certain strategically vital regions of the world. The stationing of limited military contingents (military bases, Navy units) in these regions should ensure that Russia is ready to help to establish a stable military-strategic balance of forces in the regions, should give the RF an opportunity to respond to a crisis situation in its initial stage, and should enable the state to meet its foreign policy goals</p>	Limited contingents of the RF Armed Forces and the other troops may be deployed in the regions of strategic importance, outside the RF territory, as combined or national task forces and bases	<i>Not mentioned</i>	<ul style="list-style-type: none"> <li>• The strong Russian Armed Forces have a geopolitical significance</li> <li>• The RF Armed Forces can, by a decision of the President, conduct operations in the regions of vital economic and political interest to Russia</li> </ul>

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## Acronyms

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CIS – Commonwealth of Independent States

DWP – Defence White Paper

MID – *Ministerstvo Inostrannykh Del* (Ministry of Foreign Affairs)

MoD – Ministry of Defence

NSC – National Security Concept

SCRF – Security Council of the Russian Federation

UNSC – United Nations Security Council

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## Notes

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<sup>1</sup> *Disclaimer*: the views expressed are those of the author and not necessarily those of the Netherlands Ministry of Defence.

<sup>2</sup> See Table 1: ‘Main entries of the 2000 security documents and the Defence White Paper 2003’ for an overview of the main entries of the four discussed security documents.

<sup>3</sup> The paragraph on the 2000 editions of the major RF security documents is to a large extent derived from M. de Haas, *Russian Security and Air Power (1992-2002): The development of*

*Russian security thinking under Yeltsin and Putin and its consequences for the air forces* (London, New York: Frank Cass Publishers, ISBN 0-714-65608-9, August 2004), pp. 74-97.

See the following sources for the contents of the 2000 editions of the three principle security documents:

National Security Concept (January 2000): Russian: ‘Kontseptsiya natsionalnoy bezopasnosti’, *Nezavisimoye Voyennoye Obozreniye*, 1 (14 January 2000), p. 1. [www.scrf.gov.ru/Documents/Decree/2000/24-1.html](http://www.scrf.gov.ru/Documents/Decree/2000/24-1.html)

English: [www.fas.org/nuke/guide/russia/doctrine/gazeta012400.htm](http://www.fas.org/nuke/guide/russia/doctrine/gazeta012400.htm)

Military Doctrine (April 2000):

Russian: ‘Voyennaya doktrina Rossiyskoy Federatsii’, *Nezavisimoye Voyennoye Obozreniye*, 15 (28 April 2000). [www.scrf.gov.ru/Documents/Decree/2000/706-1.html](http://www.scrf.gov.ru/Documents/Decree/2000/706-1.html)

English: [www.freerepublic.com/forum/a394aa0466bfe.htm](http://www.freerepublic.com/forum/a394aa0466bfe.htm)

Foreign Policy Concept (June 2000):

Russian: ‘Kontseptsiya vneshney politiki Rossiyskoy Federatsii’, *Nezavisimoye Voyennoye Obozreniye*, 25 (14 July 2000), p. 4. [www.scrf.gov.ru/Documents/Decree/2000/07-10.html](http://www.scrf.gov.ru/Documents/Decree/2000/07-10.html)

English: [www.fas.org/nuke/guide/russia/doctrine/econcept.htm](http://www.fas.org/nuke/guide/russia/doctrine/econcept.htm)

<sup>4</sup> M.A. Smith, *Putin’s regime: administered de-*

*mocracy*, E108 (Camberley: Conflict Studies Research Centre, June 2000).

<sup>5</sup> ‘Putin announces broad reorganization of political system in Russia’, *Radio Free Europe/Radio Liberty Newswire*, (Vol. 8), (No. 174), Part I, 13 September 2004.

<sup>6</sup> As explained to the author by Irina Kirilova, lecturer in Russian studies, University of Cambridge, at a Wilton Park Conference, March 2001.

<sup>7</sup> ‘Konstitutsiya Rossiyskoy Federatsii’, *Rossiyskaya Gazeta*, 25 December 1993, [www.gov.ru:8104/main/konst/konst0.html](http://www.gov.ru:8104/main/konst/konst0.html), articles 80, 84 and 85.

<sup>8</sup> Defence White Paper of 2003: *Aktual’nyye zadachi razvitiya Vooruzhënnyykh Sil Rossiyskoy Federatsii* (The priority tasks of the development of the Armed Forces of the Russian Federation), RF MoD, 2 October 2003. [www.rian.ru/rian/intro.cfm?doc\\_id=261](http://www.rian.ru/rian/intro.cfm?doc_id=261); [http://supol.narod.ru/archive/official\\_documents/doctrine/war\\_doctrine.htm](http://supol.narod.ru/archive/official_documents/doctrine/war_doctrine.htm)

<sup>9</sup> DWP 2003, pp. 34-38.

<sup>10</sup> For a broader assessment of the military-strategic and operational aspects of the DWP 2003 see: M. de Haas, ‘The contours of new Russian airpower thinking’, *NATO School Polaris Quarterly*, Volume 1, Issue 1, spring 2004, pp. 21-29.

<sup>11</sup> V. Solovyev, ‘Russia’s military faces 10%

downsizing', *Moscow News*, 20-26 October 2004; A. Babakin and V. Myasnikov, 'Aviatsiya i podvodnyy flot nuzhny men'she vsego', *Nezavisimoye Voyennoye Obozreniye*, No. 39 (399), 15 October 2004, pp. 1, 3.

<sup>12</sup> 'Putin says Iraq crisis most serious conflict since end of cold war', *Radio Free Europe/Radio Liberty Security Watch*, (Vol. 4), (No. 13) 1 April 2003.

<sup>13</sup> 'Foreign minister concerned by U.S. efforts to seize Iraqi assets', *Radio Free Europe/Radio Liberty Security Watch*, (Vol. 4), (No. 12) 26 March 2003; 'Putin stresses need to avoid conflict with U.S.', *Radio Free Europe/Radio Liberty Security Watch*, (Vol. 4), (No. 14) 9 April 2003.

<sup>14</sup> The citations are mostly not literally derived from the different security documents, but are adapted by the author. Remarkable differences between the documents or vital entries are printed in bold type. The grouping of related entries as used here is for the purpose of clarity and does not necessarily correspond with the original documents.

<sup>15</sup> Constituent entities or subjects are administrative authorities within the Russian Federation, below the federal, national level, with specific self-governing legislative, executive and judicial powers.

<sup>16</sup> The Anti-Ballistic Missile (ABM) Treaty

of 1972, agreed between the USA and the USSR, restricted the installation of defence systems against intercontinental ballistic nuclear missiles of both superpowers. See K. A. Nederlof, *Lexicon politiek-militair-strategische termen* (Alphen aan den Rijn (NL) / Brussels: Samson, 1984), pp. 20, 26 and 133.



# Putin's Regime and Consolidation of the State

By Dr. Janina Sleivyte<sup>1</sup>

**P**resident Vladimir Putin's policies can only be understood in the context of the time, coming after Yeltsin's ten years, when social and political relations had been degraded, although certain freedoms had become established. As head of the Effective Policy Foundation and Putin's spin-doctor, Gleb Pavlovsky, put it, 'Yeltsin did not build a state. He led a revolution for ten years (...)'.<sup>2</sup> It fell to Putin to become the consolidator of the tenuous democratic freedoms that had emerged out of Yeltsin's permanent revolution.

In considering Russia's domestic agenda, much depends upon the assess-

ment of the character and intentions of the Russian President himself. Putin is, paradoxically, the driving force behind much of the policies that have raised concerns in the West: the military campaign in Chechnya, the drive to consolidate political power, the steps taken against opposition media and oligarchs. He is generally viewed in Russia and abroad as having brought stability at some cost of liberty, and both President Putin and some of his most controversial policies, such as the campaign against oligarchs, still enjoy high popular support. A question that needs to be answered first of all

is: how has Vladimir Putin's regime contributed to the course of consolidation of the state or the lack thereof?

President Putin made state building and modernisation the central priorities of his presidency. In his first State of the Union address in July 2000, Putin stated that meeting the many challenges facing Russia was impossible without strengthening the state. Putin wants Russia to become a strong country: economically powerful, politically stable and internationally respected. What is in dispute is what these goals mean to him, the methods he uses to achieve them, and whether he is as

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powerful as he seems. Putin's choice was between continuing his role as a stabiliser, thus preserving the status quo of 'elected monarchy', and becoming a transformer, reorganising the way Russia was ruled. At the centre of this was a new relationship with the regional governors and the oligarchs. To what extent has he succeeded in the goals set for himself?

The aim of this paper is to assess the effectiveness of the Putin regime in his state building project. The essay does not seek to grasp the full range of issues related to this regime. Instead, it focuses on three key elements of state building: state capacity, state integrity and state autonomy.<sup>3</sup> State capacity refers to the ability of a state to ensure reliable implementation of its decisions by its own personnel. In Russia's context, it comprises a variety of tasks starting with the implementation of reforms aimed at modernising the state, ensuring social and physical security of the population to establishing a well functioning apparatus of the federation, which would ensure adequate balance of authority between federal and regional levels. State in-

tegrity in Russia largely concerns federalism and inter-ethnic relations, specifically Chechnya. State autonomy implies that the Russian state is able to make major policy decisions independently, without taking control by well-positioned groups of the elite, first and foremost, the oligarchs.

In a nutshell, the paper argues that the apparent strengthening of the Russian state is largely an illusion: by building 'power vertical' Putin has strengthened the Kremlin (or the presidency) but not the state. Although Putin has been able to stem the disintegration of the state, he has not been able to build a state strong enough to implement reforms, starting from prosecuting organised crime and stamping out corruption. Above all, Putin's regime revealed itself as not only authoritarian but also dysfunctional. It has been too rigid and centralised to handle any crisis, which always occur. Thus, instead of consolidating the state, super-presidentialism made it only weaker, bringing unintended consequences.

The essay is divided in six parts. The first provides brief characteristics of the Putin regime and its players. The second

part shows that Putin's state building project became a hostage of the current regime - super-presidentialism. Put other way, 'managed democracy' *per se* is the biggest obstacle in strengthening the Russian state. The following three parts, looking into Putin's regional politics, his policy on Chechnya and relations with oligarchs, discuss to which extent, if at all, the regime has been successful in increasing state capacity, state integrity and state autonomy. Finally, the paper ends with some concluding remarks and gives the outlook for the second Putin's term.

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## ***1. Main Goals, Key Players and Peculiarities of the Putin Regime***

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Political literature labelled Putin's era as post-revolutionary that followed Yeltsin's political and social turmoil. Putin's rule was to solve problems inherited from the past and included its own specific elements. For example, preserving power and property without public control was the strategic interest of post-Soviet elites, who were mainly preoccu-

pied with conservation of their status quo and protection from further competition. Predictability and stability became the priorities for the current period.

Russia's domestic politics under Putin is being shaped largely by the components of a powerful and complicated social and political trend, which, along with the country's best economic growth since the early 1990s, is responsible for most of President Putin's popularity. This trend, well familiar from the histories of other great revolutions, is a 'post-revolutionary "stabilisation" attendant with a conservative or even reactionary retrenchment', and a drift to the core of the national political and cultural tradition.<sup>4</sup> The phenomenon consists of two occasionally overlapping but distinct components. The first part is formerly dominant pre-revolutionary political and economic elites that seek to stage a comeback, to regain their power and possessions. These include the secret police (KGB/FSB), law enforcement functionaries, and the federal bureaucracy, i.e. the groups that effectively owned Soviet Russia's politics and economy. The other part of the

'stabilisation', well established by many polls and the parliamentary and presidential elections in 2003-2004, is an intense and widespread longing for predictability, security, and continuity after a decade of political and economic revolutions.<sup>5</sup>

Generally speaking, there are three competing power groupings within the Russian ruling elite. None of them makes a reliable base for Putin, therefore he has been trying to strike a balance between them. The first group, dominated by oligarchs, is not homogeneous. Some of its members are part of the official Russian Union of Entrepreneurs and Industrialists (e.g. Khodorkovsky), others have developed clan-like connections, largely with the Yeltsin-era 'family' (e.g. the former Head of Presidential Administration Alexander Voloshin and the former Prime Minister Mikhail Kasyanov). The second faction is the so-called St. Petersburg group (or economic liberals) - Putin's colleagues from his hometown<sup>6</sup>, including a few powerful regional governors, as well as liberals put in charge of key economic posts. The third grouping consists

of the *siloviki* - Putin's former colleagues from the FSB and other military, intelligence and security agencies, who tend to value ideology and loyalty over rights and liberties. As a group, to quote sociologist Olga Kryshtanovskaya, the *siloviki* are 'the part of society that lost out the most from democratisation'<sup>7</sup>. Since they were privileged in Soviet times and were above the law, they want to return to 'fairness', which in their eyes means a strong state that gives them these privileges.

These three groupings were responsible for designing the political structure of Putin's first presidency with the system of checks and balances. But the conflict of interests between the three was never resolved, and after three years of endless behind-the-scenes fight this conflict ended with a victory of the *siloviki*. The Yukos affair<sup>8</sup> has been the turning point. By attacking the oil oligarch Khodorkovsky, Putin has signalled that the *siloviki* are really in control. Their tough stance answers to the widespread, popular Russian call for 'order' after the 1990s wild West and the anger felt by millions of poor Russians against oligarchs. On

the other hand, the role of the *siloviki* should not be exaggerated. They have not coalesced into a coherent group and consolidated their authority – at least so far. They lack a leader, have no agenda, and failed to seize the power during Putin's first term.<sup>9</sup> The biggest concern about the *siloviki* is that they are now as powerful and unaccountable as in Soviet days.

Putin's strategy of building a strong state focused primarily on eliminating checks and balances of presidential power but not on strengthening the effectiveness of state institutions. He wrongly equated democracy with weakness and centralised authority with powerful rule. Each of Putin's political changes increased the power of the Kremlin and decreased the role of other political actors and institutions. He used economic leverage to shut down critical media and to scare off potential political rivals. Building media-based power vertical is over: most of Russian TV channels are under Putin's control. There have also been cases of using law enforcement agencies to pursue political ends, including selective prosecution

of oligarchs and media outlets critical to the government. Furthermore, Putin's reform of the Upper House of the Parliament, the Federation Council, has gravely undermined this important check on presidential power. Whilst under Yeltsin the Lower House of the Parliament, the State Duma, used to be a political opposition to the president, during Putin's rule, the Duma has never had an actual leverage on decision-making of the Kremlin. Since 2000 the Duma has evolved, in Dmitry Polikanov's words, 'from the body of power to the power body' – a supporter for the ruling elite in ideological and intellectual sense.<sup>10</sup> After all, the outcome of the December 2003 parliamentary elections was the creation of a one-party state: wiping out the two small liberal parties ('Yabloko' and the 'Union of Right Forces') and filling the Duma with the 'grey Kremlin yes-men'.<sup>11</sup> Lilia Shevtsova, a leading political analyst at the Carnegie Endowment for International Peace, argues that these elections were a watershed, symbolising the end of the Yeltsin era and shaping a new political regime. Despite the fact that some mecha-

nisms and forces that came into being during the previous stage will remain on Russia's scene, politics and power started to acquire a new quality – 'elective autocracy gave a way to a bureaucratic-authoritarian regime'<sup>12</sup> or 'managed democracy'. The latter could be defined as 'a system that combines authoritarian and democratic tendencies and guides them from above without any need to account for executive actions to anyone'.<sup>13</sup>

Having considerably undermined the parliament and the cabinet, which had enjoyed limited power under Yeltsin, Putin's regime relies instead on the federal bureaucracy with the support of the *siloviki*. During Putin's presidency, about six thousand members of the FSB and the military have been integrated into the ruling elite.<sup>14</sup> According to Kryshtanovskaya, Russia today is 'militocracy': people with military and intelligence background make up around three quarters of Putin's top officials, as against just five per cent of Mikhail Gorbachev's Politburo.<sup>15</sup>

Yeltsin had led a weak state, which had lost its central authority and integrating

feature and suffered from a split in the ruling elite. The political environment under Yeltsin was fragmented and divided between factions. This fragmentation resulted in a critical role for the Russian president, who acted as a supreme referee solving conflicts between competing groups. As a result, Yeltsin was unable to address fundamental problems and could not overcome resistance from political groups.

President Putin, on the contrary, pursued a goal of consolidation of the state accompanied by unification of the political elite. Those who resisted Putin's policy were pushed out from the political scene. Unlike Yeltsin, Putin openly relied on bureaucratic instruments, while limiting both democratic and oligarchic tendencies. At the same time, he attempted to make the political structure more businesslike: he abandoned the overstated monarchic style, rationalised the system of power, making it more technological. Overall, Putin's ruling style, his rhetoric and his sources of support revealed his intent to change Yeltsin's 'patrimonial monarchic system'. At least from the outside, Putin

demonstrated an entirely different ruling style: rational, cold, avoiding 'displays of partisanship'.<sup>16</sup> Already in 2000-2001, the complex political structure of the Yeltsin years, characterised by a high level of infighting and decentralisation, was gradually replaced by a processes of unification and the formation of administrative teams along hierarchical lines. However, while in his first two years Putin had managed to impose a sense of purpose and unity to the very concept of 'the state', towards the end of his first term it appeared once again to be 'disintegrating into the struggle between clans and factions'. To quote Professor Richard Sakwa, 'the Yeltsinite conglomerate state' began to appear.<sup>17</sup>

It should be noted that within his first term Putin succeeded in bringing the country out of the revolutionary cycle that was artificially maintained by Yeltsin and in stabilising Russian society. But this stabilisation occurred not as a result of strengthening the state as the totality of political institutions, horizontal networking and the expanding political government, but rather through increasing the

power and 'personalised character of the presidency'.<sup>18</sup> This means a replay of Soviet times. And this logic is inbuilt in Putinesque concepts such as 'power vertical' and 'managed democracy'.

The Kremlin team apparently believed that through building a pyramidal state they would revitalise Russia. What they actually achieved was the strengthening of the elements of the 'Russian System'<sup>19</sup> based on highly personalised power that had begun fading under Yeltsin. Moreover, the centralisation of power through the 'vertical chain' of authority has led to the weakening of the still immature system of local self-government. Above all, despite abandoning the most striking elements of Yeltsin's 'elected monarchy', the nature of Putin's political regime remains the same. It still fits within the framework of the 'Russian System': a personal ruling style, a concentration of power in the hands of an unaccountable president, and a weak role of other institutions.<sup>20</sup> The restructuring has not produced a more effective state, but a weak, corrupt and unaccountable regime:

'authoritarianism without authority'.<sup>21</sup> Such a regime could not be consolidated; that is why this 'outward stability was deceptive, hiding underneath incompatible trends and permanent conflicts'.<sup>22</sup> This forced the leader to constantly monitor the political scene, leaving him no time to think on a strategic level. These are the limits of power of the 'power vertical'. Therefore it is more accurate to say that there is a strong presidential power in Russia but there is no strong 'power vertical'.<sup>23</sup> The state apparatus' inability to respond to the growing frequency and brutality of terrorist acts and even to learn lessons from its own mistakes has proved this.

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## ***2. 'Managed Democracy': Shortfalls and Challenges***

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Good news in Putin's state building project is apparently a success story of Russia's economic development. Russia has had a good record of growth under Putin, including 7.3 per cent increase of GDP in

2003.<sup>24</sup> But this is not a result of a comprehensive economic reform but high world prices of oil and growing Russia's oil production.<sup>25</sup> With few structural reforms or investment in non-oil sectors of economy, like technology or manufacturing, Russia is essentially a 'petro-state'. The backbone of its integration into the world economy, as Peter Rutland precisely put it, is the pipe (*truba*).<sup>26</sup> Despite the gradual diversification of Russia's economy, the raw materials orientation created a lopsided economy heavily dependent on exports of oil and gas. Russia remains essentially a resource-exporting economy: energy accounted for roughly 50 per cent of Russia's total export earnings and government revenues in 2003.<sup>27</sup> Typical oil economies, such as Saudi Arabia and Venezuela, do not offer durable models for development. Nevertheless, Russia does have a favourable environment for accelerating reform while oil prices remain high.

So far economic stability in Putin's Russia has come from three bases of support: the fuel and raw materials sector, the activity of major financial-industrial

groups and modernisation 'from above' with the use of authoritarian methods.<sup>28</sup> Retaining these bases of support deprived the economy of positive impulses and threatened to keep it lagging behind the post-industrial nations. Modernisation 'from above' is an obstacle to private initiative and free enterprise. In order to create a viable market, further structural reorganisation of Russian economy is badly needed in key sectors, including banking reform, a creation of securities market, a reduction in state regulation, and an expansion of private initiative.

Putin attempts to reinforce the 'power vertical' in order to strengthen the economy but authoritarian politics are hardly compatible with liberal economic models. Prosperity and freedom tend to go together because democracies have strong guarantees for these things. Economically successful authoritarian states have generally provided similar guarantees not through democracy, but through well-run legal systems, efficient bureaucracies and clear legislation. Russia has a corrupt legal system and a monstrous bureaucracy.

By and large, there is a close link between the economic and political system of any country. And while a 'petro-economy' can certainly be combined with a semi-authoritarian political system, the development of a broadly based, modern and competitive economy hardly can accommodate it. The key to the economic reform lay therefore not only in overcoming economic obstacles, but in radically changing the nature of the political regime. During the first Putin's term both the economic structure and the political regime pushed Russia towards stabilisation, while the structural transition remained incomplete and many former mechanisms were preserved. To borrow Shevtsova's phrase, 'this "stabilisation of incompleteness" indeed resembled Yeltsin's "unstable stability"'.<sup>29</sup>

Following this logic, it is hardly true that that 'managed democracy' makes economic modernisation easier, as some Russian observers tend to believe. This is explicable by two simple reasons: antidemocratic reforms did not help economic growth, and structural deficiencies make

this regime vulnerable from within. Stability in Putin's Russia, based on previous rules of the game, will not give the authorities a guarantee against failure. Moreover, any leader who relies not on institutions but on cadres is doomed to be dependent on the clans surrounding him, and to become a hostage to the next echelon of favourites, oligarchs, and perhaps even a new 'family'. This is inevitably the end of any patrimonial rule, even if a leader himself appears to profess functionality and pragmatism.<sup>30</sup>

The other challenge to the regime is attempts to organise and control many processes, including centralisation of the Russian Federation, limiting self-government, controlling the parliament and the media, establishing a manageable multi-party system, creating NGOs loyal to the Kremlin, and so on. However, attempts to achieve full manageability can breed unpredictability. Besides, the lack of independent institutions in the system decreases stability of the regime, undermining its position and legitimacy. From a purely functional point of view, such restructuring of

power and the state is very vulnerable, for if one block of the system were to fail, it would create a 'domino effect', spreading the failure to other administrative levels in the vertical structure.<sup>31</sup> Simply put, super-presidentialism has set a trap for itself: a highly bureaucratised pyramidal authority structure makes the state and the system of power unstable, as was demonstrated by the collapse of the Soviet Union.

Finally, due to the lack of opposition other threats are arising: the threat of rotting the state, the loss of initiative, and the danger of hidden sabotage by certain groups within the state. The latter is especially clear when the regime relies on the bureaucracy, police and security structures, which in Russia have long been reactionary forces.<sup>32</sup>

Putin's proposed post-Beslan sweeping changes in his country's system of governance violate three constitutional principles at once: the principle of federalism, the principle of democracy and the principle of the rule of law.<sup>33</sup> First, governors of the federal regions would no longer be elected; they are to be nominated by the president and endorsed by

regional legislators. This would violate the principle of federalism as element of territorial democracy, calling into question the federal nature of the Russian Federation itself. Second, single mandate districts, which currently comprise half of the Duma, would be eliminated and all deputies would be elected on the basis of authorised party lists. Although justified as aimed at strengthening political parties in Russia, this initiative, in fact, seeks to take out oppositional parties from the legislature and radically changes participatory governance. Both initiatives significantly undermine the principle of democracy, as they deprive citizens of their right to elect regional authorities and candidates in one-seat constituencies. Third, there is an obvious violation of the principle of the rule of law because these initiatives run counter to the spirit and letter of the Constitution. Obviously, this reform is nothing new: Russia has been creeping towards authoritarian rule for the last five years. Beslan simply served as a catalyst for this reform.

Putin has justified his post-Beslan reform by citing a 'state of war' against in-

ternational terrorists bent on destroying Russia. In reality, this reform has no relation to the fight against terrorism; it is merely a logical conclusion of vertical power. Over the last five years Putin's advisers have explained the rollback of democratic practices as 'part of a trade - less freedom for more security'.<sup>34</sup> But Putin has not delivered on his part of this deal: Russians now have less freedom and less security. There is a big gap in Russia between intentions and plans and their implementation. The current elite is able neither to fight terrorism nor implement reforms. The post-Beslan reform would further enhance state control, which, in turn, would increase breeding grounds for corruption, i.e. decrease the state's capacity.

Thus, what will be the outcome of the current centralisation effort? Will it help strengthening the state? Will it bring consolidation of Putin's leadership? Nothing of the kind. It is more likely that the current political initiatives undertaken by President Putin will 'gradually bring decline of political power and delegitimation of the presidency', the only viable and active po-

litical institution in the country.<sup>35</sup> The endgame of Putin's state-building project is likely to be not a harsh, authoritarian and effective power but, in Shevtsova's words, 'a pathetic, weak, impotent omnipotence'.<sup>36</sup> One could see its presence in Beslan, where nobody dared to take responsibility for the anti-terrorist operation, neither the centre, nor local authorities.

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### ***3. Regional Politics: State Capacity and Integrity***

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Regional politics in Russia has had an impact on the country's internal stability, particularly the cohesiveness of federal policy-making, and the ability of the centre to implement policy rather than to proclaim it. Internal stability is essential for developing Russia's relationship with the international system and hence is playing a large part in characterising that system itself.

For post-Yeltsin Russia, the central question emerged: how stable is the Russian Federation? The shift of power from the centre to the regions was a



part of a broader disintegration of the Russian state. The Yeltsin presidency did little, if anything, to remedy this state of affairs. Instead an 'undisciplined pluralism'<sup>37</sup> emerged, in which regional and financial elites were able to ignore the attempts of the centre to enforce law. This was the legacy that faced President Putin in 2000.

Reassertion of central authority over the regions was at the heart of Putin's federal reform, which is the key element in his drive to increase state capacity and integrity. Upon taking office, one of Putin's major moves was to strengthen the administrative vertical by reducing the powers of eighty-nine regional heads and practically placing them under the authority of seven presidential envoys, each responsible for a federal district made up of about a dozen regions.<sup>38</sup> According to Putin's decree<sup>39</sup>, the creation of federal districts was aimed at ensuring the primacy of federal law over the laws of republics and regions and the creation of a single legal space within the Russian Federation. Putin's second important step was the reform of the Federation Council<sup>40</sup>, along with passing of the law allowing the president to im-

peach regional governors. By removing them from the Federation Council, Putin destroyed their legal immunity. It may be to Putin's advantage to have a lower profile and possibly a more flexible Federation Council, but it undermined the development of the Federal Assembly as an effective check on the executive. Keeping governors in line remains part of Putin's current policy, most obviously in the increasingly blatant meddling of the Kremlin in regional elections and the growing use of law enforcement structures against regional and local officials.<sup>41</sup> Both moves were aimed at making the federal system more structured and giving more order and consistency in centre-periphery relations. How successful were they?

Some argued that the presidential representatives have achieved relatively little and created an extra level of bureaucracy in the country. This federal reform, first of all, was heading for re-centralisation and elimination of asymmetric federation. The latter goal sounds doubtful as asymmetric federalism seems a more appropriate model for multinational federal states like Russia<sup>42</sup>, but this is beyond the scope

of this paper. The reform sought to meet the challenges of the country's economic development, provide economically sustainable plans, and respond to the challenges of globalisation. The major outcome was expected to be simultaneous management of various issues, such as military reform, economic development and territorial-administrative reform.<sup>43</sup>

On the whole, the results are mixed. Putin's obvious achievement is averting the centrifugal trends in the Russian Federation that threatened the country's integrity. On the other hand, although the balance of power shifted somewhat towards the centre, 'the foundations of Yeltsin's neo-feudal system remain'.<sup>44</sup> Despite the fact that the overall reform did reinvigorate the central government, the individual measures have had a considerably less effect, and the results did not meet expectations of this policy. It should be stressed that Putin's seven presidential prefects were given unclear powers and few resources, and they faced resistance from the federal ministries, whose regional employees they supposedly co-ordinate.<sup>45</sup> There are inherent tensions between the devolution of

authority and central control. Presidential envoys in federal districts, as well as the staff of the presidential administration, have not confined their activity to ensuring that federal officials based in the regions comply with central directives. They have increasingly interfered with the matters that should be left to the regions, elections being only the most prominent example. This led to the situation that at regional and local levels, the majority of players are rather weak: self-governance is hardly functioning. This merely shows that a desire to control and manage everything weakens the capacity of the state.

The Kremlin's initiative to abolish direct elections of regional governors only creates an illusion of manageability. Although Putin is building up a hierarchy of bureaucracy and controls bureaucrats, this does not mean that bureaucrats will be able to control the situation. Beslan and a series of previous terrorist attacks is a case in point. If implemented, this initiative would not just undermine democratic legitimacy of local authorities. More importantly, it would mean 'the end of federalism' and a

'return to the Soviet system of governance'. What is being created is a unitary - authoritarian state, to a significant extent.<sup>46</sup> But Russia is too big, and in a great many areas such a diverse structure cannot be controlled by unitary and hierarchical methods.

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#### ***4. Chechnya: State Integrity***

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Chechnya, in Anatol Lieven's words, has become the 'tombstone of Russian power',<sup>47</sup> for a time in late 1999 the war in Chechnya was the main issue that propelled Putin to power. In his *Millennium Manifesto*, Putin insisted that Chechnya was 'where the future of Russia is being decided'.<sup>48</sup> In his 2000 election campaign, Putin declared that his historic mission is to resolve the situation in the North Caucasus. For Putin, the war in Chechnya was about preventing the disintegration of Russia and the associated horrors that it would entail. In standing for re-election in 2004, he again pledged to resolve the problem of Chechen separatism and the growing security threat it poses to Russian society at large. Hence, the Chechen

problem is inseparable from his presidency and from his state building project.

Putin would like everybody to call the war in Chechnya 'the war on global terrorism'. It is worth noting that Putin's handling of Chechnya as an international issue has been skilful enough. Since 11 September 2001, Russian propaganda has been focusing on making a direct link between the long-standing issue of Chechen resistance and the Al Qaeda terrorist network. Moscow has largely succeeded in internationalising the Chechen problem for the purposes of legitimisation of its brutal 'counter-terrorist' operation. Participation in the U.S.-led coalition against terror provided Russia with the 'impunity' and justification for carrying on its misguided and failed policy in the rebel province.

The truth is that under the guise of the 'counter-terrorist' campaign the Russian government is trying to tackle an issue which is extremely complicated and related to terrorism only indirectly. While there is a terrorist dimension, fight against terrorism must respect human rights and acknowledge the importance of address-

ing its root causes. Moreover, Putin faces foes who are mostly citizens of his country and who have turned to terrorism in a struggle rooted in nationalist aspirations and centuries of repression.

By and large, Russia's lack of a coherent policy in the Trans-Caucasus contributed to growing instability in the region. For the Russian leadership, all Chechen resistance groups are terrorists, and a military response is the only strategy available for addressing the conflict. Consequently, Moscow keeps claiming that it is fighting not Chechen separatists but international terrorists, and this has finally become a self-fulfilling prophecy. Yet, in fact, Russian forces are fighting several groups with different political objectives. Nor Moscow has learned lessons after countless terrorist acts, including Beslan. Russia kept choosing the same option – force, but force cannot work.

Despite Putin's claims that situation in Chechnya is being normalised, analysts say that there is zero possibility of peace in Chechnya anytime soon - the society has been destroyed by more than a decade of civil and external war, by crime and racketeering. Putin's approach to Chechnya

also shows little sign of evolution. To date, he has refused to engage in a dialogue with anyone inside Chechnya except his handpicked puppets, and the political system he now heads offers few ways to press him to rethink his policy.

To sum up, after five years of rule, Putin is in an even worse position to solve the situation in the North Caucasus than he was upon taking office. The Kremlin's policy of brute force, no negotiations with rebels, the devolutionary policy of Chechenisation<sup>49</sup> and resistance to any international mediation has collapsed. The hostage-taking drama in the centre of Moscow in October 2002 and many later terrorist acts, culminating in the Beslan massacre in September 2004 reflect a bloody stalemate of the war in Chechnya.

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### ***5. State Capacity: Bargaining with Oligarchs***

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As President Putin inherited power in Russia, basically most of the economic assets available in the country were privatised among a handful of tycoons, who had seemed to dominate Russian

politics during the late 1990s. At the heart of this system was the 'family' – a murky clique of Yeltsin's associates and government officials. It was quite clear for Putin that if their power was not returning to the state then his authority would be much smaller and much more limited than he wanted to re-establish.

When taking office, one of Putin's declared goals was to break the power of the oligarchs, to eliminate them as a class and to hold all businessmen at an equal distance.<sup>50</sup> Putin's background as an outsider from St. Petersburg, plus his tough reputation as the former KGB officer, led many Russians to hope that the new President would follow such promises. However, Putin perfectly realised that if he had confiscated all the assets from the oligarchs he basically would have gained a large portion of economy illegally. Then his policy, seeking to attract foreign investment and integration with the West, would be severely damaged.<sup>51</sup> Thus, he could not choose that option. The second option was to completely legitimise those deals and try to run Russian economy in a more open and transparent way. This would create

conditions for foreign investment to come and gradually to water down the power of oligarchy groups. This scenario did not suit Putin either because it implied that the role of the state would be diminished: if there is a transparent and open economy, no longer can the state control economic sphere to the same degree.<sup>52</sup>

Putin essentially came up with the third option. On the one hand, he decided not to expropriate the capital but to legitimise it by his *de facto* personal deal with the oligarchs. Thus, after a very brief period of harsh rhetoric about 'law and order' the Kremlin was forced to find a compromise with oligarchs, regional bosses and their certain support groups. This was a kind of bargaining and 'political barter' typical of the Yeltsin years.<sup>53</sup> The essence of this policy of barter is loyalty to the leader on the part of oligarchs or other groups in exchange for the leader's granting a certain freedom of action to pursue their interests. Oligarchs have learned that while monopolistic practices are still tolerated, political disloyalty is not: the Kremlin let the oligarchs enjoy a few freedoms in pursuing their own economic agendas

and continue to increase their businesses provided they do not meddle in politics. This deal did not have any legal basis as it rested on the word that President Putin gave to the oligarchs and the promise that they gave back.

According to this deal, oligarchs have only been suppressed when they openly opposed Putin - as Gusinsky and Berezovsky did. Thus, when Mikhail Khodorkovsky, the former chairman of the Russian oil giant Yukos, Russia's richest man,<sup>54</sup> started to step over that informal agreement, from President Putin's perspective, it was very important to penalise him openly to show the other oligarchs that this informal mechanism is very firm. As Alexei Kudrin, then Minister of Finance, put it, the Yukos affair was 'inevitable (...) in the sense of a clarification of the rules of the game'.<sup>55</sup> Although Khodorkovsky is charged with white-collar crimes, many believe that Putin's real reason for targeting is political ambitions of this oligarch, demonstrated through criticising President and financing his political opponents.

There are many theories and speculations about the Yukos affair.<sup>56</sup> In the view

of Oksana Antonenko, the Yukos scandal has two most important dimensions. The first is a political dimension, where usual interpretation is that Khodorkovsky tried very openly to challenge the authorities and Putin's agenda, which triggered crisis.<sup>57</sup> The second dimension is economic-strategic: Yukos tried to sell a lot of its shares to the foreign company so that for the first time Russia's control over strategic assets (i.e. energy) would be given to a foreign investor.<sup>58</sup> In today's Russia, energy resources become more than just one of the ways to attract money to the budget; they are also the way to reassert Russia's power in many parts of the world. Understandably, Russia is not interested in having any foreign companies taking control over its strategic assets.<sup>59</sup> In a broader sense, at the heart of the scandal around Yukos is a conflict between the Yeltsin and Putin elites. The case against Yukos is only the beginning of an attack by the former KGB members, who moved into the Kremlin with Putin and are opposed to the old oligarchic elite, including Abramovich, Deripaska, Friedman, *et al.*,

who made their fortunes and wielded immense political influence in the Yeltsin era.

To sum up, despite several attacks on the oligarchs, Putin has not managed to eliminate the oligarch system as such. The oligarchs have not been excluded from the sphere of politics, only new 'barter-based' rules are set. Nor has this kind of bargaining contributed to the increase of the autonomy of the state - relations between the regime and big business remain very tight.<sup>60</sup> The clan politics continues to thrive. Under Putin it is not that the game has changed, but some of the players: Yeltsin's oligarchs are being replaced with new ones. The major new players under Putin are the *siloviki* - the key opposing clan to the 'family'. Throughout his rule, rather than reducing the power of such clans as promised, Putin had been manoeuvring between them, 'unsure whether to side with economic liberals or the security forces'<sup>61</sup>, in a manner reminiscent of Yeltsin. There is little doubt that, like under Yeltsin, politics is dominated by subterranean clashes between competing groups that unite state officials and big business.

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## 6. Concluding Remarks

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The results of five years of President Vladimir Putin's rule (2000-2004) allow to draw some conclusions as to possible direction in which Russia is moving, as well as to the challenges that it is likely to face. Putin's task was to build an effective state, freed from the corruption, clientelism and dependency of the Yeltsin years. To Putin, the state is just 'one big bureaucracy'.<sup>62</sup> He seemed to believe that once bureaucracy was well ordered the system would work better.

This has not come true, as under his rule the three major components of state building - state capacity, integrity and autonomy - reflect a state building failure, not a success. In other words, the major issues that propelled Putin to the Kremlin - the restoration of law and order in Russia and the resolution of the Chechen problem - remain among Russia's biggest challenges. Furthermore, although Russia succeeded in economic growth, its new-found economic 'prosperity' is fragile and requires deep and difficult reforms to sustain. This

answers to the question of this paper whether Putin's regime has been successful in strengthening the state.

It should be stressed that the key features of Putinism are but an extension of Yeltsinism. The new assertiveness of the regime has not resulted in radical policy changes. There has been much continuity owing not only to the fact that part of the old Yeltsin team remained in power but more so because the new leadership failed to overcome the resistance of some oligarchs and regional elites. What is more, under Putin, the number of independent political actors tremendously decreased, the remaining became weaker, losing their capability to exercise influence on the process of decision-making. This leads to the situation when the state is gradually becoming the only political actor.

Putin's Russia continues to hang in the balance between the past and the future, between prioritising individual and social liberty and the concept of a 'strong state'. Russia today is an oil-based economy and fear-based society, or to borrow a prominent Russian scholar Sergey Medvedev's phrase, a 'petrocracy driven by authoritarian-

nism'.<sup>63</sup> For Putin's second term, in addition to the goal of modernising Russia, the public security advanced to the forefront. The mission became more complicated: to combine modernisation with security. The Kremlin will have to think first of all about stability and security, and, accordingly, change the agenda for the second presidency. One could admit that any society being threatened and vulnerable will postpone its modernisation and will pursue stability. But in Russian case it means that unfinished transformation will not be finished, as many previous reform projects in Russia.

The ideology of Putin's second term is not difficult to discern. First, the regime will seek to guarantee self-perpetuation of power, i.e. the implementation of the project 'Succession'.<sup>64</sup> Second, there should be redistribution of the economic and financial resources, which has already begun. The regime will restore to some groups what was stolen from them in the past. Following this logic, majority of resources will be concentrated in the hands of the state bureaucracy, particularly the *siloviki*.

Putin's bureaucratic authoritarian regime will apparently have its impact both

on the economic area and the foreign policy field. First of all, this regime increases the fusion between the bureaucracy and the big business. Russia will have not exactly the traditional state capitalism, but state capitalism with huge corporate concentration. The pulse of economic reform is likely to rise and fall with the world price of oil, the property of certain 'bad oligarchs' may be expropriated. But the oligarchy will not be ruined or dismantled. It will exist, but only under control of the apparatus performing the role of the 'overseers' even in private companies.<sup>65</sup> Furthermore, Russia's pro-Western choice is doomed to be fragile, as it will be undermined by the logic of a traditional state that is reconstituted by Putin. The President so far has succeeded to sit on two chairs, balancing traditionalism and modernism. But this cannot last long. There also may be problems with a dual-track policy implemented by the Kremlin. On the foreign policy front, the ruling elite wants to continue a partnership with the United States and the West. On the domestic front, it uses an anti-Western rhetoric in order to mobilise the nation in a typically Soviet style. How long may this dualism continue?

All in all, the current regime does not offer a solution to Russia's major problems: building an effective market, bridging the gap between Russia and the industrial nations, and integrating Russia into Western civilisation. The choice for Russia between a 'petro-economy' and a modern, broadly based economy, and a transition to a post-modern state requires the greatest possible economic and political freedom, which first of all concerns the choice of an appropriate political regime.

<sup>1</sup> Pavlovsky, G., 'Russia Can Be Easily Provoked into Revolution', in *Kommersant Vlast*, No. 26 (2000).

<sup>2</sup> Taylor, D. B., 'Putin's State Building Project: Issues for the Second Term', in *PONARS Policy Memo*, No. 323 (Nov 2003).

<sup>3</sup> Aron, L., 'Domestic Determinants of Russia's Policy Toward the U.S.', Testimony House Committee on International Relations (U.S. Congress, 18 March, 2004).

<sup>4</sup> *Ibid.*

<sup>5</sup> This includes Head of Presidential Administration Dmitry Medvedev, Head of the Government Administration Dmitry Kozak, Minister of Economy German Gref,

Minister of Finance Alexei Kudrin, Deputy Prime Minister Alexander Zhukov and Andrey Illarionov, Putin's economic advisor.

<sup>6</sup> O. Kryshtanovskaya quoted in 'Power to the power people', in *The Economist* (22 May 2004), p. 6.

<sup>7</sup> Yukos, a transnational energy company headed by Khodorkovsky, and another oil giant Sibneft were set to have attempted a merger with Shell or Exxon and be in a position to control 50 % of Russia's domestic supply of oil. This step would have made the oil barons untouchable to the Kremlin. Additionally, Khodorkovsky started to finance the left and right-wing opposition parties to the Kremlin party 'Unity of Russia' and to create a strong position for himself in the next Duma. These were the reasons for the Kremlin to order the Public Prosecutor's Office to take on Yukos and Sibneft with full force. Several of Yukos' top managers were arrested, including Khodorkovsky, who and put into jail in November 2003. The flourishing Yukos company has been wrecked. The company will change hands, and the state's presence will be inevitable in its new ownership.

<sup>8</sup> Shevtsova, L., 'Putin's Soft Authoritarianism', Project Syndicate (Carnegie Endowment for International Peace, Apr 2004).

<sup>9</sup> Polikanov, D., 'The evolving relationship between the executive and the Duma', Presentation at the Wilton Park Conference WP 668 'Putin's Russia: Two Years on' (UK,

11-15 March 2002).

<sup>10</sup> 'Having it both ways', in *The Economist* (22 May 2004), p. 3.

<sup>11</sup> Shevtsova, L., 'Prezident Putin oformlyayet sobstvennyy politicheskiy rezhim: chto iz etogo sleduet' [President Putin is shaping his own political regime: what will be the impact?] in *Briefing Papers*, Vol. 6, Issue 1 (Carnegie Endowment for International Peace, Jan 2004).

<sup>12</sup> Blank, S., 'Is Russia a Democracy and Does it Matter?', in *World Affairs*, Vol. 166, No. 1 (Summer 2003), p. 6.

<sup>13</sup> Rahr, A., 'Putin's Fight Against Oligarchs, Disagreements Over the Future Course of Reform Policy', in *CIS - Barometer* (Aug 2003). See also Saradzhyan, S., 'Kremlin Balance Tips Toward Siloviki', in *Moscow Times* (28 Oct 2003).

<sup>14</sup> O. Kryshtanovskaya quoted in 'Power to the power people', op. cit., p. 6. See also Shlykov, V., 'The Anti-Oligarchy Campaign and its Implications for Russia's Security', in *Journal of Slavic Military Studies*, Vol. 17 (2004), p. 122.

<sup>15</sup> Medvedev, S., Konovalov, A., and Oznobishchev, S. (eds.), *Russia and the West at the Millennium: Global Imperatives and Domestic Politics* (George C. Marshall European Center for Security Studies, 2002), p. 59.

<sup>16</sup> Sakwa, R., *Putin: Russia's Choice* (London & New York: Routledge, 2004), p. 237.

<sup>17</sup> Medvedev, Konovalov, Oznobishchev, op. cit., p. 58.

<sup>18</sup> The term is widely used by Lilia Shevtsova.

See *ibid*, pp. 57-71.

<sup>19</sup> *Ibid*, p. 61.

<sup>20</sup> McFaul, M. A., 'State of Siege: Putin's Strong Hand is Failing Russia', in *Washington Post Outlook* (12 Sept 2004).

<sup>21</sup> Shevtsova, L., *Putin's Russia* (Washington, D.C: Carnegie Endowment for International Peace, 2003), p. 229.

<sup>22</sup> Kobrinskaya, I., 'Parallels' and "Verticals" of Putin's Foreign Policy', in *PONARS Policy Memo*, No. 263 (Oct 2002).

<sup>23</sup> *Strategic Survey: Evaluation and Forecast of World Affairs* (Oxford: Oxford University Press, 2004), p. 121.

<sup>24</sup> In 2003, Russia's oil production rose 11% over 2002 levels to 8.45 mill. barrels per day, second only to Saudi Arabia's. Oil exports also rose to nearly 4.65 mill. barrels per day but export pipeline capacity hindered export growth. See Jones, B., 'Russia and the Former Soviet Space', Testimony of Assistant Secretary of State, (U.S. Congress, International Relations Committee, 18 March 2004).

<sup>25</sup> Rutland, P., 'Shifting Sands: Russia's economic Development and its Relations with the West', Paper presented at the Marshall Center Conference 'Russia and the West at the Millennium' (Moscow, Oct 2001).

<sup>26</sup> *Strategic Survey*, op. cit., p. 121.

<sup>27</sup> *Ibid*.

<sup>28</sup> Medvedev, Konovalov, Oznobishchev, op. cit., p. 62.

<sup>29</sup> Ibid., p. 64.

<sup>30</sup> Ibid.

<sup>31</sup> Ivanchenko, A., Ryzhkov, V., and Salmin. A., 'Vperiod v proshloe ili nazad v buduchee?' [Forward to the past or back to the future?], in *Nezavisimaya Gazeta* (18 Jan 2001).

<sup>32</sup> See Remarks by Vladimir Ryzhkov, Deputy of the State Duma, at the conference 'Government Reform in Russia: What is to be done?', in *Federal News Service* (7 Oct 2004); at <http://www.fednews.ru>.

<sup>33</sup> McFaul, op. cit.

<sup>34</sup> 'What has Putin's Russia become?', Discussion meeting with Carnegie Senior Associates Lilia Shevtsova, Michael McFaul, Anatol Lieven and Anders Åslund, (Carnegie Endowment for International Peace, Washington, D.C., 23 Sept, 2004), at <http://www.carnegieendowment.org/files/PutinsRussia09-23-04.pdf>

<sup>35</sup> Ibid.

<sup>36</sup> Herd, G., P., and Aldis, A. (eds.), *Russian Regions and Regionalism: Strength through Weakness* (London and New York: Routledge Curzon, 2003), p. 20.

<sup>37</sup> This idea was a revival of a plan that had been expressed in Yeltsin's decree in 1997.

<sup>38</sup> For the text of the decree see *Rossiyskaya Gazeta* (16 May 2000).

<sup>39</sup> The reform meant that members of the Federation Council were no longer to be regional leaders and regional parliamentary

chairmen. Each region would instead have two representatives on the Federation Council, one from region's executive structures and one from the legislative structures.

<sup>40</sup> Taylor, op. cit.

<sup>41</sup> All multinational federal democracies in the world are asymmetric by their very design, e.g. Spain or India. Symmetric federalism may be appropriate for the United States and Germany, which lack territorial compact ethnic minorities. See *ibid*.

<sup>42</sup> Territorial principle for the military meant the subordination of command and control to one executive official: unification of logistics, reducing forces. See Isakova, I., 'Regional autonomy: likely and/or desirable?', Discussion at the Wilton Park Conference 'Putin's Russia: Two Years on' (UK, 11-15 March 2002).

<sup>43</sup> Treisman, D. 'Russia Renewed?', in *Foreign Affairs*, Vol. 81, No. 6 (Nov/Dec 2002), p. 65.

<sup>44</sup> Ibid., p. 62.

<sup>45</sup> Kornia, A., Latukhina, K. Romancheva, I., 'A unitary state with military bureaucracy', in *Nezavisimaya Gazeta* (14 Sept 2004); see also WPS Monitoring Agency, at [www.wps.ru/e\\_index.html](http://www.wps.ru/e_index.html).

<sup>46</sup> Lieven, A., *Chechnya: Tombstone of Russian power* (New Haven and London: Yale University Press, 1998).

<sup>47</sup> Quoted by Sakwa, op. cit., p. 171.

<sup>48</sup> Chechenisation - enlisting loyal Chechens to serve in a puppet administration.

<sup>49</sup> Treisman, D., op. cit., p. 59.

<sup>50</sup> Interview with Oksana Antonenko, director of Russia and Eurasia programme, senior fellow of International Institute of Strategic Studies (London, UK), 19 July 2004.

<sup>51</sup> Ibid.

<sup>52</sup> Medvedev, Konovalov, Oznobishchev, op. cit., p. 60.

<sup>53</sup> With an estimated personal wealth of over USD 6 billion.

<sup>54</sup> 'Taming the robber barons', in *The Economist* (22 May 2004), p. 5.

<sup>55</sup> Shlykov, op. cit., p.118.

<sup>56</sup> Interview with O. Antonenko, op. cit.

<sup>57</sup> Ibid.

<sup>58</sup> Ibid.

<sup>59</sup> Without the clan structures of the Yeltsin 'family' Putin would not have become president in 2000.

<sup>60</sup> Medvedev, Konovalov, Oznobishchev, op. cit., p. 70.

<sup>61</sup> Herspring, D. R. (ed.), *Putin's Russia: Past Imperfect, Future Uncertain* (Rowman & Littlefield Publishers, Inc., 2003), p. 259.

<sup>62</sup> Medvedev, S., 'What does Russia want? Outlook for the next decade', Presentation at the Wilton Park conference WP 764 'Russia: Towards True Partnership with the West' (UK, 18-22 Oct 2004).

<sup>63</sup> 'What has Putin's Russia become?', op. cit.

<sup>64</sup> Ibid.



# Russia as a Failed State: Domestic Difficulties and Foreign Challenges

By Paul A. Goble\*

**W**hen the Soviet Union collapsed almost 15 years ago, almost all Western analysts and many Western governments who had been convinced that ethnic assertiveness could never bring down the USSR reversed themselves and decided that the future of the Russian Federation would be like the past of the Soviet Union. And as a result, they argued that ethnonationalism was the single most serious challenge to the stability of that new country.

Such a shift, while perhaps understandable among a group of individuals and governments who had been almost unanimously wrong in their assessments of the

survivability of the Soviet Union, had two disastrous consequences with which we are still living.

On the one hand, it led ever more governments to adopt the view that they had a vested interest in preventing „any secession from secession,“ a position that signalled to non-Russian groups that the West would not support their aspirations for independence and to Moscow that the West would tolerate repression to keep the country in one piece. Russian behaviour in Chechnya is one of the results of this position.

But on the other and more seriously, this focus on the imperial dimension of

the Russian Federation – and it would of course be wrong to ignore it – had the effect of detracting attention until very recently of what has been really going on there. What we watched under President Boris Yeltsin was effectively the death of the state, of the central institutions that are capable of governing the country.

There were of course three compelling reasons why few in the West wanted to talk about this in addition to a understandable desire not to offend our new-found Russian friends. First, if one said that Russia was a failed state, then the question would inevitably arise as to who is in control of that country's nuclear

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stockpile. It is one thing to talk about a failed state in a place like Somalia or Eritrea; it is quite another to talk about it in the case of a country with the second largest nuclear arsenal in the world.

Second, states that fail – and enough have done so even in modern times to generate an impressive scholarly literature about this phenomenon – almost never recover without the use of violence against their own populations and/or against their neighbours. Given the difficulties of governing the space called the Russian Federation and the weaknesses of many of the states around it, few analysts and even fewer governments wanted to look into this potential abyss.

And third and perhaps most important is the following fact: while states do fail with impressive regularity, most of those that have done so have been small and weak. The last time when the state in a major power failed was Germany in November 1918. Because everyone knows how that event contributed to the rise of Hitler, no one wants to talk about something that might mean we would have to

take seriously that there is a risk that developments in the Russian Federation will not lead to the appearance of a democratic, free-market ally of the West but instead to fascism and a new division of the world.

But states, especially large states do not stay dead. They invariably seek to reconstitute themselves, and the task of any serious analyst of this process is to specify what factors will be at play and hence which outcomes are the most likely and which are ones over which outsiders may have some influence. Now that Russian analysts like Sergei Karaganov have acknowledged that the Russian Federation is a failed state and that Russian President Vladimir Putin has said that it is his task to rebuild the power of the state, it is time to consider seriously just what these factors will be in the Russian case not only for Russia itself but even more for Russia's neighbours.

More than two centuries ago, the great French philosopher famously observed that “the Holy Roman Empire was not holy, was not Roman and was not an

Empire but that otherwise this was a very good name for it.” Perhaps the best way to begin to understand the problems of rebuilding a failed state in the Eurasian heartland is to consider not what the Russian Federation is but rather examine what it is not. Today, the Russian Federation is clearly not the Soviet Union. It is not Russia. And it is not a Federation. Other than that, of course, the Russian Federation is a very good name for what it is.

That the Russian Federation of today is not the Soviet Union of the past has both a positive and negative meaning for those who would reconstitute the Moscow-based state. First, on the positive side, the Russian Federation is far more ethnically homogeneous than the Soviet Union was. While polyethnic countries are typically more dynamic and more interesting than ethnically monolithic ones, no one would doubt that it is easier to constitute or in this case reconstitute state power.

Unfortunately for the leaders of the Russian Federation, this relative homo-

geneity is likely to be shortlived. The demographic collapse of the ethnic Russians combined with continued growth of non-Russian groups within Russia means that Moscow is already the largest Muslim city in Europe, that by 2010 – only six years from now – 40 percent of the country's 18-year-old males will be from traditionally Muslim nationalities, and that by 2030, the Russian Federation will have a non-Russian and quite possibly non-Slavic majority.

Another advantage is that the non-Russian peoples living within the Russian Federation have less experience with, interest in, or ability to pursue independence. Sakha, a republic larger than all the European Union countries put together, might be a candidate for independence if it had ports on something other than the Arctic Ocean. Buryats continue to look longingly at Outer Mongolia but not with much expectation that they will ever gain independence. And Tatarstan might pursue independence if it were not surrounded by a sea of ethnic Russian territories.

And a third advantage for Russian statebuilders is that the United States and other Western countries as noted above have changed the rules, tilting their support to anyone who promises to prevent border changes rather than backing those pursuing the historical right of nations to self-determination.

But if the pluses of the Russian Federation not being the Soviet Union are enormous, the negatives of this situation are even greater. First, Russians have experienced a terrible sense of loss and displacement now that they live in the Russian Federation rather than the USSR. While wags may point out that they have gone from living in a very large country to being citizens of only the largest country on earth, Russians have good reason to feel that they have been the losers in many key dimensions: They are no longer a superpower. Their military cannot even deal with the Chechens. Their economy has fallen by 60 percent in the last 15 years. They now are an exporter of raw materials rather than an industrial giant. And life expectancy, often a key indicator of

where countries are, has declined for men by more than eight years over the last ten – the largest decline in life expectancy among a significant population in peacetime ever recorded.

As a result, Russians remain traumatised by a sense of loss rather than energised as are at least some of the other post-Soviet states by a sense of achievement, even historic victory. That has deprived the Russian government of the ability to mobilise people to achieve new goals by invoking authenticity when it is unable to deliver the goods, an approach many other post-Soviet states have done and continue to do.

Second, with the collapse of Soviet power, the Russian state has lost most of the key institutions that controlled the country in the past, and it has not yet been able to create new ones that are equally effective. The Communist Party is gone. The KGB has been reduced to a shadow of its former self, however threatening it may still appear. The armed forces are a hollow shell, one made ever more so by demographic decline and the shortage

of funds. And the interior ministry and its police are simultaneously weak, incompetent, and corrupt.

Not surprisingly, with the demise of these formerly powerful institutions, a population that had never known freedom behaved as many teenagers do when they first acquire a car and a credit card – irresponsibly and sometimes violently. Learning to obey law because it is part of a social compact rather than because you will inevitably be punished is something that takes a long time to instill in people as all Western countries have learned. Achieving that when there are no stable political institutions, when the courts and police are corrupt, and when the spirit of the times seems to be to grab as much as you can handle was certainly too much to expect.

And third, the collapse of the Soviet Union called attention to what may be called the fundamental tragedy of the Russian people over the last half-millennium. That tragedy can be summed up in a single sentence: *The Russian state became an empire before the Russian people be-*

*came a nation, and as a result, the Russian state has never been a nation state, a compact between the government and the people, but the Russian people have always been a state nation, a nation defined not by itself but by those with power.*

This underlying reality has a large number of consequences but one is especially significant to our story here. This relationship of state and people means that the amount of nationalism Russians feel tends to track with the amount of power the state displays. When the state is strong, Russian national identity and nationalism are strong. When the state is weak, so too are identity and national aspirations.

That pattern is exactly the opposite of the situation in most other countries in the world. Because state power and nationalism feed on each other rather than counterbalance themselves, Russian political development tends to go through a broader and potentially more unstable amplitude than is the case in other countries. That in turn makes it more difficult for the Russian state to recover from a period of weakness and more likely that

when it does recover, it will overshoot the mark with state power and nationalism combining to push the state into an ever more aggressive stance *vis-a-vis* not only its own people but those living around it.

The second “not” in the equation we are considering is that Russia is not Russia. There are three ways in which this is so. First, no Russian in Soviet times – and very few even in post-Soviet times identify with the entity then known as the RSFSR and now as the Russian Federation. Because they enjoyed extraterritorial linguistic rights across the entire Soviet Union, Russians either thought of their *rodina* as the Soviet Union or as a more limited place like Moscow or the Urals. And polls show that they continue to do the same, seeing the proper borders of Russia as either much larger or much smaller than they are on the maps.

In the immediate aftermath of the collapse of the Soviet Union, such attitudes meant that Russian nationalists constantly talked about rebuilding the USSR rather than working to build their own coun-

try. Or post-Soviet Russians identified with regions like Siberia and the Far East. In both cases, such identities undermined the possibility of the rise of a national community that a government could use to promote state authority and hence state power. All this too set Russia apart not only from her neighbours but from countries further afield and means that overcoming the situation of a failed state there has been far more difficult.

Both because of the nature of the relationship between state and society mentioned above and because of the Faustian bargain the Soviet state offered Russians – they could rule the country but only by denying to the world that that was what they were doing – ethnic Russian identity was far weaker and more uncertain than that of any other ethnolinguistic group in Eurasia. One measure of this is that Russians are still debating who is a Russian and who is not, a debate that has effectively been over in most countries – including not insignificantly all 11 former Soviet republics and all three formerly occupied Baltic countries.

Second, there are now almost 20 million ethnic Russians living in the 11 former Soviet republics and three formerly occupied Baltic countries as well as more than 30 million non-Russians living inside. If the latter poses a threat that is likely to grow with time, the former represents a political challenge that no Russian government can ignore. But in considering the impact of this on Russian state building, it is very important to keep in mind some facts because these are facts that Moscow and its supporters routinely ignore.

Of these 20 million ethnic Russians abroad, more than 90 percent are citizens of other countries, and fewer than 400,000 are citizens of the Russian Federation to whom Moscow should have consular access under international law. In Estonia and Latvia, there are some Russians who lack citizenship in either the Russian Federation or in the country where they now reside: in the Russian Federation because in general Moscow has not been interested in extending citizenship to them, and in Estonia and Latvia because occu-

pled countries are not obligated under international law to give citizenship to anyone moved onto their territories by the occupying authorities.

Many Russians find this intolerable, and this issue is the kind of continuing irritant that helps to inflame Russian attitudes about neighbouring states.

And third, no Russian views the map of his or her country the way we do. When we look at a map of the world, we see a very large country in Eurasia that is still pink on most maps. That is not what a Russian sees. Stalin's programme of ethnic engineering means that the 22 non-Russian republics, oblasts, and districts form 53 percent of the country's territory even though the titular nationalities involved make up less than 20 percent of the country's population.

To imagine the psychological impact of that on Russians, consider how Americans might view their country if Washington had lived up to all its treaties with the Indians and then had consolidated all the reservations into a single territory. That super reservation would cover all the

land West of the Mississippi River, and Americans would see their country in a fundamentally different way.

This is only one aspect of the problem of the existence of these non-Russian political formations. There are three others. These formations still have more rights on paper than do Russian regions, a source of continuing irritation and something it is almost impossible to cope with except in an authoritarian manner. (Reducing their rights will spark protests among them; not doing so will help power anti-regime Russian nationalism.) They are increasingly dominated by the non-Russians and thus constitute an indigestible element in the state. In 1989, only six of the 22 had non-Russian pluralities. Now more than a dozen do. And by 2010, most will.

These non-Russian areas within the Russian Federation will then present a far greater challenge than they do now – especially given their diasporas in major Russian cities like Moscow. And as a result, Chechnya may be only the beginning. Other non-Russian regions are in-

creasingly likely to challenge the center, if not militarily than in other ways including simply ignoring what Moscow wants. All that only adds to the burdens of those who would reconstitute the Russian state.

And then there is the third “not.” The Russian Federation is not a federation. In many ways, it is even more imperial than was the Soviet Union. Moscow decided on both the borders and the status of all the groups within it in an even more thoroughgoing manner than was the case with the former Soviet republics and occupied Baltic states.

Moreover, Russia lacks the integuments to hold a country of its size together. Many people were impressed when President Vladimir Putin announced last February the completion of the first trans-Russia highway from Vladivostok to St. Petersburg. But few people paid attention to the fact that this project has been under way for more than a century, that fewer than half of the kilometers of this highway are paved and that fewer than five percent of its length is more than two lanes wide. Indeed, the Russian Fed-

eration today has fewer kilometers of paved highway than do many mid-sized American states.

How does one try to run a country without the kind of links that highways are perhaps the best symbol of? There are essentially two choices in the absence of a democratically based consensus, something that has never existed in that country. On the one hand, one can send out plenipotentiaries who one hopes will do ones bidding but who will almost inevitably „eat” off the local population or be coopted by them. And on the other, one can create institutions like the Communist Party nomenklatura that give the center some possibility of enforcing its writ even where the roads do not run. The first of these leads more or less directly to uncontrolled decentralisation of power, the second to hypercentralisation and authoritarianism.

President Putin has been praised for his decision to create seven federal districts and to name personal representatives as super-governors to run them. But this system has not worked as intended

for at least three reasons: Mr. Putin quickly found himself trapped by the choice of giving these people enough authority to do their jobs in which case they would become a threat or of not giving them enough authority and hence seeing them turn into little more than lobbyists for the regions and another bureaucratic obstacle for the implementation of central and regional power.

In addition, Putin chose, unlike Nikita Khrushchev who tried much the same thing almost a half century ago to make his federal districts co-terminous with the country's military districts rather than its economic zones. That may have appealed to his security officer's sensitivities, but it has meant that this reform has backfired, undercutting the possibility of social mobilisation on a democratic basis and of economic growth in any rational, non-defence-related way.

And, finally, this bureaucratic „innovation” must, like Putin's current plans to end the direct election of governors, has had the effect of creating what some have described as „unstable stability” in

place of what they believe was „stable instability” in Yeltsin's time. What do these analysts have in mind? Yeltsin's system was stable precisely because he allowed a great deal of instability. By not challenging any number of elites, he did not generate an opposition and thus gave the country some chance of drifting through its crisis. Putin, who clearly wants to put both the crisis and the weakness of the state behind him, has put himself and his regime on a collision course with many key players. His regime looks strong, but his moves are generating opposition. And that is especially dangerous because he is closing down most of the public channels for this opposition to express itself.

None of these means that the Russian state will not come back from its near death experience in the 1990s. Nor does it mean that the Russian Federation will collapse or fail to move toward democracy, free markets, and greater ties with the democratic West. But it does have serious consequences for Moscow's approach to security questions and especially to its relations with its nearest neighbors. I would

like to consider three that are the most directly related to the process of Russian attempts to reconstitute the Russian state and reconsolidate the Russian people.

The first of these is Moscow's continued reliance on nuclear weapons. Such weapons are less about security per se than about the status they give Russia internationally. To understand how important they are, one need only ask how the rest of the world would treat the Russian Federation if it did not have them. Indeed, along with Kaliningrad and the Kuriles, Russia's trophies from World War II, its nuclear weapons are the basis of its role in the United Nations, the G-8 and many, many other places. Consequently, even though these weapons do little to enhance Russia's military security and do a great deal to distort its defence spending, Moscow almost certainly will continue to rely on them because of these status concerns.

The second combines two policies typical of formerly strong, newly weak countries, and it is thus a replay in many ways of how a weak Soviet Union sought to deal with its neighbors in the 1920s. On

one hand, Moscow has done everything it can to get others to do the heavy lifting for it abroad by attempting to redefine many of its national interests into broader international values. Thus, it has sought to involve the United States and the European Union to put pressure on the Baltic countries over their treatment of Russian-speaking minorities.

And on the other hand, it has used a combination of non-political measures, ranging from economic pressure to outright subversion through the corruption of the political elites of neighbouring countries by various means. Economic pressure per se is not necessarily a problem; many countries use it. But subversion through covert means of bribery and covert support of particular parties and personalities is quite another. Sometimes, however, it works extremely well, but it can backfire as the Russian government is now learning.

But it is a third area that is perhaps the most worrisome because it is the least attended to by those involved in security issues. It concerns the flow of drugs and

disease and the trafficking in persons that a weak or failed state cannot stop. HIV/AIDS, antibiotic resistant tuberculosis, and other diseases threaten to become pandemic in the Russian Federation, and the Russian government is not willing or in some cases able to do anything about this. Unfortunately, this makes these things a security threat to Russia's neighbours, one that few discuss now but that is likely to move to the center of conversations about security in the near future.

It is an old observation that the West finds Russia either too strong or too weak. Just now, Russia is too weak but it wants to become strong again. That process will not be easy domestically for all the reasons outlined above. But even more it will pose new kinds of security threats to Russia's neighbours, security threats that will not look like the earlier kind and hence cannot be addressed in a customary manner. And that in turn means that the current failures of the Russian state may be compounded by failures in Western security thinking, a development that would threaten both Russia and the West.



# EU-Russia: Towards the Four Spaces

By Dr. Tatiana Romanova & Dr. Natalia Zaslavskaya\*

## 1. EU-Russian Relations 1991-2003 – An Overview

Almost till the very end of the Cold War there had been no official relations between the Soviet Union and the European Communities. The Soviet officials considered Communities an economic partner of NATO, the Soviet major ideological opponent. Besides, the Soviet Union and its allies united in the Council for Mutual Economic Assistance (COMECON) wanted its reciprocal recognition by the Communities, which was not acceptable for the EC. Absence of official relations caused serious economic disadvantages to the Soviet Union and its allies. Only in the late 1980s when

Michael Gorbachev steered the USSR did it become possible to establish official relations. First, COMECON established relations with the European Economic Community on the basis of a declaration. Then the Soviet Union and the European Communities signed an Agreement on Trade and Economic Cooperation.

The end of the Cold War became a turning point in the EU-Russian relations. It signified major changes in Europe. On one hand, the European Communities' Member States agreed to create the European Union and to reinforce political cooperation in the form of Common Foreign and Security Policy (CFSP) and judicial co-operation in the form of the third pillar (Justice and Home Affairs).

On the other hand, the Soviet Union collapsed leaving 15 independent states on the post-soviet territory. Eventually, each of these states had to determine its priorities in the relations with the European Union. Russia was not satisfied with the nature of her relations with the EU inherited from the Soviet Union. In 1992, Jacques Delors visited Moscow and emphasised the necessity to prepare a new agreement which would better reflect EU-Russian relations. Almost two years of negotiations resulted in the Partnership and Cooperation Agreement (PCA)<sup>1</sup> signed in 1994 in Corfu. Ratification process complicated by the enlargement of 1995 and war in Chechnya took a few years, and the agreement finally came into force in 1997.

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The PCA was meant to indicate a new level of the EU-Russian relations upgraded to partnership based on common 'respect for democratic principles and human rights'. The agreement determined major areas of cooperation between the EU and Russia: political cooperation, trade and economic cooperation. It also provided a basis for further development of cooperation in other policy areas such as science, education, environment, transport, tourism, social development, etc.

In the area of *political cooperation*, the agreement created a new form of cooperation, 'political dialogue', and indicated its major objectives: rapprochement between the EU and Russia, political and economic reforms in Russia and development of other forms of cooperation. Political dialogue was supported by the *institutional structure* in the form of regular political consultations of the EU and Russian officials at different levels: at a top executive level (summits), at a ministerial level (Cooperation Council), at a senior official level (Cooperation Committee), at an experts' level (Sub-Committees), at a parliamentary level (Parliamentary

Cooperation Committee). The top officials from Russia (the President) and the European Union (the President of the Council and the President of the Commission) would meet twice a year. Later it was agreed that the meeting in the first half of the year would take place in Russia (usually in Moscow with only one exception in 2003 when this meeting took place in St. Petersburg because of its 300<sup>th</sup> anniversary) and in the second half of the year it would be organised in the country holding the Presidency in the Council (again with the only exception in November 2002 when it was moved from Copenhagen to Brussels because of political contradictions between Russia and Denmark caused by the Chechen Convention in Copenhagen). The Cooperation Council presents the ministerial level and consists of the members of the Council and members of the Commission at the EU side and of the members of the Russian government at the Russian side. They meet regularly at least once a year in order to discuss cooperation in certain policy areas. In 2003, at the EU-Russian summit in St. Petersburg, it was decided to create a Permanent Part-

nership Council. Now it can meet more frequently and in different formats depending on a negotiated issue. The Cooperation Committee was created to assist the Cooperation Council. In addition, at the experts' level, there are Sub-Committees or working groups concentrated on particular issues. The Parliamentary Cooperation Committee composed of the European Parliament's members and Russia's Federal Assembly members was supposed to provide the democratic control over implementation of the agreement.

In the area of *economic cooperation*, the PCA granted Russia a transit economy status. At that time it was an important step forward from the country with a state economy status but later the transit economy status caused certain problems for the Russian producers, in particular provoking multiple anti-dumping procedures against the Russian goods. Only in 2002 Russian Government managed to get agreement of the European Commission to grant Russia a market economy status. The PCA abolished quantitative restrictions for the Russian goods with the exception of steel, textile and nuclear mate-

rials. The agreement declared an ambitious objective of a free trade area. In 1998, the EU and Russian officials could decide on opening negotiations to discuss prospects of a free trade area, but then Russian economy was going through a serious financial crisis, when trade between the EU and Russia had significantly dropped, and negotiations were postponed.

European communities started providing *economic and technical assistance* to Russia in 1991 on a basis of the Agreement on Trade and Economic Cooperation they had with the Soviet Union. After the collapse of the Soviet Union, Communities continued to support newly independent states. The programme was called Tacis (Technical Assistance to the Commonwealth of Independent States) and it became one of the major instruments of Brussels' policy towards Russia and the most significant instrument of international economic and technical assistance to Russia as in the period of 10 years from 1991 till 2001 Russia received 2.4 bln. euro.

The EU enlargement in 1995 facilitated further cooperation between the EU and

Russia and created a new framework for the EU economic assistance to Russia, as new Member States suggested development of the Northern Dimension in order to promote economic growth and social stability in the bordering area. The Northern Dimension became an important instrument of the EU policy in Northern Europe, including Northwestern Russia. It was also meant to erase the difference between internal and external policies and involve Russia into a new kind of co-operation.

In June 1999, during the European Council meeting in Cologne, the European Union adopted the Common Strategy on Russia. It indicated priorities of the EU-Russian relations: reinforcement of democracy and the rule of law, Russia's integration into Europe, stable and secure environment, common challenges. A few months later the Russian Government adopted the Russian Federation Middle Term Strategy towards the European Union (2000-2010), which determined Russia's priorities in the EU-Russian relations: 'strategic partnership' between Russia and the European Union, widening the scope of a political dialogue,

development of trade and investment, financial cooperation, protection of Russia's interests from the negative impact of enlargement, development of transport cooperation, cross-border cooperation, justice and home affairs cooperation, convergence of technical standards, etc. Both documents demonstrated mutual interest in the development of relations but also indicated different preferences.

The PCA was agreed upon for the initial period of 10 years. Obviously, today's situation is different from the early 1990s when the agreement was negotiated. The European Union has significantly changed; it has been deepened with the extension of the Community competence and widened with the enlargement. During the last decade, Russia also has gone through economic and political reform and became different from the country it used to be. It became necessary either to amend the PCA according to the nowadays situation, or to adopt new documents that would better satisfy interests of both Russia and the European Union. The Russian authorities consider the agreement outdated and suggest its radical modi-

fication or even a new document to provide a basis for development of the EU-Russian relations while the EU officials argue that it is still possible to use the current agreement more efficiently without radical changes. Moreover, Brussels strongly criticized Russia's search for new institutions instead of efficient use of the existent ones.

The EU Eastern enlargement raised the question of further development of the EU-Russian relations. The EU was extending its influence eastwards by moving closer to the Russian borders. The Central and Eastern European countries were ready to join the European Union. Participating in the CFSP formation, they would be able to influence the EU policy towards Russia. Extension of the Single European Market eastwards could undermine the interests of Russian industry oriented towards Central and Eastern European countries. Increase of the common border could improve mutual understanding and could create common interest in the area along the common border. All the changes in the EU and Russia forced to reconsider priorities of

the EU-Russian relations. One of the acceding countries, Poland, suggested reconsidering the EU policy towards Eastern neighbours and to promote cooperation with the countries neighbouring the EU in the East in the framework of the Eastern Dimension. However, Warsaw preferred that Moscow stayed away from the co-operation and that the Eastern Dimension would be concentrated on Belarus, Moldova and Ukraine. The European Commission supported this idea but suggested increasing its geographical scope and extending this policy also to Southern neighbours. Eventually, this idea was transformed into the European Neighbourhood Policy targeted at the neighbouring states with no real opportunity of EU membership with the objective to create a 'ring of friends', a stable and prosperous environment around the European Union, to ensure democracy and the rule of law and to support economic and political reforms in the neighbouring countries. Russia was considered one of these neighbours. The European Neighbourhood Policy provided only a general approach leaving room for ma-

noeuvre to determine particular strategy towards each of the neighbouring countries, which had to be specified in an individual action plan for each country.<sup>2</sup> Financial resources in the form of the Neighbourhood Instrument supported this policy.

Development of common spaces was prepared by the PCA which was supposed to 'provide an appropriate framework for the gradual integration between Russia and a wider area of cooperation in Europe'. The original idea was to strengthen economic cooperation and to create the Common European Economic Space (CEES). In 2001, European and Russian leaders decided to examine the potential of this initiative. Two years later, at the EU-Russian summit in St. Petersburg, they agreed to extend this concept and develop four common spaces: (1) a common economic space, (2) a common space of freedom, security and justice, (3) a space of co-operation in the field of external security, (4) a space of research and education, including cultural aspects.

## 2. European Union-Russia Common Spaces

### 2.1. Common Economic Space

#### *Some History*

Out of the four spaces that are now under construction in the EU-Russian relations the common economic space is the oldest. The PCA's perspective to establish an EU-Russian free trade zone introduced the idea of the first stage of economic integration between the two partners. Basic ideas about trade and investment facilitation as well as about legal harmonisation where firmly fixed in the PCA.

After a slow start a discussion on the topic of closer economic ties and some form of integration was further intensified in a narrow - energy - field where the ties between the European Union and Russia are the strongest. As a result the parties, in 2002, drew the Energy Dialogue's agenda, which took into account both EU needs for stable supply and Russia's quest for investment. Constant exchange of information has pro-

ceeded since 2002 but up to now has produced only modest results.

Furthermore, at the Moscow summit in 2001 the EU and Russia decided to set up a Common European Economic Space (CEES) to further intensify their economic relations. To develop a concept of the CEES, a High Level Group consisting of Viktor Khristenko (currently Minister for Industry and Energy) on the Russian part and Chris Patten (Commissioner for External Affairs, later substituted with Gunter Verheugen, Commissioner for Enlargement) was set up. The results of their work, presented in autumn 2003, were quite modest and disappointing. A vague concept of the CEES foresaw "an open and integrated market between the EU and Russia, based on the implementation of common or compatible rules and regulations, including compatible administrative practices, as a basis for synergies and economies of scale associated with a higher degree of competition in bigger markets"<sup>3</sup>. But at the same time trade and investment facilitation with close collaboration in energy and transport infrastructure were in the centre of the dis-

ussion thus undermining the idea of full four freedoms (i.e. movement of goods, services, capital and labour) that the integrated market normally meant.

To further develop the concept, the High Level Group asked to extend their mandate but by that time the CEES was subsumed by the new idea of developing EU-Russian co-operation through the four spaces. So, instead of the extension of the mandate of the High Level Group for the CEES it was decided to elaborate the action plans (later transformed into the roadmaps) for the development of the four spaces.

#### *The Essence*

The preconditions of EU-Russian closer economic co-operation are evident. The European Union is the major destination for Russian exports: more than 50% of Russia's total external trade is targeted at the EU market. Russia is the EU's fifth trading partner (after the US, Switzerland, China and Japan). However, the structure of exchange remains unbalanced, with the EU supplying industrial goods and services and Russia providing mostly natural re-

sources. Total EU-Russian trade in 2003 reached € 84 billion with the EU trade deficit of € 18 billion. Mutual dependence was further enhanced through the 2004 accession of the eight Central European countries to the European Union.

The idea of the Common Economic Space (CES), introduced at the May 2003 summit in St. Petersburg and endorsed at the Rome summit in November 2003, basically substitutes that of the Common European Economic Space although, interestingly, Russian participants continue to call it Common European Economic Space.

European participants of this discussion specify that the CES is broader than the CEES because it covers not only economic issues but also specific energy co-operation and environment. Two things are outstanding in this formula:

- The EU side insists on the integration of the previously separate energy co-operation into a general economic discussion and maintaining there the momentum for the Energy Dialogue;
- The EU underlines the very prominent position that the environment co-operation takes.

### *Points of Contradiction*

The discussion on the Common Economic Space is fraught with contradictions. The main issue is how the EU and Russia regard this co-operation. According to the EU representatives, the discussion is about regulatory convergence and gradual establishment of the four freedoms between Russia and the European Union. This basically means the extension of the EFTA model of relations with the EU to Russia. Oli Rehn, current Commissioner for Enlargement, summed it up by saying:

The ultimate goal of the CES is to create an open and integrated market between the EU and Russia, to promote trade, investment and the competitiveness of our economic operators. However, to promote economic integration it is not enough to liberalise trade. The essential efforts must be geared towards the promotion of compatible regulatory frameworks and the proper enforcement of rules.<sup>4</sup>

Thus, in the EU's view, the CES is about gradual liberalisation and regula-

tory and legal approximation.

Russian official position is not that clear-cut. According to the chief negotiator, Viktor Khristenko, real economic integration will be based on investment and industrial co-operation. However, the work should be based on two pillars that are soft legal harmonisation and deep economic co-operation in some specific spheres. In present situation

full harmonisation of economic and legal systems seems to be the issue of the long-term perspective. Therefore, in the short-term we have to stress co-operation in separate prepared for the intense co-operation and integration sectors. This does not exclude harmonisation of the most fundamental norms of economic activity (property rights, contract law, competition, non-discrimination, stability of tax-law, transparency etc.), however, in all other relations regulatory convergence will take place gradually under the influence of the practical needs in integration processes.<sup>5</sup>

At the same time, an official representative of the Russian Ministry of Foreign Affairs, Anatolii Yakovenko, stressed that

the main goal of the Common Economic Space is to introduce four freedoms (that of free movement of goods, services, capitals and labour). Besides trade and economic relations, Common Economic Space include co-operation in the energy and transport fields and in the environment sphere.<sup>6</sup>

Thus, in the view of Mr. Yakovenko, the conceptual ground of the EU-Russian economic co-operation is similar to the EU's. This is probably true in the long-term perspective. In the short-term, Russia is prepared to talk about some regulatory approximation but not about full legal harmonisation including the aspects of liberalisation. Therefore the Russian solution is to initially talk only about regulatory aspects in the framework of the WTO.

Secondly, Russia believes that the Energy co-operation should be preserved separately whereas the European Union insists on its integration into the framework of the CES.

At his intervention during the meeting of the EU-Russian Round Table of Industrialists, Mr. Khristenko went so far as to call the ideas of integrating the Energy Dialogue into the Common Economic Space destructive. Whereas Brussels believes that the Energy Dialogue is nothing but a part of the general economic framework to be guided by common standards of relations, the Russian side is willing to stress high integration potential of the energy field and the possibility that it will play the role of a locomotive in the EU-Russian relations. Moreover, peculiarity of the energy co-operation is that Russia is taken as an equal partner here and its separate treatment allows Moscow to stress the very particular character of the EU-Russian relations. However, the parties state that they are reasonably close to achieving an agreement in this field.

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## ***2.2. Common Space of Freedom, Security and Justice***

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### ***Some History***

EU-Russian co-operation in the field of justice and home affairs was foreseen

already at the time of the PCA conclusion in 1994 and was reiterated in the EU Common Strategy on Russia. However, until 2000 any co-operation in this field was virtually absent from the agenda.

The progress was reached in April 2000 when the Action Plan Against Organised Crime was finalised and set the agenda for further co-operation.

The discussion on democracy and human rights has always been present in the bilateral relations although has, since mid-1990s, given way to a more pragmatic EU attitude.

Terrorist attacks of the new millennium (11 September 2001 in the United States, 2002 theatre stage in Moscow as well as March 2004 attack in Madrid) led to the inclusion of a new issue to the EU-Russian dialogue - that of combating terrorism. Thus at the October 2001 summit the first Joint Statement on International Terrorism was made, followed by the second one in November 2002.

Another issue which was brought up in the discussion in 2002 was the issue of visa-free travel for Russian citizens. Sev-

eral factors provoked the discussion – one being the EU gradual enlargement and the need to avoid new dividing lines in people-to-people contacts, coupled with a specific problem of Kaliningrad transit. Another factor was active discussions which surrounded the work on the Common European Economic Space and foresaw free movement of labour in the distant future. This was countered by the European Union with the proposal to discuss the notorious readmission agreements and Russia's border management.

Finally, in November 2003, the Europol and the Russian Interior Ministry signed an agreement that provided a framework for co-operation in criminal matters.

### *The Concept*

The Common Space of Freedom, Security and Justice currently includes all the issues that have been identified since the establishment of co-operation in this field. These are co-operation in preventing illegal activities, such as trafficking in drugs, money-laundering, organised

crime, corruption, and vehicle theft; crime-investigation, fight against border crimes and illegal migration, improvement of visa-regime (the use of flexibilities in the Schengen regime) with its gradual long-term elimination.

In this context the EU-Russian negotiations on the readmission agreement commenced on 23 January 2003 and are currently ongoing. Moreover, a feasibility study launched by the European Commission in March 2003 outlined proper measures for combating trafficking in women originating from and transiting through Russia. Assistance to Russia is to be provided for developing border and other infrastructures, upgrading customs and cross-border posts, and enhancing the skills of their personnel.

The St. Petersburg statement, which initiated the discussion on common spaces, also confirmed the importance of common values, which both sides pledged to respect, as the basis on which to further strengthen our strategic partnership. These are democracy, human rights and the rule of law.

### *Points of Contradiction*

One of the oldest debates between the European Union and Russia is visa-free travel. The parties seem to be deaf in this discussion. Russian participants talk mainly about flexibility of the Schengen regime with the eventual visa abolishment. The European Union counters it with the insistence to conclude the readmission agreement and improve Russian border management. The issue of readmission and good border management are certainly linked with each other because the better one guards the borders the less difficulties it has implementing the readmission agreement. However, readmission agreements and good border management as such have nothing to do with visa-free travel as the last is to be provided only to Russian citizens and not to whoever enters the European Union through Russia. The real issue that has to be targeted here is better passport protection in Russia. As for the readmission agreement, according to the Ministry of Foreign Affairs officials, it might turn Russia into a “filtration camp” and therefore Moscow is very wary in these negotiations.



Secondly, the EU enlargement led to the intensification of the debates on common values and hardening of the critique of Moscow policy in Chechnya as well as some Russia's internal initiatives. Evidently, new member-states are trying to find their way in the EU foreign policy through mentoring Russia and stressing the difference with it. Moscow, however, countered this with the demands to provide Russian-speaking minorities in the Baltic countries (some of whom are still non-citizens) with the treatment that is equal to the rights of any European citizen (including participation in the European Parliament and municipal elections, defence of their legitimate interests within the EU, etc.). Furthermore, Moscow requires that the new member states follow the OSCE and Council of Europe recommendations and ratify the Convention on the Minority Rights. The EU statements that Estonia and Latvia comply with the Copenhagen criteria, which in particular include respect for human rights and basic freedoms, even made one Russian official representative say that if that

view is true there is something wrong with those criteria.

One further problem of the EU-Russian relations in this space is outstanding border agreements with Estonia and Latvia and not fully demarcated border with Lithuania.

Thirdly, Moscow continues keeping the issue of terrorists' extradition on the agenda, which sometimes collides with the norms of human rights protection in certain EU member states.

All these contradictions make the Space of Freedom, Security and Justice the most difficult one in the EU-Russian relations. The search for common positions is further complicated by the fact that this cooperation touches upon the competence of many different ministries and official bodies and requires their common agreement.

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### ***2.3. Common Space of Co-operation in the Field of External Security***

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#### ***Some History***

Cooperation in the area of external security largely depended on political

priorities and capabilities of Russia and the EU. In terms of political priorities, both Russia and the EU were interested in development of this cooperation as it would strengthen stability and ensure security in Europe. In the 1990s, the European Union had gone through a series of important reforms, increasing its political influence. It struggled hard to shed its reputation of an 'economic giant but political dwarf'. The Common Foreign and Security Policy (CFSP) introduced in the Maastricht Treaty enabled the Europeans to unite their efforts to adopt common foreign policy positions and to undertake joint actions. The Amsterdam Treaty enabled further development of the CFSP and created new instrument of the CFSP - common strategies. This extension of the EU activities to external security allowed it to cooperate on these issues with third countries, including Russia. On the other hand, Russia, going through dramatic reforms of the 1990s and trying to preserve its political influence on the international arena and particularly in Europe, was interested in reinforced cooperation with the

European countries in external security issues. In contrast to economic cooperation, in the sphere of political cooperation Russia could provide substantial resources and expect equal partnership with the EU. Moreover, it could provide Moscow with an extra leverage in the dialogue with the US. Eventually, cooperation in the area of external security reflected interests of both the EU and Russia, enabled them to combine their efforts in order to create a more secure environment in Europe.

Political dialogue established by the PCA was a framework for political cooperation as the agreement 'shall bring about and increasing convergence of positions on international issues of mutual concern thus increasing security and stability'<sup>7</sup>. The common strategy of the European Union on Russia stressed common strategic interests on the security issues and outlined necessity for further cooperation to ensure stability and security and to confront common challenges in Europe. The Russian strategy towards the European Union also expressed Russia's interest to increase political cooperation with the EU in or-

der to create effective collective security system in Europe. Moreover, it indicated Russia's desire to extend security cooperation to the issues of peace-keeping, crisis management and disarmament<sup>8</sup>.

The European Security and Defence Policy (ESDP) created by the European Council in 1999 in Cologne launched a process of formation of the EU military capabilities in order to increase the Europeans' responsibility for security in Europe. The ESDP would enable the EU to act in the situations when NATO decides not to intervene into conflict. It should be based on cooperation with the third countries. In 2000, during the EU-Russia summit in Paris, it was decided to reinforce political and security cooperation. In 2001, at the summit in Brussels, the EU and Russian representatives decided to create additional institutional structure to coordinate security and defence cooperation.

The existing mechanisms have enabled the EU and Russia to converge their positions on important international problems. They coordinated their policies on the issues of non-proliferation of weap-

ons of mass destruction, the Middle East and war in Iraq. The Russian contingent took part in the EU-led police mission in Bosnia, one of the first operations in the framework of the ESDP.

### *The Concept*

The EU-Russian security cooperation has already covered a wide range of issues. The concept of the common space of cooperation in the field of external security should strengthen political dialogue, intensify cooperation between Russia and the European Union in order to confront major security challenges: regional conflicts, terrorism and proliferation of weapons of mass destruction, and to reinforce civil protection in cases of natural disasters.

This cooperation should be based on the principles of shared values and should reflect interests of both Russia and the EU. The eastern enlargement brings the EU to the borders of Russia and increases the areas for potential cooperation between the EU and Russia. The new neighbours of the European Union, e.g., Moldova and Georgia, are also neighbours of Russia.

Interested in promoting secure environment in this part of Europe and finding solutions to the regional conflicts in these countries, the EU and Russia can combine their efforts to project stability in the region.

The EU-Russian external security cooperation should be developed in accordance with the principles of international law and with respect to the role of the United Nations, the OSCE and the Council of Europe.

### *Points of Contradiction*

Russian position on the issues of the external security cooperation is controversial. Russia is interested in this cooperation. It definitely creates new opportunities for Russia and reflects the principle interests. However, the EU-Russian security cooperation has two major points of contradiction.

The first point of contradiction is the problem of Russia's participation in the decision-making if Russia is involved in the EU-led operation because the Russian officials want to be able to influence deci-

sions which can affect the Russian nationals. However, Russia's participation in the police mission in Bosnia demonstrates an example when this obstacle was overcome.

The second point of contradiction is Russia's concern about the growing EU influence in the neighbouring area, which Russia traditionally has considered very important to its national interests. Russian officials particularly worry about the 'frozen conflicts' in Transdnistria and the South Caucasus<sup>9</sup>. Of course, Russia is interested in political stability in the neighbouring countries. But it seems that the European Union has approach different from Russia's approach. The major point of contradiction is the presence of Russia's peace-keeping forces in Moldova and Georgia. Russia insists on the necessity to continue these operations until the final solution of the conflicts, while the EU demands the Russian contingent to leave.

These obstacles make it more difficult to agree on further development of the EU-Russian security cooperation. Nevertheless, it seems that the EU and Russia are highly motivated to continue this

cooperation and can overcome the existing problems.

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### ***2.4. Common Space of Research, Education and Culture***

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#### *Some History*

The PCA determined the major directions of the EU-Russian cooperation in the area of research, education and culture. This cooperation was targeted at promoting cooperation between researchers and research institutes, development of general education and professional qualifications, providing of knowledge about the languages and cultures of the EU Members States and Russia.

The major instrument of educational cooperation was a Tempus TACIS programme. It started financing educational projects in Russia in 1993. It supported contacts between higher educational establishments of Russia and the EU and encouraged mobility of students and professors. Numerous educational programmes have been worked out with the assistance of the Tempus. Today it

supports participation of Russian universities in the Bologna process in order to help them raise their competitiveness. The major instrument of research cooperation promotion was INTAS, the International Association for Technical Assistance, created in 1993. It financed research projects in the Newly Independent States, including Russia. The 6<sup>th</sup> Framework Programme for Research (2003-2006) supports international research cooperation, promotes participation of Russian scholars in the international research projects and finances research institutes in Russia. As of 2004, another EU programme, Erasmus Mundus, will be extended to Russia.

### *The Concept*

The common space of research, education and culture is an attempt to produce added value in the field of research and technological development through sharing of their rich intellectual heritage. It is based on the assumption that communication between researchers and scholars will raise intellectual and knowledge potential, contribute to economic devel-

opment and reinforce the EU and Russia's capabilities. A vast role in this cooperation is reserved to the civil society. It will increase scientific and cultural exchanges. Intensified contacts between individual citizens of Russia and the EU Member States will improve mutual understanding and contribute to a better political climate of relationship. The common space of research, education and culture will enable average citizens to benefit from the EU-Russian cooperation. In connection to this, it is important to mention that not only scholars from non-governmental research and high education institutions will be able to participate in the exchanges; it will provide opportunities for Russian civil servants to learn more about public administration practices implemented in the EU Member States.

### *Points of Contradiction*

The major point of contradiction in this cooperation is different academic practices and educational requirements, different standards of quality assurance and problematic credit and grades trans-

fer. These are not only the differences between Russia and the EU Member States, or between Western and Eastern Europe; almost every European country has different standards and practices in the fields of research and education. The Bologna process targeted at educational harmonisation in Europe provides only a partial solution to this problem. It is necessary to ensure that harmonisation of academic practices does not undermine the basic principle of freedom of innovation and creativeness which is an important part of the European system of values.

## **3. Challenges to the EU-Russian Relations**

### ***3.1. Qualitative Difference of the Two Partners***

The European Union and Russia highly differ from each other and this fact is the first challenge of their co-operation. This difference is manifest in several instances.

Firstly, the European Union is a profoundly post-modern power in the sense

expressed by both François Duchêne and Robert Kagan. François Duchêne, back in the 1970s, stressed that the European Communities might become the first post-modern power, i.e. power that does not possess all the instruments of a normal state (including those of coherent diplomacy and military might) but is taken seriously by its counterparts.<sup>10</sup> And, despite the development of the second pillar in the European Union, continuing discussion on the formation of the military potential to conduct humanitarian operations, fight terrorism and possibly provide for common defence, the European Union continues to be primarily a civilian actor. Its main instruments and most of the strengths are concentrated in the field of trade and other economic relations, technical assistance and humanitarian aid. Russia, on the other hand, is a fully-fledged actor but its strongest side is precisely military power and political weight whereas economic diplomacy has only recently been discovered in Moscow.

Robert Kagan, at the threshold of this millennium, wrote about the difference that marks the EU-US relations saying that while Washington still lives in the world

of power politics the European Union has changed to non-power politics based on the Kantian idea of eternal peace and relations based solely on law without any recourse to force.<sup>11</sup> Russia, in this choice between power and non-power politics, is firmly on the side of power politics and not much different from the US, therefore Moscow treats its partners in the international arena accordingly.

Secondly, the issue of interest-based politics vs. value-based politics profoundly separates Russia from the European Union. In a way, the argument is a continuation of the debate about modernity and post-modernity but it characterises the approach, the manner of behaviour rather than the respective structures of the foreign policy conduct.

The difference between the EU insistence on values and Russia's quest for interests has been present in the EU-Russian relations from the very beginning. However, it has recently grown in importance due to the EU enlargement and the attention that new member states pay to any irregularity in Russian politics. Interestingly new member states are more will-

ing to put the values higher than the interests in the EU-Russian relations. This contrasts sharply with the approach of the old member-states. Back in the early 1990s, the EU also tried to pursue the value-based politics but eventually decided to shift to the interest-based relations in the field of energy and more generally in all EU-Russian economic relations as well as in certain aspects of external and internal security. One possible explanation is that old member states approach the EU-Russian relations more pragmatically whereas the dominating issue for the new member states is to dissociate themselves from the past, to draw a value demarcation line and prove their true belonging to the European culture.

One corollary to the EU insistence on values as opposed to interests is the principle of political conditionality that the European Union introduced and fully integrated in its relations with most of the third countries. It was initially applied to the candidate countries and their entry was made dependent on their democratic transformation, respect of the rule of law as well as settlement of all the disputes with the neighbours. In the mid-1990s, this

issue was also introduced in the relations of the European Union with the least developed countries of the ACP<sup>12</sup> Group. Now the question is raised about the application of this very principle to Russia in the context of all the discussions as well as EU technical assistance. The reality is, however, that what the Union could once apply to the candidate countries because it had a carrot of membership, and what it can now practice in its relations with relatively weak ACP countries cannot be used in the dialogue with Moscow. The only possible result will be Russia's alienation.

Thirdly, the European Union profoundly contrasts Russia in its being so heterogeneous as opposed to Russia's homogeneity. The reason behind is that the European Union is not a state but a union of multiple countries with their own culture and traditions but also with their specific perception of international relations and preferences in the world arena. This also creates multiple points of entering the discussion with the European Union – the most obvious being national and European Union levels. It also undermines the development of a single line

towards Russia and gives Moscow a perfect chance to play on the EU internal contradictions. Russia in this respect is a single homogeneous actor.

Last but not least, comes the divergent approach to sovereignty in the European Union and Russia. For Russia, sovereignty is mostly indivisible, it does not separate economic aspects from the political ones with the possibility of the economic relations being subjected to the full application of law or surrendered to any type of an integrated organisation. Transfer of some sovereignty within the European Union is a normal thing; it is the condition that the member states have to fulfil when they enter the EU. The problem for the EU-Russian relations here is precisely that any type of deep relations with the European Union and establishment of common spaces require division of sovereignty and surrender of some of it to an integrationist organisation or an integrationist set of rules.

These differences are outlined here not for purely academic purposes but to demonstrate the profound divergence between the two actors that immensely complicates

their bilateral relations. Effective dialogue requires attention to each other's peculiarities, which is far from being the case with the EU-Russian relations. These differences also present a significant challenge to the continuation of the dialogue and deepening the relations, not to speak about any form of integration.

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### ***3.2. The Process of Permanent Evolution of the Two Actors***

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The European Union and Russia are the actors that are in the process of profound transformations. For the European Union, these are the concurrent processes of enlargement and deepening of integration. With the last round of enlargement that was completed in 2004, 10 new states acceded the European Union. This brought immense growth of the EU territory and population but also increased its heterogeneity while dramatically decreasing the GDP per capita.

In the specific area of the EU-Russian relations, the enlargement increased the importance of the European Union for

Russia, particularly in the economic field. The European Union is now by far Russia's biggest trade and investment partner. The enlargement also changed the climate of the bilateral political dialogue with a number of new policy-makers and civil servants from the new members who are far from being friendly and co-operative towards Russia. President Putin's representative on the EU-Russian relations, Sergey Yasterzhembski, went so far as to say that some MEPs from the new member states brought "the spirit of confrontation and intolerance to Russia" and they "jumped from the communist yesterday to the refined democratic today without having learnt political correctness and tolerance"<sup>13</sup>. Moreover, the issues that were previously discussed in the framework of Russia's bilateral relations with the new member states have acquired a new venue – that of the EU, and their scale can now be amplified with the possibility of bringing some old issues of the EU-Russian relations to the background.

Furthermore, the process of the EU

reform and constitutionalisation profoundly changes it as a partner. The new constitutional treaty modifies the institutions and decision-making rules, redistributes the competences between the European Union and its member states in the number of fields, including those that are subjects of the EU-Russian relations. The Charter of Fundamental Rights for the first time becomes binding, although only for the European institutions and for the member states whenever they fulfil the obligations of the European Union. Finally, the European Union, for the first time in its history, is provided with the legal personality, which makes it easier to negotiate an agreement with it.

Russia is undergoing quite important transformations as well. Some of them are linked to the continuous democratisation while the fight against terrorism and strengthening of the vertical power provoke the others. The last initiatives on substituting elections of the regional leaders for nomination and accompanying measures caused loud uproar in the European

Union. There are strong reasons for this, as Russia has never bothered to explain the reasons for changes and their constitutional basis to its European partners.

Moreover, the redistribution of power between the federal centre and the regions might significantly change the EU-Russian regional and cross-border co-operation. The North-West of Russia is particularly notable in this respect, as here the two partners come in the immediate contact and therefore some innovative practices can be explored.

Inconsistencies between federal and regional legislation as well as between laws and bylaws and regulations in Russia further complicate the story of co-operation with Russia and its regions. And there is very little hope that these inconsistencies will be eliminated any time soon.

Constant transformations of the two partners in the search for efficiency and stabilisation significantly complicate the process of bilateral relations and therefore present the second challenge to the new strategic partnership embodied in the concept of the four spaces.

### ***3.3. Russian Superpower Stance vs. EU Policy***

The third challenge of the EU-Russian relations is represented by Russia's stance on its uniqueness that collides with the EU low flexibility in its external relations.

Russia's stance on its uniqueness is well known. This is a huge country with a long history and the tradition of superpower, which made it firmly believe in its exclusivity and always seek for a special treatment. At the same time, the European Union has developed only a limited number of models of the relations with the outside world: one of them is for the economically developed post-industrial countries (like the United States, Japan or Switzerland), another one is for future candidates or countries of the third world, who strive for special preferences, assistance or EU membership. None of the two models is applicable to Russia. It is not that strong to put its message through in the way the "equal" EU partners do, but at the same time it does not aspire membership nor does it look for any specific assis-

tance. Thus the European Union and Russia are bound to collide in search of a specific compromise.

One perfect example is the European Union strategy of Wider Europe that turned into the European Neighbourhood Policy in 2004. Russia as one of the immediate neighbours was also included into this policy initiative. This attitude practically negated the strategic character of the EU-Russian relations. The described approach was partly corrected in the Strategy Paper on the European Neighbourhood Policy (ENP). However, Russia still objects being put exclusively in the framework of the ENP. There are serious reasons for this, of which at least three Russian officials repeatedly state. Firstly, the goals and tasks of the EU-Russian relations are different from those that the EU pursues in the relations with other neighbours. Thus one strategy cannot describe the EU policy line with all the partners. Secondly, the needs of the respective EU neighbours are different as are specific infrastructure projects. So, putting them together will dilute their effectiveness. Thirdly, the fate of such co-operation struc-

tures as the Northern Dimension provokes numerous questions.<sup>14</sup> The fact that the European Union has not provided a country report on Russia in the context of the European Neighbourhood Policy, and the partners now talk about roadmaps (as opposed to action plans with the other partners) signifies that the European Union is willing to consider some of Russia's objections. However, the issue is still full of contradictions.

The Neighbourhood Policy also provides another illustration. Initially, Wider Europe Communication did not foresee any role for Moscow in Western NIS countries. This shortsighted approach was partly corrected through the introduction of the clauses on specific relations with Russia and EU-Russian common responsibility in Western NIS countries in the 2004 Strategy Paper. However, the difference of views remains.

The fundamental question is that equating Russia to other partners eliminates the strategic character of the EU-Russian partnership both for Russia and for other actors in the international arena. Therefore, Russia insists that the ENP concept



should be applied to Russia only to provide added value to the existent instruments and structures while the European Union insists on the strategic character of the EU-Russian relations within the Neighbourhood Policy. The difference is small but not that insignificant.

Yet another illustration of Russia feeling very special and the EU being uneasy with the models of co-operation is the competition of the two actors in the three Western NIS, i.e. Ukraine, Belarus and Ukraine. Although the European Union declares that it sees Russia as a true partner in the countries in question, it actually perceives Moscow as a vicious competitor. This can be seen from the reaction to the Russian initiative to create a Single Economic Space with some countries of the CIS. In particular, the European Union made a point to Kiev in 2003, following the signature of the agreement, that Ukraine had to define its geopolitical and foreign policy priorities. The debates about the presidential elections in Ukraine that unleashed in November 2004 and the tension that accompanied EU-Russian summit also provide a good illustration.

The European Union declares the region to be that of the shared responsibility. Moscow stresses that the project of the Single Economic Space is fully compatible with the Common Economic Space and therefore with other integration initiatives in Europe with the participation of the European Union. Yet the feeling is that of integration competition rather than co-operation with the view of better development. The fact that Russia has developed its own culture of legal approximation within the CIS further disturbs Brussels.

Thus, summing up the arguments of this part, we should stress that the third challenge of the EU-Russian relations is the search for an appropriate model that will accommodate both EU practices and Russia's ambitions. These models are needed both in the bilateral relations and in the relations of the EU and Russia with the countries in-between, i.e. Belarus, Ukraine and Moldova.

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### ***3.4. Legal Approximation as a Tool for the Construction of the Four Spaces***

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The establishment of the four spaces

between the European Union and Russia hinge upon the so-called legal approximation between the European Union and Russia. EU-Russian legal approximation can be defined as a complex of actions targeted at levelling the difference in the regulation of the firms and individual activities. The goal is to achieve a degree of approximation that allows the four spaces to function effectively and competition conditions to remain equal on the whole territory. From the practical point of view this means:

- Adoption of European norms, rules and laws in the Russian legal system (possibly with minor differences);
- Creation of the conditions for their effective enforcement through the transformation of other parts of Russia's legislation;
- Elimination of contradictions between new (EU dictated) norms and rules and other laws and bylaws both at the federal and regional levels.

In fact, the EU dictates the concept of legal approximation. Russia plays a rather subordinate role because the complex of legal norms and acts was established in the EU whereas Russia is still in the pro-

cess of transformation. Moreover, the European Union has a rich experience in this sphere, which by far outstrips that of Russia and put the latter in the subordinate position.

Two major problems characterise the process, however.

The first problem is a legal one. The parties possess a wide variety of instruments for legal harmonisation but hardly know the goal that they want to reach. The European Union has developed its instruments of legal harmonisation through constant legal harmonisation within the EU on the basis of the Articles 94 and 95 of the Consolidated Treaty Establishing the European Communities, preparation of candidate countries to membership and dialogue with the neighbours. These instruments include: 1) methods of harmonisation ranging from very soft ones (like an open method of co-ordination) to strict and compulsory harmonisation, 2) forms of harmonisation from obligatory and wholesale (like co-operation with the EFTA members) to voluntary and partial (the case of the EU-Swiss relations). The EU also defined the

levels of legal approximation from the development of the norm through its implementation to the monitoring of its application.

However, the goal which the European Union and Russia pursue is far from being clear. The theory of economic integration is quite developed by now and defines the stages of economic integration as a free trade zone, custom union, single market, and economic and monetary union. While the PCA was quite clear-cut in defining the goal of the EU-Russian co-operation as eventual free-trade zone, today's goal is not that clear. It is not a free trade zone any more but it is hardly a common market. There is no discussion about any custom union. Russian wish to prioritise only some sectors while leaving the others to the future further complicates the story. The most developed instruments cannot help when the final goal is not defined and the parties do not agree on what they want to construct.

The second problem is of political nature. One-way flow of legal norms from the European Union to Russia and unilateral shaping of the rules will result in

hardening the problem of democratic deficit in Russia. Traditional weakness will be complemented by the fact that Russia will have to accept norms and rules which were developed without any involvement of its people, its legislative or executive bodies. Low transparency of the EU policy-making further complicates the story. The best that Russia can get is a stake in the so-called decision shaping. This means participation in the development of the new norms at the time of their preparation in the Commission as well as discussion in the Council's working groups but without any voting right<sup>15</sup>. Although 80% of the EU legislation is shaped at this stage, the most controversial issues go up for the discussion in the Council. Thus the limits that will be put on Russia's legislative freedom seem to be considerable.

Furthermore, it will lead to continuous downgrading of the Federal Assembly of Russia in favour of the executive branch of power. The right to veto that might be created for the Federal Assembly by the analogy to what exists in the framework of the EEA for the EFTA countries will most

probably remain on paper. As the case of the EEA illustrates, none of the EFTA countries seriously considers invoking it for the fear of disruption of close relations.

The only way to compensate for this democratic deficit is to transfer to a n essentially new system of governance that is based on the participation of all interested parties in the decision-making process. For example, Russia could achieve this through the participation of its companies and interest groups in the European associations and joint lobbying. But this is the question of only very remote future.

Thus legal harmonisation as a tool of implementing four spaces presents a considerable difficulty for the EU-Russian relations, and there is very little the partners can do to remedy it. Therefore, legal harmonisation will remain the most controversial and contested by Russia issue on the agenda of the construction of the four spaces.

## Conclusion

Examination of the EU-Russian relations demonstrates continuing rapproche-

ment. Considering that official relations between the Soviet Union and the European Communities were established only in the late 1980s, Russia and the European Union have achieved significant progress as nowadays they consider each other 'strategic partners' and discuss the prospects of establishing common spaces.

The common spaces concept suggests deep mutual integration between the European Union and Russia in four areas: economy; justice and home affairs; external security; research, education and culture. In essence, these spaces reflect the spheres of co-operation and integration within the EU, which is highly significant in itself.

Establishment of the common spaces is a way to bring the EU-Russian relations to a totally new level. Of course, it is impossible to consider complete integration of Russia into the EU and eventual membership, but common spaces already require a very high degree of political integration and legal harmonisation between the EU and Russia. Eventually, it will mean the extension of the EFTA model of relations with the EU to Russia.

Moreover, the common spaces can provide the solution to many existing problems between the European Union and Russia, e.g. it can help avoiding new dividing lines in Europe after the enlargement; in particular, in people-to-people contacts, it can provide solution to the Kaliningrad problem and facilitate regulatory and legal convergence. It will also ease many aspects of co-operation on the European continent as a whole.

However, this co-operation is not without problems. We outlined four challenges of bilateral relations that are yet to be overcome. Today's crisis in the bilateral relations is provoked precisely by these challenges.

It was expected that the EU-Russian summit in the Hague in November 2004 would approve roadmaps to achieve common spaces but the summit failed to do so. Both sides took certain political obligations in this regard. However, as the summit approached it became evident that the four roadmaps would not be ready in time. The EU rejected Russia's idea of gradual adoption of four roadmaps one by one according to their readiness. Two of the spaces'

concepts were more or less ready – these were roadmaps on the common economic space and on research, education and culture. Their implementation, however, would be more in the interests of Moscow than Brussels. The European Union was particularly interested in the co-operation in the field of freedom, security and justice, where the agreement was far from being achieved. Therefore Brussels pressed for the package of four roadmaps to be adopted together. As a result, the summit in the Hague only agreed interim implementation of some aspects of the ready roadmaps. The final decision was postponed till the next summit in Moscow in May 2005. The success in meeting this deadline will, however, depend on the partners' ability to solve at least some of the outlined challenges.

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<sup>1</sup> Agreement on Partnership and Cooperation. Full text signed in Corfu on 24 June 1994 by the European Union and the Russian Federation.

<sup>2</sup> European Commission. Wider Europe – Neighborhood: A New Framework for Relations with our Eastern and Southern Neighbours. Communication from the Commission, Brus-

sels, 2003. COM (2003) 104 final. European Neighbourhood Policy. Strategy Paper. Brussels, 2004. COM(2004) 373 final

<sup>3</sup> Joint Press Statement by S. Berlusconi, President of the European Council, assisted by J. Solana, Secretary-General of the Council/High Representative for EU Common Foreign and Security Policy, R. Prodi, President of the Commission of the European Communities and V.V. Putin, President of Russian Federation. Annex 1. The Common European Economic Space (CEES). Concept Paper.

<sup>4</sup> Rehn, O. The Common Economic Space with Russia: State of Play of the Negotiations and the Role of Industry. EU-Russian Round Table of Industrialists. The Hague, 10 November 2004.

<sup>5</sup> Doklad V.B. Khristenko na Shestom Obshchem sobranii Kruglogo stola promyshlenikov Rossii i Evropejskogo Soyuz, The Hague, 10 November 2004. Unofficial translation by Tatiana Romanova.

<sup>6</sup> Otvety ofitsialnogo predstavitelia MID Rossii A.V. Yakovenko na voprosy rossijskih SMI po otnosheniyam Rossiya-Evrosoyuz. Moskva, 25 November 2004.

<sup>7</sup> Agreement on Partnership and Cooperation. Article 6.

<sup>8</sup> The Midterm Strategy of Development Relations between the Russian Federation and the

European Union (2000-2010). Moscow, 1999.

<sup>9</sup> Lynch, D. Russia faces Europe. Paris: European Union Institute for Security Studies, 2003. Chaillot Papers. No. 60, pp. 96-103.

<sup>10</sup> Duchêne, F. Europe's Role in World Peace in: Hayne, R. (ed.) Europe Tomorrow. 16 Europeans Look Ahead, Fontane, London 1973.

<sup>11</sup> Kagan, R. Power and Weakness // Policy Review. 2002. No 113.

<sup>12</sup> Africa, Caribbean Sea and Pacific Ocean.

<sup>13</sup> 'Eti liudi priniesli v Evrosoyuz duh primitivnoj rusofobii', Interviu s S.Yastrzhembskim / Nezavisimaya Gazeta, 26 November 2004.

<sup>14</sup> Chizhov V., Rossiya-ES. Strategiya partnerstva // Mezhdunarodnaya Zhyzn'. 2004. No 9.

<sup>15</sup> Romanova T. New Dimensions of EU-Russian Relations In Khudoley, K. (ed.). *New Security Challenges as Challenges to Peace Research. 16th Nordic and 4th Baltic Peace Research Conference Proceedings*. St. Petersburg, 11-13 2003. St. Petersburg. 2004; Romanova, T. Obshcheye evropeyskoye ekonomicheskoye prostranstvo: strategiya uchastiya Rossii. *Pro et Contra*. 2003. Summer.

# The EU-Russia Relationship: Managing Partnership and Dissent

By Dr. Helmut Hubel\*

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## 1. Introduction

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With the European Union's second enlargement in May 2004, the European integration system has extended its common border with the Russian Federation, which it gained first when accepting Finland as a member in 1995. There are few aspects that signify more the fundamental changes, having taken place during the 1990s, than the EU's direct neighbourhood with Russia: During the East-West conflict, Finland had been striving for "neutrality" between East and West and had only managed to gain an Asso-

ciation Treaty with the EEC in the context of détente and the CSCE process. Estonia, Latvia, and Lithuania, as a consequence of the Hitler-Stalin Pact and the Soviet victory in World War II, had been forced to become part of the Soviet Union. Now, the EU and Russia, the successor of the disintegrated Soviet empire, have become immediate neighbours. *Kalinigradskaya Oblast*, the territory around the Soviet city of Kaliningrad, is now an enclave within the widened EU.

Given the fact that the Russian Federation, despite all its political and economic problems, is still a major nuclear power and an important trading partner for

Northern and Western Europe, the EU countries had no choice but saw an opportunity to continue the close cooperation which the last Soviet leader, Mikhail Gorbachev, had initiated. Indeed, Gorbachev's *perestroika* (restructuring) both in domestic and international affairs had significantly contributed towards ending the East-West conflict peacefully. (The - limited - use of force by Soviet authorities in the Baltic states in 1991 is another story.) Thus, despite all controversies and problems in detail, the EU and Russia have managed to establish a relatively dense institutionalised partnership, which has helped both the EU and Russia

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to deal with the dramatic changes after the East-West conflict and has made a major contribution to the transformation of Eastern Europe, particularly the entry of several Central and Eastern European states to the Western institutions – EU and NATO. It seems no exaggeration to state that the EU-Russia partnership constitutes a corner-stone of Europe's peace order after the Cold War.

Before elaborating on this argument, it seems useful to discuss the EU-Russia relationship in a global perspective, which might help to understand better both the significance and the limitations of this partnership.

## **2. The Global Context**

Fifteen years after the fall of the Berlin Wall, one of the symbols of the ending East-West conflict, the new age has not found a universally accepted term. While several observers stress globalisation as the “new” determining factor, others argue that power relationships have not ended and that new actors, particularly non-state

groups threatening international security, have entered the scene. To deal with these complexities in a meaningful analytical way, U.S. scholar Joseph S. Nye has offered an interesting model that integrates all three aspects: He argues that “in the world of the information age” global politics should be understood as “a three dimensional chess game, played at the same time”:<sup>1</sup>

- the ‘international system’ in terms of the distribution of military power,

- the global economy and international institutions, and

- the cross-border interactions largely outside the control of governments.

As scholars of the ‘English School’ (particularly Martin Wight and Hedley Bull) have argued before,<sup>2</sup> Nye points to the fact that there are different organizing principles which intersect and often contradict each other:

- In terms of military-technological capabilities, there is now a “unipolar moment”<sup>3</sup> – with one single power, the United States of America, not to be matched by any other challenger or coalition of states.

- In terms of the global economy, a kind of “tripolar structure” exists, with North America (NAFTA), Europe (EU), and Asia (China/Japan/ASEAN) as the major centres of activity. This is reflected in the distribution of influence in international institutions and other fora, be it in the UN Security Council, the WTO, or the G-7/-8. On this second level, the U.S. is clearly not the exclusively dominating actor; it may be still the most influential single state, but “it can’t go it alone”.<sup>4</sup>

- Third, there is the growing sphere of trans-national relations beyond the control of states: trans-nationally acting companies and other non-state actors, summarized by Ernst-Otto Czempiel as the ‘world of society’ (*Gesellschaftswelt*).<sup>5</sup> On this level, states have lost many or most of their capabilities to “decide outcomes at acceptable costs” (as Keohane/Nye define power in today’s complex reality).<sup>6</sup> *Al-Qaida*, one of the actors in the global transnational terror network, is probably the most dramatic example of this fact, challenging both the ‘world of states’ and the ‘world community’.

The evolving EU-Russia relationship clearly takes place predominantly on the “second” level of this “chess-game”: As the world’s largest and most integrated trading area, the EU has become one of the major global economic players. At the same time, it is no military “super power”. While two of its members, France and the United Kingdom, are (medium) nuclear powers, the EU – as will be explained later – cannot act as a “traditional power”. Rather, it has to be understood as a kind of “post-modern” actor – a system of “multi-level governance” – primarily dealing with economic-social aspects. Despite the EU efforts towards developing its “second pillar”, i.e. its Common Foreign and Security Policy and its peace-keeping activities abroad (e.g. in the Balkans), the EU is no traditional military power – and most of its members (with the exception of France) do not want to become one.

For Russia, very much engaged in transforming its economy and society to cope with the challenges of the 21<sup>st</sup> century, the (widened) EU constitutes no military threat, but offers opportunities and new

challenges, as will be explained later in more detail. The basis of the relationship is the growing economic and political interdependence, which can be summarised in the following fact: The widened EU-25 takes around half of Russia’s exports, while several EU member states now rely heavily on energy imports from Russia and regard it as a long-term economic opportunity.

At the same time, both the EU and Russia feel new threats, stemming from the “third level of the global chess-game”, particularly from trans-border crime and terrorism. These challenges, it seems, necessitate increased cooperation between the two sides.

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### ***3. The unequal partners***

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When trying to assess the achievements and limitations of the EU-Russia relationship, it seems necessary to stress the structural differences between the two partners.

#### ***The European Union***

The EU is neither a coherent federated Union (as its name – wrongly – suggests),

nor is it just a loose assembly of independent states with a common economic space. Rather, it is a “semi-confederation” (as William Wallace has argued) or a *Staatenverbund* (compound of states, as the German Constitutional Court has stated).<sup>7</sup> Its complicated structure reflects the history of European integration and sometimes rather different national goals. Altogether, the EU has developed into a “multi-level system of governance”: While the issues covered by the “first pillar” of the Maastricht Treaty (the European Monetary Union) are already dominated by the principle of supranationality – with the European Commission and other EU institutions as the key players – the topics covered by the “second and third pillars” (Foreign and Security Policy; Justice and Home Affairs) are still ruled by the principle of inter-governmentalism: there the member states still hold essential elements of sovereignty. Also, the member states continue to decide on key issues of the integration system, such as new steps towards “deepening” and “widening”, i.e. further enlargements.

The EU complicated structure often allows for only “sub-optimal” decisions. Set-backs have happened in the past and will happen again in the future. At the same time, this new type of a nascent all-European political system reflects “the continent’s” century-old national traditions and the fact that this integration has not been an enforced, but always a voluntary process. Despite all its complexities, until today the integration system has fulfilled its two major goals: to keep a stable peace among its members and to support economic-social prosperity. Significantly, since 1990 (when the German Democratic Republic joined the Federal Republic of Germany) the EU has transformed from a previous West European into a potentially all-European Union. This has happened because the EU not only offered the prospect of economic development, but also of political stability for the new democracies. Still, many questions remain whether the “EU-25”, not to speak of a “EU-28” (with Bulgaria, Romania, and Croatia as additional members) will be able to work as effectively as the previous “EU-12” or “EU-15”.

With the last round of enlargement in May 2004, the EU common border with Russia has been extended to Central-East Europe. While Finland is a highly developed Western-type democracy and market economy, the three Baltic states and Poland represent post-Soviet or post-socialist states, engaged in a major process of political-social-economic transformation. Significantly, for all the eight Central-East European new EU members, the European integration system provided the principles and norms (enshrined in the EU’s *aquis communautaire*). This means, that by-and-large the EU system has become an all-European one, affecting now also its neighbours, including Russia.

### *Post-Soviet Russia*

Already in the early 1990s, shortly after the dissolution of the Soviet Union, Russia’s political leadership made a strategic choice: The country would aim at consolidating itself as a nation-state and regaining respect as a great power, transforming its economic-social system and achieving full integration in the world

economy. Consequently, membership in the World Trade Organisation has become a major goal. Given Russia’s both European and Asian geographical composition, its history and traditions, and the state of its economy, membership in the European integration system was not feasible in the foreseeable future and was never seriously considered.

Consequently, partnership was the logical and feasible alternative: Given the economic importance of its neighbours in Northern and Western Europe, Russia would seek a close working relationship, based on mutually agreed norms. Also, the partnership would find an institutional expression, the Partnership and Cooperation Treaty (1994) and later agreements, as well as regular high-level meetings. Significantly, the relationship was based on the principle of cooperation - not integration.

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### **4. Achievements and Problems of the Partnership**

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First of all, it seems necessary to stress the obvious and most important fact: The



EU-Russia partnership has achieved its primary goal – to provide a stable base for both the EU's and Russia's transformations and to help safeguarding peace in most parts of Europe after the end of the East-West conflict. When taking into account Yugoslavia's bloody dissolution during the 1990's, this achievement cannot be stressed strongly enough.

At the same time, not all dreams and expectations could materialise. Given the differences of the two "actors" and the – intended or unintended – consequences of the EU Eastern enlargement, it seems that some disappointments could not be avoided.

When Russia joined the Council of Europe in 1996, many politicians and observers within the EU had hoped that the Chechen War could be ended permanently. Yet, the second war brought about flagrant violations of human rights and new sufferings of the civilian population. Those critics within the EU, particularly concerned about these principles, had difficulties in accepting the view presented in Moscow, that Russia had to defend its

territorial integrity "at all costs". The EU clearly respected Russia's goal of preserving its integrity – as the compromise on the Kaliningrad transit problem in 2002 clearly documented. Still, doubts remained within the EU whether, particularly in the case of Chechnya, the end really justified the means. While several groups (e.g. the Green party in Germany, French intellectuals, and press commentators in several countries) continued to criticise Russia for human rights violations, key politicians (such as the French President and the German Chancellor) did not raise the issue publicly and pursued rather a policy of *Realpolitik*. Still, one should not underestimate the role of public opinion within the EU and its member states: the continuing interest in developments in Russia, the hopes in a flourishing Russian civil society and democracy – and the disappointments about certain deficiencies (e.g. in the legal and political system) and setbacks, particularly new restrictions for the media.

On the other hand, for Russia the EU enlargement was not only a positive de-

velopment. When the Baltic states joined the EU, this might indeed have created some "emotional" problems. Moreover, the introduction of the EU *aquis communautaire* did indeed create problems for the export of certain Russian goods, and the Schengen system actually caused significant changes for Russian citizens. Also, it seems that the EU enlargement has aggravated concerns that Russia's economic recovery might not be as quick and comprehensive as the Baltic states' and Poland's one – and that the economic-social gap between the EU and Russia might not narrow but become wider in the future. This indeed seems to represent one of the major challenges for the future development of the EU-Russia relationship.

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## ***5. Some Conclusions on the Future Partnership***

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Dealing with the problem of narrowing the economic-social divide between the EU and Russia seems to be one major task: Only if Russia – particularly

neighbouring Russian regions of the EU – feel the benefits of European integration, will the partnership have a sound base for future development. Otherwise, growing disappointment and complaints might lead to a worsening of the relationship. Both sides will have to invest much energy and resources to prevent such an eventuality.

Already in the past, the EU has developed special programmes for trans-border cooperation – as can be studied not only in the case of French-Belgian-Dutch-German trans-border projects, but also in German-Polish-Czech projects – even before those countries joined the EU. Indeed, there have already been some efforts towards establishing projects of trans-border cooperation along Russia's north-western borders – with mixed results, as we have learned.<sup>8</sup> Both sides – not only the Russian leadership and the EU Commission, but also neighbouring states and regions, directly concerned – should focus on this task of strengthening trans-border cooperation and thus of promoting economic activity.

Concerning the Russian side, it seems that St. Petersburg and the *Leningradskaya Oblast*, Petrazavodsk and the Karelian Republic, Pskov and the *Pskov Oblast*, and the *Kaliningradskaya Oblast* should assume a pioneering role in promoting new types of cooperation. This would, of course, have to be coordinated with the Russian center in Moscow. In the longer run, neighbourhood with the EU could lead Russia's policy-makers to rethink Russia's system of federalism. In the case of the EU, the principles of *devolution* and *subsidiarity* – shifting certain competences to lower levels of decision-making – has often served to strengthen, not to weaken, the effectiveness of both the member states and the Union. In order to be able to cope with future challenges, Russia might also contemplate a more differentiated system.

Concerning the EU, not only the EU Commission and other institutions of integration (e.g. the European Parliament) will have to invest ideas and resources to further developing the partnership with Russia. Also, the member states, particu-

larly the immediate and closer neighbours, will have to focus on this goal. In the past, the Federal Republic of Germany and Finland have been the strongest advocates of good relations with Russia. After having joined the EU, the Baltic states and Poland should also engage in reassessing their attitudes towards their big eastern neighbour. Of course, it will take time and hard work to overcome some painful memories of the Stalinist past. Still, as the Finnish and the German cases demonstrate, people as well as nations cannot afford to only look back; instead, they have to invest in the future, and by doing so they can turn a new page in history.

For the Baltic states, namely Estonia and Latvia, there are still issues to be solved, particularly the comprehensive integration of the Russia-speaking population. Significant success has already been achieved during the last decade; still, continuing energy and investment will be needed to find practical solutions for the outstanding problems. In the longer run, it seems that the Russian-speaking popu-

lation in the Baltic states – the so-called “Euro-Russians” – should serve a bridge between the EU and Russia and as intermediaries in increased Baltic-Russian trade and cultural exchange. If the Russian *Duma* followed President Putin’s recent suggestion that Russia should sign the border treaties with Estonia and Latvia, this would be an important contribution towards this goal.<sup>9</sup>

While working towards further strengthening the partnership, both the EU and Russia should not expect too much from each other – and thus prepare for certain disappointments, which happened during the last decade and which might recur. As stressed before, partnership depends on the participating sides’ goodwill and readiness to agree on shared principles and goals. Either side should take into account the partner’s peculiarities and work towards practical solutions. In some cases, one will have to “agree to disagree” and still keep the partnership going.

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## Notes

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<sup>1</sup> See Joseph S. Nye, Jr., “Redefining NATO’s Mission in the Information Age”, in: *NATO Review*, Winter 1999, pp. 12-15. See also Nye, *The Paradox of American Power*, Oxford 2002.

<sup>2</sup> See Martin Wight, *International Theory. The Three Traditions*, London 1991, and Hedley Bull, *The Anarchical Society. A Study of Order in World Politics*, Houndsmills etc. 2002 (3<sup>rd</sup> ed.; 1<sup>st</sup> 1977).

<sup>3</sup> See Charles Krauthammer, “The Unipolar Moment”, in: *Foreign Affairs* 70/1, 1991, pp. 23-33.

<sup>4</sup> Nye, *The Paradox of American Power. Why the World’s only Superpower can’t go it alone*, Oxford 2002.

<sup>5</sup> Ernst-Otto Czempiel, *Weltpolitik im Umbruch*, Munich 1993 (2<sup>nd</sup> enlarged ed.).

<sup>6</sup> Robert O. Keohane/ Joseph S. Nye, *Power and Interdependence*, New York 2001 (3<sup>rd</sup> ed.).

<sup>7</sup> For the sources see, Helmut Hubel, “The Challenge of Direct Neighbourhood: The European Union and Post-Soviet Russia”, in: Konstantin Khudoley (red.), *Russia-European Union Partnership after the Enlargement*, St. Petersburg 2004, pp. 16-32; p.18; in the Russian edition: “Ispytanie blizkim sosedstvom: Evropejskij Soyuz i post-sovetskaya Rossiya,

in: K. Khudoley etc. (Red.), *Partnerstvo Rossii i Evropejskogo Soyuza posle rasshireniya*, St. Petersburg 2004, pp. 39-57; p. 41.

<sup>8</sup> For some interesting empirical material, see several contributions of Russian authors in: *Europejskaya Integraciya I Rossiya / Europäische Integration und Russland*, St. Petersburg 2003 (Konrad Adenauer Foundation, St. Petersburg)

<sup>9</sup> See *Frankfurter Allgemeine Zeitung*, 6 December 2004.

# Slovenia and NATO Membership: Testing the Criticisms of Alliance Expansion

By Dr. Ryan C. Hendrickson and Thomas Ethridge\*

**A**t the North Atlantic Treaty Organisation's (NATO) Prague Summit in November 2002, the world's most effective military alliance agreed to a historic expansion. Seven states from Central and Eastern Europe, including Slovenia, were formally invited to join NATO. This decision was codified on 29 March 2004, as NATO's membership now stands at 26 countries. Clearly, NATO has entered a new and uncertain era with such a diverse membership and new security threats to meet.

NATO's expansion has been examined from many perspectives. Although some analysts point to the benefits of a larger alliance, much research on this issue emphasises the potentially negative impact of enlargement. Some observers contend that NATO's expansion weakens the alliance, insomuch that the new Central and Eastern European members provide little militarily to the alliance. Others point to the poor civil-military relations of NATO's newest members, whose militaries still allegedly struggle in their

transition(s) to full democratic governance. It has also been maintained, with some justification, that NATO's previous enlargement at the 1997 Madrid Summit added countries that did not necessarily share the same strategic values as other NATO members. Other objections to enlargement have been raised over the financial expenses that NATO may incur by adding new members. From these perspectives, additional expansion threatens alliance unity and makes consensus more difficult to achieve.

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This paper provides a test of these criticisms in the case of Slovenia, who was invited to join NATO at the Prague summit. This former Yugoslavian province nearly gained an invitation at NATO's Madrid summit in 1997, when Canada, France, Italy, and others supported Slovenia's appeal to join the alliance. By 2002, NATO had reached consensus that Slovenia should be extended full membership. Although Slovenia has received some attention from military and political analysts, the impact of its membership has not been systematically examined against these specific criticisms. Moreover, over the last two years considerable policy developments within Slovenia, NATO and elsewhere require ongoing analysis of its potential costs and benefits as a full member of NATO.

In short, this paper maintains that the arguments against NATO expansion, at least in the case of Slovenia, apply only at the margins. Slovenia has made progress in all areas that critics warn against. Although legitimate concerns can still be raised over certain aspects of Slovenia's

membership, at the present time it is moving in a positive direction, and continues to challenge nearly all criticisms of NATO enlargement.

## ***1. The Critics of NATO Expansion***

Although NATO expansion has been lauded from policy makers and some analysts, the majority of published research raises objections about an enlarged alliance.<sup>1</sup> Besides the fears of negative reaction from Russia, which was heard most frequently prior to the Madrid Summit, most critics point to four areas of concern aimed specifically at the new members.<sup>2</sup>

The first and perhaps most prescient area of concern is the inferior military capabilities of NATO's new members. Most of the Central and Eastern European members suffer from dated weaponry, bloated militaries, and will demand extensive modernisation efforts before they might provide meaningful contributions to NATO.<sup>3</sup>

Another justifiable concern regards the ongoing democratic transitions of the new

member countries, and their engrained culture of military supremacy over military matters. Some evidence suggests that in Bulgaria, the Czech Republic, Romania, and Slovakia, few "national security professionals" exist in either the elected government or in the broader civil society. While, a dearth of military knowledge and strategic expertise among civilian professionals allegedly plagues the civil-military relations of these states, it is sometimes maintained that former communist military leaders have not faded away.<sup>4</sup> Rather, it is suggested that these leaders remain entrenched in their positions of power, who can be resistant to civilian efforts to adapt to new democratic realities.

Analysts also contend that NATO's new members from the Madrid Summit expansion may not share the same strategic values as other alliance members. Only days after NATO codified the membership of the Czech Republic, Hungary and Poland in 1999, the alliance began its bombing campaign on Slobodan Milosevic for his ethnic cleansing policies in Kosovo. Hun-

gary and the Czech Republic were hesitant supporters of the operation. Both states experienced widespread public opposition to NATO's actions, especially in the case of the Czech Republic, where CR Prime Minister Milos Zeman referred to NATO as "war mongers." Such vocal opposition to NATO's military strikes in the Balkans from NATO's newest members raised understandable concerns about a wider membership.<sup>5</sup>

Stemming from the poor military capabilities of the new alliance members, critics also note the potential financial costs imposed upon the United States and others in helping the new members develop interoperable weapons systems. These concerns were loudest prior to the Madrid Summit, when much debate surfaced in the United States over how much monetary commitment would be required in order to assist the new members in their military/defence transformations. Although critics varied widely in their cost estimates, the potential financial demand imposed on the allies shaped much of the debate on expansion.<sup>6</sup>

While the alliance has now officially expanded and the seven new members have taken their places at NATO headquarters, such previously expressed concerns remain legitimate areas of analysis regarding NATO's ability to face new and pressing security challenges. Moreover, NATO continues to express interest in additional expansion. For example, on 27 May 2004 when speaking to the Macedonian parliament, NATO Secretary General Jaap de Hoop Scheffer stated, "...the door to NATO will remain open."<sup>7</sup> While expansion is clearly not at the top of NATO's agenda, the policy remains alive, and the same sorts of criticism are likely to resurface as the alliance moves to expand again.

In this paper, we provide a systemic evaluation of these four concerns as tested against Slovenia. In doing so, we examine Slovenia's military capabilities and its effort to modernise its Armed Forces. We evaluate the status of Slovenia's current civil-military relations, with specific attention directed toward the role of national security professionals. We also assess cur-

rent strategic trends and directions of Slovenian foreign policy, with an emphasis on the degree of shared responsibilities between Slovenia and the alliance. Finally, we provide a monetary snapshot of Slovenia's defence investments as compared to NATO allies of similar size. This research provides new insights not only on Slovenia's membership into NATO, but also on the wider issue of NATO expansion. Our findings suggest that the criticisms against NATO expansion have only partial relevance in Slovenia's case. Its weaknesses are clearly in its military capabilities. Otherwise, Slovenia overcomes the traditional criticisms due to its modernisation and defence reform efforts, excellent cooperation with NATO, and its overall strategic evolution toward being a supportive member of NATO's expanded security mission.

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## ***2. Military Capabilities***

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Slovenia's most recent and laudable achievement regarding its military capabilities, though still necessitating final

parliamentary approval, has been the government's decision in May 2004 to adopt its Strategic Defence Review (SDR). Created in close consultation with NATO advisors, the document outlines the force structure and posture of the Slovenian Armed Forces (SAF) for the next decade. Its decision to adopt the SDR follows in line with its ongoing defence reforms in cooperation with NATO's since the Washington Summit in April 1999.

Among its notable plans, the SDR discusses the recent decision to end conscription, as well as the development of more mobile, deployable, and professional troops. By 2010, the government intends to have a full-time, professional force of 8,500.<sup>8</sup> These developments comport closely with NATO's requests and the decisions made at the Prague Summit, which called for all member states to adapt their forces to meet the modern threat of terrorism.<sup>9</sup> Within these plans, Slovenia intends to devote some troops to a motorised infantry company by 2006, and increase to these forces to battalion size by 2009. These forces would participate

in a variety of NATO military operations abroad, including peace-enforcement activities and actual combat.<sup>10</sup>

In terms of its military hardware, additional evidence suggests progress primarily on two fronts. First, Slovenia has purchased new gear for Nuclear-Biological-Chemical weapons emergencies.<sup>11</sup> While such investments can be made at relatively low cost, these expenditures indicate that Slovenia has responded to NATO requests to prepare for terrorist attacks on alliance members. Secondly, the SAF will benefit from the 2003 purchase of 36 additional Armed Personnel Carriers (Valuks), adding to its current stock of 36 Valuks.<sup>12</sup> It also gained 30 new Humvees in 2002. These purchases improve the SAF's infantry capabilities, which could prove useful in the event of another Balkan crisis, when the need for an expeditious insertion of troops would be welcomed.<sup>13</sup>

One additional element of NATO's "inter-operability" requirement for its applicant states is that English be the common language among military officials in

the field. Most Slovenes speak English, which eliminates another hurdle that other states have faced.<sup>14</sup> Thus, on a number of fronts regarding its armed forces, Slovenia has undertaken important steps, especially with the Defence Ministry's adoption of the Strategic Defence Review.

At the same time, a realistic assessment must also note the difficulties faced ahead for the SAF. One of the SAF's most critical challenges is the absence of combat training, and the low prospects for combat training in the future. Historically, the foundation of the SAFs was its Territorial Defence Forces, whose primary focus was homeland defence. The SAF was prepared for a guerrilla warfare defence, and otherwise, its missions were limited to assistance in civil emergencies. A number of analysts note that during its years under Yugoslav federation leadership, these troops were poorly trained when compared to the Yugoslav National Army (JNA). Many of the best Slovenes also served in the JNA, which presents another historic hurdle to overcome for the SAF. Unfortunately, analysts concur that train-

ing and this long legacy of limited military experience remains a problem today.<sup>15</sup> Inadequate educational training among SAF officers also remains a problem. Moreover, Slovenia also has no firing ranges in the country for combat training. For such training, it needs to travel to neighbouring states, which creates an additional demand on its already tight defence budget.<sup>16</sup>

Another problem is Slovenia's reluctance to rid itself of its dated weaponry. The Defence Ministry has financed an upgrade of its small group of light aircraft, and has made considerable improvements to its 30 T-54 Tanks, which includes new armour and night-vision capabilities. Although these upgrades admittedly improved these aircraft and tanks, these changes add little to the alliance because they still remain so dated.<sup>17</sup> Slovenia also has poor artillery capabilities. Arguably, much of its best weaponry stems from the black market purchases made prior to its 10-day war in 1991, when Janez Jansa, who later became Defence Minister, acquired anti-tank missiles from Austria and

Germany.<sup>18</sup> Slovenia has made some improvements in weaponry with the purchase of six German-made Roland Air Defence Systems, but it still remains mostly reliant upon fellow NATO allies Italy and Hungary for its air communications and air defence.<sup>19</sup> Overall, Slovenia still has a long way to go before it will have any real capability to project a significant number of troops, equipped with proper combat weaponry and training, beyond its borders.

One additional long-term problem for the SAF is recruitment. Conscription provided a steady flow of people into the SAF. With its necessary demise, the SAF will have to attract quality applicants to its personnel. In 2003, the SAF met its goals, but it currently competes with its national police for personnel.<sup>20</sup> It has also been argued that the SAF suffers from low prestige within Slovenian civil society. During conscription, Slovenian youth took many steps to avoid their required military service, and often succeeded in finding ways to evade national military obligations.<sup>21</sup> The recruitment

issue represents a real challenge for the SAF, especially as demographic changes and a decreasing number of eligible youth will become more pronounced in 2006.<sup>22</sup>

In sum, Slovenia has made a number of important reforms, culminating most recently with the 2004 Strategic Defence Review, which is a good indication that it remains committed to NATO's goal of having professional, mobile and deployable troops to face modern security challenges. Viewed through this standard, NATO's critics have overstated the political costs of alliance expansion relating to Slovenia. Yet the ongoing problems of combat training, its dearth of modern equipment and weaponry, and future recruitment issues are admittedly significant hurdles for Slovenia to overcome, and will be important challenges to meet in its continuing transition.

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### ***3. Civil-Military Relations***

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A number of recently admitted NATO allies ostensibly still struggle with their transitions to democracy, especially in the



area of civil-military relations. Similar problems do not exist in Slovenia, although a civil-military gap has become more noticeable with its transition toward NATO membership. This gap (discussed below) does not threaten democracy, but can forestall Slovenia's progress toward becoming a more meaningful supporter of NATO missions.

It should first be recognised that Slovenia's governing framework provides both extensive parliamentary *de jure* and *de facto* oversight of the military. A civilian appointed Defence Minister, who is answerable to the parliament, oversees the SAF. The parliament has budgetary authority, and the power to declare war. The president serves as the nation's commander in chief.<sup>23</sup> As noted by RAND analyst Thomas Szayna, Slovenia received the highest democratic rankings of all recently admitted countries to the alliance.<sup>24</sup> Slovenia is widely recognised as a fully developed democracy, with no democratic deficit in the field of civil-military relations.<sup>25</sup> It also has a national ombudsman who oversees human rights standards

within the military, and a Court of Audit that can examine defence expenditures within the Ministry of Defence, apart from the national court system.<sup>26</sup>

Slovenia's last substantial threat to democratic governance from the military occurred under the leadership of former Defence Minister, Janez Jansa, who was instrumental in orchestrating Slovenia's successful Ten-Day War of Independence from Yugoslavia in 1991. After becoming Slovenia's first Defence Minister, however, Jansa used the office to empower himself, and permitted military officials to openly criticise the president. With some initial vagueness in Slovenia's constitution on defence responsibilities, he capitalised on these ambiguities, and in effect became the *de facto* commander in chief, with his own military force that remained loyal to him during his tenure in office.<sup>27</sup> Due to human rights violations committed under his command, as well as growing concerns with his leadership, he was removed from office in March 1994 by parliament. Since this time, no similar problems have surfaced.<sup>28</sup> Today, the

military is largely removed from any aspect of partisan political activities in the country, although the appointed civilian Defence Minister still plays the most influential role in shaping its defence policies.<sup>29</sup>

Most analysts view civil-military relations primarily through interactions between political and military leaders within a sovereign state.<sup>30</sup> But countries that join international organisations may willingly forfeit some sovereignty to trans-national military organisations, and in effect, international bureaucrats can potentially become influential in shaping the defence and military decisions of each member-state.<sup>31</sup> In this respect, and as some evidence shows, a legitimate argument can be made that NATO's international staff has served as another democratic check and influence for Slovenia.

While Slovenia has not given away its sovereign decision-making powers to NATO, some evidence demonstrates that NATO's international staff and other military professionals among the allies played an important role in shaping

Slovenia's military transformation. Interviews suggest that NATO officials felt their voices and recommendations were generally heard and implemented by Slovenian Defence officials. NATO's Membership Action Plan was also instrumental in assisting Slovenia to reshape its Armed Forces.<sup>32</sup> Moreover, NATO's international staff, as well as Slovenia's fellow allies, are sure to raise questions in Brussels should less-than-democratic events occur within Slovenia. In this respect, traditional examinations of civil-military relations miss these potentially critical players in civil-military relations and additional "national security professionals." With Slovenia's full membership status in the alliance, there is a new genre of national security professionals clearly working to enhance and strengthen its democratic transition.

Slovenia's civil-military relations also benefit from an active academic community, which play a key role in training civilian defence experts. A number of faculty at the University of Ljubljana are active participants in examining Slovenian

military and defence issues, which provides another source of national security professionals within the state.<sup>33</sup> The Slovenian public is also engaged and supportive of Slovenia's broader strategic and foreign policy direction. Although public opinion on NATO membership has shifted over time, reaching its low-point after the Madrid Summit, its March 2003 referendum found that 66 percent of Slovenians supported its membership in NATO.<sup>34</sup> Thus, multiple aspects of Slovenian civil society play roles in overseeing Slovenian military affairs.<sup>35</sup>

The one gap of recent policy concern exists between the Slovenian General Staff and some civilian Defence officials. It is argued that the more senior military officials, especially those who fought in the 10-Day War, appear to be more ideologically conservative than the younger Slovenes, and demonstrate less interest in NATO's request for international engagement. A divide seems to exist between those who favour traditional deterrence as the primary national security strategy, and younger officials who are more

favourable toward accepting a larger role in international military affairs.<sup>36</sup> Some also allege that a degree of "arrogance" exists among older military officials, which stems in part from their lead role in the 10-Day War and from NATO's decision at Madrid to deny them membership. The decision to reject Slovenia's membership bid in 1997 was deeply disappointing to many Slovenes.<sup>37</sup> These differences in views, however, do not suggest that a disregard for democratic practices exists, but rather that a strong degree of conservatism pervades the General Staff, which emphasises traditional territorial defence.<sup>38</sup> Moreover, extensive employment protection laws can provide additional insulation from military officials, and is an issue that has been raised by NATO officials.<sup>39</sup> At the same time, other analysts point to the extensive political oversight exercised by civilians on matters of defence.<sup>40</sup> Thus, on the strategic-conceptual level, a divide exists that may slow its progress toward additional integration within NATO, but at minimum, this resistance is balanced by strong and os-

tensibly well-trained civilian defence officials.

Besides this gap on “policy” matters, Slovenia scores exceptionally well in its democratic evolution and civil-military affairs. An array of national security professionals exist in Slovenia and Brussels, which suggests that the criticisms directed at some of NATO’s newest states do not apply in this case.

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#### ***4. Strategic Directions***

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The level of participation of Slovenia’s military in peacekeeping and peace-enforcement operations is another important factor for examining its ability to contribute to NATO. Critics maintain that NATO expansion places undue political strains on the alliance, because new members might not be supportive of the alliance’s broad array of military operations. Since the 2002 Prague Summit, however, most evidence suggests that Slovenia has met such challenges.

As Slovenia prepared and lobbied for NATO membership, its troops were al-

ready active in peacekeeping operations across the Balkans. One expectation of NATO applicants was that they would demonstrate their willingness to share the burden and participate in NATO peacekeeping activities. In response, Slovenia deployed troops to Operation Alba in Albania in 1997, and placed approximately 70 troops in the Stabilisation Force (SFOR) in Bosnia. While in Bosnia, Slovene troops have been active in the distribution of humanitarian aid (e.g., 30 tons of food), as well as supporting SFOR through the Slovenian Airway that transports strategic assets to Sarajevo. This airline had completed over 5,000 flying hours to and from Bosnia prior to the Prague Summit.<sup>41</sup> In addition, the SAF deployed 13 troops in NATO’s Kosovo Protection Force (KFOR).<sup>42</sup> 18 SAF troops have also been deployed to Afghanistan in March 2004 in support of the NATO operation to police parts of Kabul, with promises of more SAF forces after NATO’s 2004 Istanbul Summit.<sup>43</sup> These deployments are reflective of substantial change in Slovenian foreign policy, as SAF troops

have historically focused solely on territorial defence.

Another positive strategic direction for Slovenia exists through its current relations with Croatia. Indeed, much has been done to improve bilateral relations with its neighbour country. In April 2004 the two countries began discussing a framework and context for arbitration negotiations in order to settle a border dispute that has existed over small strips of land and parts of the Adriatic Sea since their independence from Yugoslavia in 1991.<sup>44</sup> Though these negotiations are ongoing, Slovenia’s willingness to discuss such possibilities is a positive development in its bilateral relations.

The politically divisive issue of Iraq presents another potential lens for examining how Slovenia will contribute to NATO’s expanded mission. Prior to Operation Iraqi Freedom, Slovenia sent mixed signals regarding its position on military action against Saddam Hussein. Although Foreign Minister Dimitrij Rupel signed the “Statement of the Vilnius Group Countries” with nine other aspir-

ing NATO members, which expressed their general support for the Bush administration's military threats against Iraq prior to the war, Prime Minister Anton Rop quickly contradicted Rupel, arguing that Slovenia did not support military action at that time.<sup>45</sup> Given that Slovenia's national referendum on NATO membership was the following month, Rupel may have been interested in showing domestic audiences that as an eventual member of NATO, Slovenia would be willing to challenge American leadership. Whatever the political motives, Iraq remains a contentious issue for the alliance more generally, and will remain so in the near future.<sup>46</sup> However, at the Istanbul Summit Slovenia stood with all other allies in affirming NATO's role in training the Iraqi military. From this perspective, Slovenia did not try to block the United States desire to expand NATO's mission in Iraq. More importantly, it agreed to train Iraqi police forces, but only from "third" countries—meaning places other than Iraq.<sup>47</sup> Slovenia is clearly unwilling to place its own troops

at risk, but at the same time is making another small contribution to Iraq and NATO, which is more than some NATO allies.

Besides its minor efforts in Iraq, one additional indication of Slovenia's strategic direction is its involvement with the Stand-by High Readiness Brigade (SHIRBRIG), which was created to support the United Nations and participate in various peacekeeping missions. Slovenia has supported the brigade by authorising future deployments for one of its policing units. In essence, Slovenia has offered the policing unit that formerly served in Bosnia to be on alert for SHIRBRIG operations.<sup>48</sup> The SAF's participation in SHIRBRIG missions allows Slovenia to become more active in UN operations and encourages additional military and political integration with other NATO member states.

In sum, Slovenia has clearly contributed to NATO's wider post-Cold War missions in terms of multilateral cooperation and its willingness to engage in peacekeeping and peace-enforcement op-

erations. Although its contributions remain small, and the differences over Iraq remain across the alliance, Slovenia nonetheless accepts some responsibility for NATO's increasingly global mission, and thus falls more into the camp of being a security producer, rather than consumer.

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## ***5. The Financial Cost of NATO Expansion***

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The final criticism examined here is the potential monetary expense that Slovenia imposes on the alliance as a full member. This measurement is inherently difficult to determine, given that allies may give as much or as little as they want to Slovenia in their military modernisation and integration efforts. One means of testing this criticism, however, is through an examination of Slovenia's national defence expenditures and trends, in that it may provide some insight on its monetary commitment to defence reform and modernisation. In order to provide a comparative evaluation of Slovenia's defence budget, four NATO allies were se-

lected for comparison: Canada, Luxembourg, Norway and Portugal. These states are all original NATO members, and with the exception of Canada, are the three smallest, founding NATO members in terms of population.<sup>49</sup> In Table 1, we provide a summary of national defence expenditures on an annual basis for each state. In Table 2, we provide the annual defence expenditures as a percentage of Gross Domestic Product (GDP) for the allies.

Table 1 demonstrates that in terms of defence spending in absolute dollars, Slovenia does not compare well with NATO allies of comparable size. Its ex-

penditures are well below Canada, Norway and Portugal. From this perspective, critics of NATO expansion make a legitimate claim regarding the deficient financial resources available for national defence in Slovenia. At the same time, it is noteworthy that Slovenia spends nearly twice as much as Luxembourg. Although Luxembourg admittedly provides little in terms of military capabilities to NATO, Slovenian defence expenditures still surpassed Luxembourg in each of the five years under examination.<sup>50</sup>

Table 2 presents a more favourable comparison for Slovenia. The annual defence expenditures as a percentage of Gross

Domestic Product indicate that Slovenia places ahead of both Luxembourg and Canada. While observers have raised real concerns over low defence spending levels among all European NATO allies, and especially in the case of Canada, Slovenia's comparably higher ranking suggests some degree of national commitment to NATO and national defence, and arguably, more commitment than two of NATO's original members.<sup>51</sup> Moreover, since the year 2000 there has been a steady percentage increase in military spending by Slovenia. Considering the Slovene government's goal of spending at least 2 percent of its GDP on defence by 2008, these figures

**Table 1: Yearly Defence Expenditures (in US\$ Millions)**

State	1999	2000	2001	2002	2003
Canada	8,550	8,292	8,660	8,591	8,769
Luxembourg	126	128	161	169	176
Norway	3,021	2,922	2,941	3,533	3,292
Portugal	2,141	2,204	2,295	2,359	2,303
Slovenia	244	222	267	298	324

Source: SIPRI Yearbook 2004, [http://first.sipri.org/non\\_first/result\\_milx.php](http://first.sipri.org/non_first/result_milx.php)

Note: data are represented in US\$ constant for the year 2000.

**Table 2: Yearly Defence Expenditures as Percentage of GDP**

State	1999	2000	2001	2002
Canada	1.30%	1.20%	1.20%	1.20%
Luxembourg	0.70%	0.70%	0.80%	0.90%
Norway	2.10%	1.80%	1.70%	2.10%
Portugal	2.10%	2.10%	2.10%	2.10%
Slovenia	1.40%	1.20%	1.40%	1.50%

Source: SIPRI Yearbook 2004, [http://web.sipri.org/contents/milap/milex/mex\\_share\\_gdp.html](http://web.sipri.org/contents/milap/milex/mex_share_gdp.html)

seem to be good indicators that Slovenia will meet the minimal financial expectations as a member of the alliance.<sup>52</sup>

In sum, although Slovenia's national defence budget is quite small as compared to most longstanding NATO allies of comparable size, the data still indicate that a national financial commitment to defence spending exists. When using the percentage GDP devoted to national defence, it compares more favourably to other NATO allies, although its small expenditures will certainly limit how it can contribute to the alliance's broader missions. Given Slovenia's generally positive relationship with NATO, and with the prospects that

Slovenia spends its defence resources wisely in the future, the financial criticisms against NATO expansion must be balanced against the comparative data presented, as well as otherwise long-term positive trends.

## 6. Conclusion

This paper addressed four criticisms asserted by critics of NATO expansion. These arguments include the claim that the newest members have weak and outdated militaries, that civil-military relations suffer from a dearth of national security professionals, that new members

may not share the same strategic interests as the rest of the alliance, and that the financial costs of expansion will not be worth the required investment. Our evidence generally suggests that when measured against these claims, Slovenia overcomes such criticisms, although it clearly has a number of important challenges ahead.

With a small military and largely outdated weaponry, Slovenia adds little militarily to the alliance in the short term. Moreover, in the immediate future it faces important hurdles in recruitment and combat training. At the same time, it has shown some willingness to adapt to NATO's request for highly skilled, deployable troops. It has also eliminated conscription and is clearly moving toward more professional Armed Forces. Through its Strategic Defence Review and its previous participation in NATO's Membership Action Plan, Slovenia has taken the right steps to transform its Armed Forces.

In its civil-military relations, Slovenia is clearly a full-fledged democracy. With well-trained civilian defence officials, the

presence of NATO military experts, and the success of its democratic transition, Slovenia does not suffer from a dearth of national security professionals. Its main challenge in civil-military affairs at the present time is a conservative General Staff, which remains more committed to territorial defence. This challenge, however, does not threaten democracy, nor does it place insurmountable hurdles for the internationalists/multilateralists in Slovenia.

In terms of its shared strategic values with NATO, Slovenia has demonstrated that it will not be an alliance free-rider, and has provided support to all of NATO's major peacekeeping and peace-enforcement operations. Even with Iraq, it has found a politically acceptable [although admittedly marginal] way to contribute to its reconstruction. Although the forces deployed are small in number, Slovenia is demonstrating that it can be a security producer, and shares NATO's principles. At the present time, their low deployment numbers are understandable given Slovenia's limited training and overall small force size. As time progresses, however, increased

troop deployments and additional contributions to peace-enforcement operations will be an important test and indicator of "security producing" for the alliance.

Regarding defence expenditures, Slovenia's budget is still quite small when compared to a number of original members of the alliance of similar size. Yet, when its defence expenditures are measured as a percentage of its Gross Domestic Product, Slovenia ranks better than Canada and Luxembourg. Moreover, defence expenditures continue to grow, and its May 2004 Strategic Defence Review promises increased expenditures over time. If Slovenia can meet its financial goals, and continue to direct expenditures on rapid deployment capabilities, it represents no financial risk to current members.

In sum, the four major criticisms of NATO expansion apply in only marginal ways with Slovenia. By admitting Slovenia into the alliance at the Prague Summit, NATO has thus far influenced its defence transformation, has gained an ally that shares NATO's strategic vision, and has gained small but certainly useful peacekeeping con-

tributions in the Balkans and Afghanistan. Already the evidence suggests that NATO's policy of expansion has produced good political dividends in the case of Slovenia.

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<sup>1</sup> For some prominent exceptions, see Timothy Edmunds, "NATO and its New Members," *Survival* 45, 3 (2003): 145-166; Harvey Waterman, Dessie Zagorcheva, "Correspondence: NATO and 'Democracy,'" *International Security* 26, 3 (2001/2002): 221-30.

<sup>2</sup> This paper focuses on criticisms directed specifically against political and military attributes of the new members. Other critics of NATO expansion add that alliance enlargement may potentially damage transatlantic relations with Russia. For more on this argument, see Amos Perlmutter, "The Corruption of NATO: The Alliance Moves East," in Ted Galen Carpenter ed., *NATO Enters the 21<sup>st</sup> Century* (London: Frank Cass, 2001); Alton Fye, "The New NATO and Relations with Russia," in Ted Galen Carpenter, ed., *NATO Enters the 21<sup>st</sup> Century*.

<sup>3</sup> Steven E. Meyer, "Carcass of Dead Policies: The Irrelevance of NATO," *Parameters* 33, 4 (2003-2004): 89-91; See also Kent R. Meyer, "U.S. Support for Baltic Membership in NATO: What Ends, What Risks," *Parameters* 30, 4 (2000-2001): 67-82.

<sup>4</sup> Marybeth Peterson Ulrich, "Developing Mature National Security Systems in Post-communist States: The Czech Republic and Slovakia," *Armed Forces & Society* 28, 3 (2002): 403-425; Daniel N. Nelson, "Armies, Security, and Democracy in Southeastern Europe," *Armed Forces & Society* 28, 3 (2002): 427-454.

<sup>5</sup> Celeste A. Wallander, "NATO's Price: Shape Up or Ship Out," *Foreign Affairs* 81, 6 (2002). For a wider analysis of how the Czech Republic, Hungary and Poland contributed to the campaign, see Ryan C. Hendrickson, "NATO's Visegrad Allies: The First Test of Kosovo," *Journal of Slavic Military Studies* 13 (2000): 25-38.

<sup>6</sup> For a summary of this debate, see Gary L. Geipel, "The Costs of Enlarging NATO," James Sperling ed. *Europe in Change: Two Tiers or Two Speeds?* (Manchester: Manchester University Press, 1999): 160-178; Amos Perlmutter and Ted Galen Carpenter, "NATO's Expensive Trip East: The Folly of Enlargement," *Foreign Affairs* 77, 1 (1998): 2-6. See Ronald D. Asmus, Richard L. Kugler and F. Stephen Larrabee, "What Will NATO Enlargement Cost?" *Survival* 38, 3 (1996): 5-26, who made counter arguments on this issue, advocating for alliance expansion.

<sup>7</sup> Jaap de Hoop Scheffer, "Speech by NATO Secretary General Jaap de Hoop Scheffer at the parliament of former Yugoslav Republic

of Macedonia," (May 27, 2004) at <http://www.nato.int/docu/speech/2004/s040527a.htm>

<sup>8</sup> Slovenian Ministry of Defence, "Strategic Defence Review," (May 2004), 18. (English version).

<sup>9</sup> See the Prague Capabilities Commitment, especially 4c. at "Prague Summit Declaration," (November 21, 2002) at <http://www.nato.int/docu/pr/2002/p02-127e.htm>.

See also the joint statement by NATO Defense Ministers, "Statement on Capabilities," (June 12, 2003), Press Release 2003 (066) at <http://www.nato.int/docu/pr/2003/p03-066e.htm>.

<sup>10</sup> "Strategic Defense Review," (May 2004): 12.

<sup>11</sup> *BBC Worldwide Monitoring*, "Daily Unveils Defence Ministry's Plans for Equipment of Slovene Army," (20 September, 2002).

<sup>12</sup> Slovenia U.S. Embassy Press Release, "Slovenia Army Orders 36 Light Armoured Personnel Carriers," (11 March, 2003) at <http://nato.gov.so/eng/press-centre/press-releases/2014/>

<sup>13</sup> Author interview with NATO Official A (March, 2004).

<sup>14</sup> Author interview with NATO Official A (March 2004); On the language transition problem of other states, see David M. Glantz, "Accomplishments, Strengths, and Weaknesses of the US Military (Security) Assistance

Program," *Journal of Slavic Military Studies* 11, 4 (1998): 1-71.

<sup>15</sup> The TD forces were poorly trained due to the Yugoslav Republic's preference for its federal forces. Zoltan Barany, "NATO Expansion, Round Two: Making Matters Worse," *Security Studies* 11, 3 (2002): 152. Marian Zulean, "Changing Patterns of Civil-Military Relations in Southeastern Europe—A Comparative Study of Bulgaria, Romania, and Slovenia," in George Cristian Maior and Larry Watts (coordinators) *Globalization of Civil-Military Relations: Democratization, Reform and Security* (Bucharest: Enciclopedica, 2002); Anton Bebler, "Democratic Control of Armed Forces in Slovenia," in Andrew Cottey, Timothy Edmunds and Anthony Forester eds. *Democratic Control of the Military in Postcommunist Europe* (London: Palgrave, 2002): 159-173; Anton Grizold, "Civil-Military Relations in Slovenia," in Anton A. Bebler ed., *Civil-Military Relations in Post-Communist States: Central and Eastern Europe in Transition* (Westport, CT: Praeger, 1997):102.

<sup>16</sup> Hendrickson interview with NATO Official A (March 2004); See also "Strategic Defense Review," (May 2004): 24, 38.

<sup>17</sup> Hendrickson interview with NATO Official A (March 2004). The reasons for Slovenia's choice to invest in this manner is discussed in the following section.

<sup>18</sup> Author interview with NATO Official B



(March 2004). See also Janez Jansa, *The Making of the Slovenian State 1988-1992: the Collapse of Yugoslavia* (Ljubljana, Mladinska Knjiga Publishing House, 1994): especially 74, 142-143.

<sup>19</sup> Slovenia U.S. Embassy Press Release, "Slovenia's Airspace will be Secured by NATO," (17 March, 2004) at <http://nato.gov.si/eng/press-centre/press-releases/2412>. Hendrickson interview, NATO Official A (March 2004).

<sup>20</sup> Hendrickson interview with NATO Official A (March 2004); Interview with Slovene Defense Official at NATO Headquarters (March 2004).

<sup>21</sup> Ljubica Jelusic and Marjan Malesic, "'La Petite Muette' and Suspicious Controller: Armed Forces and Society in Slovenia," in Anthony Forster, Timothy Edmunds, and Andrew Cottey, eds. *Soldiers and Societies in Post Communist Europe: Legitimacy and Change* (New York: Palgrave, 2003): 176. See also Bebler, "Democratic Control of Armed Forces in Slovenia," 166.

<sup>22</sup> Hendrickson Interview with NATO Official A (March 2004).

<sup>23</sup> Anton Grizold, "Civil-Military Relations in Slovenia." in Anton A. Bebler ed., *Civil-Military Relations in Post-Communist States: Central and Eastern Europe in Transition* (Westport, CT: Praeger, 1997).

<sup>24</sup> Thomas S. Szayna, *NATO Enlargement, 2000-2015* (Washington: RAND, 2000).

<sup>25</sup> Barany, "NATO Expansion, Round Two: Making Matters Worse," 146.

<sup>26</sup> Zulean, "Changing Patterns of Civil-Military Relations in Southeastern Europe—A Comparative Study of Bulgaria, Romania, and Slovenia," 190.

<sup>27</sup> Anton Alex Bebler, "Civil-Military Relations in Slovenia," in Constantine P. Canopoulos and Daniel Zirker, eds. *Civil-Military Relations in the Soviet and Yugoslav Successor States* (Boulder, CO: Westview Press, 1996): 206-210; Rudolph M. Rizman, "Radical Right Politics in Slovenia," in Sabrina P. Ramet, *The Radical Rights in Central and Eastern Europe Since 1989* (University Park, PA: Penn State University Press, 1999): 156.

<sup>28</sup> Barany, "NATO Expansion, Round Two: Making Matters Worse," 146.

<sup>29</sup> Jelusic and Malesic, "'La Petite Muette' and Suspicious Controller: Armed Forces and Society in Slovenia," 180; Zulean, "Changing Patterns of Civil-Military Relations in Southeastern Europe—A Comparative Study of Bulgaria, Romania, and Slovenia," 190.

<sup>30</sup> The two most influential works are Samuel P. Huntington, *The Soldier and the State* (Cambridge, MA: Harvard University Press, 1957) and Morris Janowitz, *The Professional Soldier* (Glencoe, IL Free press, 1960).

<sup>31</sup> For a more extensive discussion of this increasingly practiced but under-recognized trend in civil-military affairs see James Burk, "Theories of Civil-Military Relations," *Armed Forces & Society* 29, 1 (2002): 7-30.

<sup>32</sup> Hendrickson interview with NATO Official A (March 2004); interview with Slovenian Defense Official at NATO (March 2004). See also Neil Grayston, "Democratic Control of the Armed Force of Slovenia—A Progress Report," in Graeme P. Herd ed. *Civil-Military Relations in Post Cold War Europe* (Conflict Studies Research Centre: December 2001): 7

<sup>33</sup> Zulean, "Changing Patterns of Civil-Military Relations in Southeastern Europe—A Comparative Study of Bulgaria, Romania, and Slovenia," 201.

<sup>34</sup> Peter Green, "Slovenia Votes For membership in European Union and NATO," *New York Times* (23 March, 2003). See also "Results of the Referendum" at <http://nato.gov.si/eng/documents/referendum-results/>

<sup>35</sup> For a broader discussion of Slovenian society and its human rights practices, see U.S. State Department, "Slovenia, Country Reports on Human Rights Practices," (February 25, 2003).

<sup>36</sup> Hendrickson interviews, NATO Official A (March 2004); NATO Official B (March 2004); Slovenian Defense Official A (March 2004).

<sup>37</sup> For more on Slovenia's profound disappointment with the Madrid decision, and the

poor and belated diplomatic efforts made prior to the Summit, see Zlatko Sabic and Charles Bukowski eds. *Small States in the Post Cold War World: NATO and Slovenia* (Westport, CT: Praeger, 2002).

<sup>38</sup> For additional discussion on the conservatism of the Slovenian military, stemming from its origins in Territorial Defense forces, see Bebler, "Democratic Control of the Armed Forces," 164.

<sup>39</sup> Hendrickson interviews with NATO Official B (March 2004), and Slovenian Defense Official at NATO (March 2004). Efforts are being made to address the problem of incompetence in the SAF. See "Strategic Defense Review" (May 2004): 39.

<sup>40</sup> Bebler, "Democratic Control of the Armed Forces," 168.

<sup>41</sup> For more information on flying hours of the Slovenian Airway, see "SFOR Slovenian Airway," (23 June 2004) at <http://www.nato.int/sfor/indexinf/151/p08a/t02p08a.htm>. For information regarding Slovenian gifts of humanitarian aid, see "Humanitarian Aid," (8 July, 2004) at <http://www.nato.int/sfor/humanitarian/humanita.htm>.

<sup>42</sup> For more information on Slovenian assistance to KFOR operations, see "Slovenia to Send More Officers to KFOR Command in Kosovo," at [\[centre/press-releases/2253/\]\(http://nato.gov.si/eng/press-centre/press-releases/2253/\).](http://nato.gov.si/eng/press-</a></p></div><div data-bbox=)

<sup>43</sup> Slovenia U.S. Embassy Press Release, "First Slovenian Soldiers Left for Afghanistan," (26 February, 2004) at <http://nato.gov.so/eng/press-centre/press-releases/2393> and "Second Group of Soldiers Leave for Afghanistan," at <http://nato.gov.so/eng/press-centre/press-releases/2397>. On the increased number of SAF forces being sent to Afghanistan, see Slovenia U.S. Embassy Press Release, "Slovenia to Train Iraqis in Third Countries," at <http://nato.gov.si/eng/press-centre/press-releases/2469>

<sup>44</sup> For more information on Slovenia's border relations with Croatia, see the "Membership Action Plan 2003-2004 (Executive Summary)," at <http://nato.gov.si/eng/documents/action-plan-2003-2004/>. See also BBC Monitoring International Reports, "Slovenia, Croatia to Start Negotiations on Border Arbitration," (9 April, 2004).

<sup>45</sup> For more on Rupel's stand, see "Iraq War: Slovenia Regrets the Beginning of the War," <http://nato.gov.si/eng/press-centre/press-releases/2049/>

<sup>46</sup> Ivo H. Daalder, "The End of Atlanticism," *Survival* 45, 2 (2003): 147-166.

<sup>47</sup> Slovenia U.S. Embassy Press Release, "Slovenia to Train Iraqis in Third Countries," at <http://nato.gov.si/eng/press-centre/press-releases/2469>

<sup>48</sup> BBC Monitoring International Reports, "Slovenia Joins UN Multinational Brigade," (20 June, 2003).

<sup>49</sup> Slovenia has approximately two million people, as compared to 400,000 in Luxembourg, 4.5 million in Norway, 10.5 million in Portugal, and 32 million in Canada. Data for world populations can be found at <http://www.cia.gov/cia/publications/factbook/>.

<sup>50</sup> Luxembourg made essentially no military contributions to Operation Allied Force. See John E. Peters, et. al *European Contributions to Operation Allied Force* (Washington, D.C. RAND, 2001): 19.

<sup>51</sup> Richard L. Russell, "NATO's European Members: Partners or Dependents?" *Naval War College Review* 56, 1 (2003): 30-39; David S. Yost, "The NATO Capabilities Gap and the European Union," *Survival* 2000): 97-128. For an especially comprehensive critique of the Canadian military, which corresponds with its low investment levels in the 1990s, see Andrew C. Richter, "Alongside the Best? The Future of the Canadian Forces," *Naval War College Review* 56, 1 (2003): 67-107.

<sup>52</sup> For more information on Slovenia's plan for military spending, see the "Membership Action Plan 2003-2004 (Executive Summary)," at <http://nato.gov.si/eng/documents/action-plan-2003-2004/>.