



# THE BALTIC FORUM

NEWS BULLETIN • JUNE 2006

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## EUROPE IN THE MIRROR OF GLOBALIZATION: PROBLEMS, CHALLENGES AND PERSPECTIVES

### AN EXECUTIVE CONFERENCE SUMMARY

On May 26-27, 2006 the Baltic Forum held its 11th international conference. This year, the conference was devoted to the processes of globalization in the European context. It brought together scholars, politicians, civic society leaders, diplomats, officials and statesmen from Latvia and other European countries, including Russia and other CIS states, as well as from the US.

The conference sessions were dedicated to the global security agenda, the future of the European Union, especially with respect to enlargement and relations with its neighbourhood and particularly with Russia, while other sessions dealt with national and European identities in the process of globalization and the economic issues.

Below is a summary of the speeches and interventions arranged by topics.

#### GLOBAL SECURITY: A NEW *TERRA INCOGNITA*?

*Several speakers discussed key aspects of the global security situation such as the state of the "war on terrorism", proliferation of weapons of mass destruction, the future of the transatlantic and the Russian-American relations, as well as the energy dialogue between Russia and the West. They agreed that after September 11 the world was ushered into a new era of turbulence and uncertainty. Key international institutions, states and societies*

*are still struggling to find adequate answers to multiple and diverse global security risks and challenges.*

**Dmitri Simes**, President of the Nixon Center, Washington, USA, pointed to the paradox of American efforts to promote democracy in the Middle East leading to strengthening of groups that are opposed to American interests. Thus, the US pressured the friendly governments in Israel and Egypt to allow participation of opposition Islamic fundamentalist



groups in parliamentary elections in Palestine and Egypt, respectively. The result has been a crushing victory of the terrorist movement Hamas in Palestine, and a strong showing by the fundamentalist

DMITRI SIMES:

***"Democratic procedures sometimes play into the hands of non-democratic, violent movements."***

"Muslim brotherhood" in Egypt. These, according to Simes, are examples of how democratic procedures sometimes play into hands of non-democratic, violent movements. It also shows how good intentions may lead to unintended and undesirable consequences, contrary to the interests of the US and its allies.

In the same vein, Simes also pointed to some lessons of the Iraq war. On the one hand, most Americans supported the war, since "liberating people from a tyrant who, as was widely believed, had weapons of mass

destruction, seemed like a good idea.” On the other, they now believe that “the war had no sense in the first place”, noted Simes. What happened, in Simes’s view, is that **“the American people are not ready to pay such a high price in American blood and treasure**



VICENTE PALACIO:

***“There is no such thing as “Western security” anymore, but a global one.”***

**Vicente Palacio**, Director of *Foreign Policy Observatory* at the Spanish research foundation *Alternativas*, argued that no country or group of countries can define security in narrow national or regional terms anymore. New threats and challenges rendered such an approach obsolete: **there is no such thing as “Western security” anymore, but a global one.** Globalization calls for the EU and US to share their decisions with the rest, instead of just “expanding the Euro-Atlantic community.” Achieving “global governance” must be the new shared goal. In this context, Palacio warned against Europe submitting unconditionally to the US-dictated security agenda through a “renewed Atlanticism.” Neither breaking away from America is, in his view, a viable option, since it would ignite a counterproductive power struggle with the US, as well as it would split Europe. The best option for Europe would be “cosmopolitanism” – a choice in favour of effective multilateralism. **This would be “the true motor of a new transatlantic relationship: helping each other in improving global governance.”**

**Sergey Oznobishev**, Director of the Strategic Assessments Institute, Deputy

Chairman of the Russia-USA Association, Russia, pointed to a growing gap between the need for “developing a complex of measures designed to face global security threats and the ability of existing international institutions like the United Nations (UN), Organisation for Security and Cooperation in Europe (OSCE), NATO, EU, the Council of Europe (CE) to deliver.” Neither there is an international consensus of how to deal with the twin dangers of global terrorism and proliferation of weapons of mass destruction. Instead, “what we see is random identification of objectives in the war on terrorism, without proper consultation with other international actors, and arbitrary inclusion of countries in lists of rogue states.”

**Oznobishev** especially regretted the “devaluation of the Russian-NATO partnership, weakening of Russia’s relations with both the US and the EU.” A new approach is needed in order to overcome the mutual lack of trust between Russia and the West. This means “sharing of information on most important current global security threats, stopping the talk about ‘value gap’ and the supposed danger of relying on Russian energy supplies.”



SERGEY OZNOBISCHEV:

***“There is a growing gap between the need to face global security threats and the ability of the international institutions to do it.”***

**Vladimir Dvorkin**, Senior Research Associate at the Center for International Security of the Institute of International Economy and International Relations of the Russian Academy of Sciences, analyzed the twin threats of international terrorism and WMD for the EU. He drew attention to the fact that the consequences of “catastrophic terrorist attacks” are rarely limited to human deaths and material destruction. In his analysis, “after the terrorist attacks in New York, Madrid, London, Beslan and other places, democratic

institutions in the countries concerned suffered certain deformation without any meaningful expressions of protest on behalf of their populations.” In general, “such measures were received with a high degree of public acquiescence.” **In case of terrorist attack with WMD, the populations “may agree to even sharper limitations on their civil liberties in favour of the right to live.”** So even “a slow drift of democratic states towards authoritarianism cannot be altogether discarded”, said Dvorkin.

**Robert Nurick**, Senior Fellow at the Center for Nonproliferation Studies, Monterey Institute of International Studies, Washington, USA, explored the role played by the energy



ROBERT NURICK:

***“The real problem is not one of too much Russian gas, but rather too little.”***

dialogue in the context of Russia’s relations with America and Europe. He pointed out that a genuine Russian-Western energy partnership is yet to be made effective. There are potential troubles. The controversy with Ukraine earlier this year has been “a turning point.” This situation highlighted some broader trends and problems that go beyond energy.

First, concerning the energy sector itself, Nurick pointed out that the real problem is not one of “too much Russian gas”, but rather too little. Europe’s dependence on Russian gas is great and is likely to increase in 5-10 years. But there are doubts that Russia will be able to deliver that much gas. According to forecasts, it will have to rely on energy from Central Asia. There is a basis for potential conflict of interests: Russian gas monopoly Gazprom seems to want to preserve and extend its monopoly on flow of gas from Central Asia to Europe. Europe, on the other hand, has an interest in breaking this monopoly.

Second, it is increasingly difficult to separate energy issues from trends in Russian domestic policies, namely, from the determination of the Russian government to

restore control over strategic sectors of economy, including energy. The greater the involvement of the state, the more difficult it is to disentangle political and commercial considerations.

Nurick called for a serious dialogue on the issue and to be mindful that these are strategic issues for all sides and need to be treated as such.

**Igor Yurgens**, First Vice-president of CJSC Renaissance Capital, Russia, and Chairman of the Advisory Board of the Baltic Forum, noted that **due to some unsettling political realities, the great potential of economic cooperation between Europe and Russia, particularly in Nordic-Baltic region is not being fully used.** One obstacle is the growing tension around Belarus. Yurgens said he “understood Western concerns about the situation there”, but strongly disagreed with “the policy of isolation adopted by the European institutions *vis-à-vis* that country.” He voiced the view that “a full involvement of Belarus in the regional cooperation would be a better way.”



IGOR YURGENS:

Among other irritants to the European-Russian relations he mentioned the alleged plans of NATO to deploy military bases in Poland and Baltic states and actions by Lithuania to “deliberately complicate communications between mainland Russia and its Kaliningrad exclave.” The key to the cooperation in the region is “a calm military and political situation which takes into account the interests of the EU, Russia, Norway and Belarus.”

***“The great potential of economic cooperation between Europe and Russia is not being fully used.”***

**Abram Kleckin**, Member of the Board of Baltic Forum, Latvia, voiced his disappointment that neither democracy, nor a more cooperative approach to the international

cooperation have taken root, despite dramatic changes of the last decade. He deplored the



ABRAM KLECKIN:

***“In the “crusade for democracy” the Western values themselves are being subject to erosion.”***

for everybody”, underestimating the extent to which the “notions of democracy, justice, freedom and even democracy” are interpreted differently in different cultural and civilizational contexts. Even worse is that **in the process of the “crusade for democracy” the Western values themselves are being subject to erosion.** “It is not the first time in history that good intentions pave the way to hell”, concluded Kleckin.

### **GLOBALIZATION “EUROPEAN STYLE”: KINDER AND GENTLER?**

*One of the most vigorous discussion threads was dedicated to the future of European integration. Most participants agreed that the success of this “globalization on European scale” is essential for Europe to become a political and moral leader of a more humane globalization.*

**John Palmer**, Member of the Governing Board of the European Policy Centre, London, UK, argued that no further enlargement of the EU is possible without further significant integration. He pointed to “a serious imbalance between the enlargement of the EU on the one hand and the slowness and underdevelopment of its internal integration.” He acknowledged that the recent enlargement was “a success in terms of employment generation, economic

tendency of the Western elites to consider the end of the Cold War as the “victory of the West.” As a result, Russia has been treated as a defeated power: while being outwardly “nice”, Western powers’ policies in fact aimed at weakening Russia.

The same problem of wishful thinking has led the leaders of the Western world to believe that “what is good for them, is good

growth, and increased investment.” But the EU is far from the end of the enlargement, and “it is impossible to imagine the proper functioning of the Union of some 30-35 states on present bases of its governance, designed for six countries in the 1950s.” To be able to give an adequate response to the global problems of security and peace, economic competitiveness, social cohesion, environmental sustainability and others, Europe will need to accomplish many, if not all of the reforms proposed in its recent constitutional treaty, particularly regarding more open and transparent decision making process, moving to more majority voting.

But even more important, in Palmer’s view, is the creation of a **transnational**

**European demos.** It is simply not credible that the growing responsibilities that the EU now exercises can be carried through without far stronger democratic transnational culture. Otherwise, “the current psychological gap between the public, the citizen and European institutions will endure.”

Palmer also stressed “the desperate need to give Europe the capacity to speak with the clear, single voice and build more capacity in the fields of foreign, security and defense policy.” **Only when the Union deepens its integration, will it be able to meet the challenge of further enlargement and help create a multilateral world system based on democracy and the rule of law,** said Palmer.

**Carlos Closa**, Research Director at the Spanish Centre for Political and Constitutional Studies in Madrid, analyzed the future of the European Constitution. He warned against considering the Constitution “dead” after it was rejected in popular referenda in France and Netherlands, since this would ignore its ratification by more than a half of the EU member states, including two of them in referenda (Spain and Luxembourg). Worse, the talk of the “death of constitution” could



JOHN PALMER:

***“Europe needs a transnational European demos.”***



become a self-fulfilled prophecy. If the Constitution is officially “dead”, then no further ratification is going to take place, and then it effectively will be “dead.” Such an outcome would be “profoundly undemocratic”, since it would both deny the remaining countries the possibility to decide for themselves and render worthless the votes of those who already ratified it.

Besides, the alternatives to the Constitution would solve nothing in terms of enhancing further progress of the European integration. The EU could keep functioning on the basis of the Treaty of Nice. But it means that the shortcomings of this treaty, which the constitution was designed to overcome, will still be in place and obstruct future progress.

Another option would be a selective implementation of some of the elements of the Constitution, like the Chapter on Fundamental Rights, the post of the minister of foreign affairs of the EU etc. Still this solution leaves the core issues of functioning of the EU of 27 unaddressed.

An alternative preferred by some European politicians is to renegotiate the constitution, ostensibly “to address the concerns of the European people.” But such an option would pose an enormous challenge of creating a new integrated, cohesive document. Furthermore, Closa warned of “ratification trap”: the new, renegotiated text would have to be put to national votes anyway, so “essentially, we will have arrived exactly at the same place where we stand now.”

Therefore, Closa believes that **an ongoing process of ratification of the Constitution is the best and the most democratic solution for the current impasse.**

**Charis Xirouchakis**, Head of Visits-Public Events at the Council of the European Union, shared his thoughts on European integration, of which the Constitution is but one aspect. The history of Europe is the history of its integration. Through painful, often tragic experience the Europeans have come to realize that they have no alternative but to integrate. That is why the process of building the Union has been “bottom up rather than top down.”

Thanks to the impact of integration, Europe has ushered in an era of unprecedented prosperity and freedom.

“If the European integration has proven to be such an amazing success, why is the EU failing to win over hearts and minds of European citizens? Is Europe really on the verge of being reduced to the “dream factory”, as Giulietto Chiesa put it?” asked Xirouchakis. In fact, “Europe is becoming a victim of its own success.” The EU is 50 years old; it has come to experience a certain “fatigue”, or a “midlife crisis.” It is a “tired continent” also in a literal sense of the word: Xirouchakis pointed to Europe’s ageing populations, while China, India and other countries are showing economic and demographic dynamism.

“But whatever we talk about – whether it’s euro, Constitution, economic reforms etc. – the European integration is first of all a political project”, Xirouchakis reminded. Therefore, **the political vision and will are indispensable in order to instill new life in the European project.**

The Lithuanian Member of the European Parliament **Justas Vincas Paleckis** examined the strength of ‘the European magnetism’ and its limits. The prospect of the EU membership acts a powerful incentive for countries in its proximity to reform. The enlargement process has, in general, proved a success, but there is no unanimity in the EU neither on future enlargements nor on how the Union must function. Some countries, such as the UK and Sweden, would prefer to transform the EU into an organization handling mostly economic issues. Others, like France and Netherlands, where the European constitution was defeated in large part due to disaffection with the enlargement, would rather put further enlargement on freeze. There is a widespread concern about the limits of the enlargements, and not only in these countries. In this context Paleckis cited Olli Rehn, the EU enlargement commissioner, as saying that “values, not geography” determine eligibility for the membership in the club. This means, Paleckis proceeded, that a Russian membership is an open possibility, even though for the time being the issue is not on the agenda. Turkey’s entrance is “far away and quite problematic”,

while the Western Balkan states' membership seems "quite tangible in due time."

Generally, Paleckis supported the continuing role of the EU as a "magnet" for neighbouring countries: in the process of European integration they become more democratic and wealthy. To the contrary, leaving them out in the cold "would foster instability in the case of Western Balkans and a nationalist backlash or, in the case of Turkey, possibly even a conflict with the Muslim world." At the same time he also advocated deepening of the European integration, as the **alternative to it would be a more nationalistic Europe, which is neither in interests of the people of the EU, nor in that of its neighbours**, summarized Paleckis.

**Viktor Makarov**, Research Director at the Baltic Forum, spoke about globalization 'European-style', and the opportunities it brings to small countries like Latvia. From the outset he pointed out that "thanks to the globalization, nowadays Latvia enjoys more opportunities than ever." True, globalization is associated not only with new opportunities, but quite often with fears – fears of terrorism, migration, unrest, etc. **But for a small country like Latvia, being a part of the European Union allows to deal with the negative sides of globalization, while it potentially can help to maximize its benefits.** The EU can become a way to 'managed' globalization. European countries have a rich experience of transnational cooperation, including delegation a share of their sovereignty to the supranational level. **The EU is uniquely equipped for being a proponent and a leader of "humane globalization."** Nevertheless, as Makarov noted, the EU still does not fully exploit its potential to bring this vision about.

What does this "humane globalization" mean? In Makarov's view, **it's a middle road avoiding both global anarchy and global empires**, i.e. a world governance without government. It does not eliminate the national state. "Globalization starts at home", said Makarov. "The task that Latvia and other countries face is the redefinition of the role of the nation-state. It is still a source of societal solidarity and trust, but it must not undermine

the development of transnational European democracy.

Makarov also emphasized the importance of tolerance and respect for distinct cultural identities in multicultural societies. At the same time, the values of liberal democracy have to be defended. The multicultural openness means that, while **"the rules of the democratic game must be defined and defended, everyone should be allowed to enter the game and play by these rules."** The best citizens for Latvia are "those who also see themselves as citizens of Europe and of the world", concluded Makarov.

**Lars Johannsen**, Associate Professor at the Department of Political Science, University of Aarhus, Denmark), told about the results of a study on the relationship between state and civil society conducted in 15 Eastern European countries. The focus of the study is the concept of "the responsible state." It's not necessarily the same as "strong state" which dominates the society, as seems to be happening in Russia, explained Johannsen. **The responsible state works in close relationship with the civil society, contributes to the society of equal opportunities and reduces the levels of poverty.** The results of the study show that the most democratically responsive states of those surveyed are Poland and Hungary, since their politicians support democracy and are in close contact with non-governmental organizations. In other countries studied there is a preference for a kind of democracy that is more elite-driven.

Another measure of the responsibility of the state is the level of poverty and the income gap. **There is a direct link between the responsibility of a state and the levels of poverty and inequality**, concluded Johannsen.

So how do we come to the "responsible state?" asked Johannsen. His answer is that probably the best model is provided by the EU, whose members share a common concept of democracy, whereby the public policy is actively debated in the society, and where **"equality is considered an important value."**

**Sergey Tsyplyaev**, Chairman of the *Respublika* Foundation, Saint-Petersburg,

Russia, examined the process of European integration from a historical point of view. The European Union is a uniquely successful project, where its participants have voluntarily surrendered part of their national sovereignty to supranational institutions. Nevertheless, as the failure of the European constitution shows, the EU has become a victim of its own success. What was perceived as an accelerated march toward an “ever greater union” has provoked a popular backlash. Tsyplyaev concluded that “it would be prudent not to exceed the optimal level of integration,” as doing so would spell disaster for the whole European project.

### NATIONAL AND EUROPEAN IDENTITIES IN A GLOBALIZED WORLD

Member of the European Parliament **Helmut Kuhne** (Germany) analyzed the intertwined worlds of national and European identities and the role played by historical facts, historical memory and “history policy” in shaping them. Sometimes, “historical memory becomes an object of political manipulations.” As an example of this, Kuhne



HELMUT KUHNE:

*“The idea of European integration based on common values also entails a common understanding of history.”*

mentioned a letter circulated by a Latvian member of the European Parliament in which he tried to exonerate the Latvian SS fighters from guilt by arguing that “they were forcefully mobilized by the occupying German army.” At another point, the Latvian MEP acknowledges that “some Latvians did indeed participate voluntarily in the SS formations in order to fight Bolshevism.” Nevertheless, according to Kuhne’s own research, the divisions referred to in the letter were all voluntary SS units, recognized as criminal by the Nuremberg trials. “What is the point of this twisting of history?” asked Kuhne. In his view, such “revisionism” is detrimental to the idea of a European

integration based on common values which also entail some common understanding of history. Facing up to history is a difficult task and it takes time. It took much time for Germans to fully come to terms with their own history. The French are only now acknowledging that their police collaborated in the Holocaust. **As Latvia is now a part of the EU, it must also learn the lessons of its own history,** said Kuhne.



GIULIETTO CHIESA:

*“We all live in a big factory of dreams.”*

Another MEP, **Giulietto Chiesa** (Italy) analyzed a different aspect of shaping a common identity – the role of the mass media in the modern globalized society. In his view, this topic is extremely important, since the media now have “a unique power to shape people’s opinions, lifestyles, tastes, dreams, etc.” “We all live in a big factory of dreams prompted by the spread of American-style globalization”, he said. A fallback from this situation is “the loss of national cultural features, the priority given to standardized, globalized entertainment rather than serious programs.” Therefore, **“strong state media are needed which would be independent of private interests and not subject to concentration in some private hands.”** Also the defense of language and culture is essential for defending democracy.

**Roberts Kīlis**, Associate Professor at the Stockholm School of Economics in Riga, argued for the necessity of a stronger cultural dimension in the EU’s foreign policy. “Culture is the best PR for any single country and for the EU as a whole too.” Fostering cultural dimension of EU’s foreign policy would promote a benign view of Europe as a continent of multiculturalism and tolerance. That in turn would increase its “soft power” in defence of such values as intercultural dialogue and human rights, Kīlis argued.

The competence of the EU in the field of cultural policy is, however, limited to protecting diversity and is basically complementary to that of member states. This explains why member states are much more active in using the cultural dimension of their foreign policies than the EU as a whole. Such situation casts doubts on whether a “European culture” does exist at all.

**Marina Lebedeva**, Head of the World Political Processes Department, Moscow State Institute of International Relations, Ministry of



MARINA LEBEDEVA:

***“Globalization is diluting the individuals’ sense of “belonging” to the nation-state.”***

Foreign Affairs of the Russian Federation, also concentrated on the role of the individual in the process of globalization. She pointed to some fundamental shifts taking place in the modern, post-Cold War world: “it’s a serious transformation of the traditional system of sovereign nation-states known as “Westphalian system”, Lebedeva pointed out. The key word is “sovereignty” – the states found in it a “common denominator” that allowed the international system to function. Today, new, transnational, actors have emerged: business corporations, NGOs, regions, etc. They have become politically influential, radically altering the old Westphalian system. How does all this affect the individual? **If the Westphalian system provided people with a sense of “belonging” (to the nation-state), then the globalization as it is known in the beginning of the 21 century is diluting this very identification with the nation-state**, Lebedeva explained. It would also be a bit simplistic to just assume different levels of identities: national, regional, global. It’s more complicated than that, since identity usually includes more aspects. Some aspects of an identity may even enter in conflict with others. Besides, identities are also constantly changing, because “the political world changes so fast.”

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On the other hand, Kīlis was highly critical of national-level efforts to promote culture and values in one member state, Latvia. He pointed at the lack of strategic thinking on this issue which results in mostly sporadic, private and *ad hoc* efforts. Nowhere is this phenomenon more visible than in official approach to cultural contacts with Russia. According to Kīlis’s research, there are numerous common projects with Russia, but they are limited to the private level.”

Deputy Director of the Soros Foundation-Latvia **Pēteris Viņķelis** analyzed the impact of conspiracy theories on society in periods of instability. “We live in a convulsed era, with constant news about terrorism and clash of civilizations, so people want simple answers to complicated questions”, said Vinkelis. This explains the new upsurge in the popularity of conspiracy theories. Thus, many Russians appear to sincerely believe that “the revolutions” in Ukraine and Georgia were instigated, planned, financed and carried out by the West in order to weaken and humiliate Russia. By the same token, many Latvians and Poles are inclined to see “the hand of Kremlin” or a modern version of the Molotov-Ribbentrop pact behind any unfavourable developments or events.



PĒTERIS VIŅĶELIS:

**Conspiracy theories are “destructive, because they diverge the attention from real problems”**, reckoned Vinkelis. But there is a direct link between the measure of openness and transparency of key decision-making in a country and a popularity of conspiracy theories. The less open and transparent decision-making process is, the more demand is there for searching for hidden, malicious motives. That is why transparency is crucial for stability in a democratic state. **“If the authorities play with conspiracy theories, it may well lead to disastrous consequences in**

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**the form of growing xenophobia and intolerance”,** concluded Vinkelis.

Political Advisor to the Group of European Socialists in the European Parliament **Jekaterina Dorodnova** explored the relevance of the concept of EU citizenship as a means for shaping a common European identity. She pointed out that particular social structures, such as the EU, can, in principle, become supra-national objects of identification depending on their policy-making activities, networks of opportunities and a sense of benefiting from them. Arguing that EU citizenship is an emerging and dynamic concept which needs to be adjusted to the European Union's political development, Dorodnova presented the idea discussed in the European Parliament that EU citizenship based on residence should be the ultimate goal of the process which will make the EU a genuine political community and that the EU Member States should consider establishing a closer link between permanent legal residence over a reasonable period of time and the acquisition of national - and hence - European citizenship. She noted that great disparities between the provisions governing access to nationality in the Member States may constitute a source of discrimination between residents who are third-country nationals or stateless depending on their state of residence and therefore Member States should work towards increased co-ordination as regards the general criteria and procedures for the acquisition of citizenship to ensure greater fairness in access to EU citizenship.

The EU citizenship is developing in the minds of many Europeans as a concept capable of going beyond national citizenship and providing a reference that overarches national identity. Dorodnova noted that the idea of identifying with a community whose values are more cosmopolitan than nationalist could be particularly appealing to Latvia's non-citizens who can choose to contribute to the development of the content of EU citizenship and the forms of participation associated with it.

The subject of non-citizen residents of the Baltic states was also brought up by **Alexei Semenov**, Director of the Estonian Legal Information Centre for Human Rights. He

pointed out that there is no value gap between the indigenous populations and Russians in the Baltic states. Moreover, the Russian populations in the Baltics, who make up the bulk of non-citizens, “have internalized the European values rather more successfully than indigenous people”, Semenov believes. Therefore, it is wrong to claim that “Russians do not integrate in the new Europe.” It would be more accurate to say that **it is the indigenous populations who are still not ready to accept Russians as their equals.**

According to Semenov, it is rather puzzling that Europe has been so indifferent to the situation of “mass non-citizenship” in the Baltic states. Such a huge share of people without citizenship hardly corresponds with European values; even less does the European reluctance to address this problem. This is a pity, since potentially, Semenov believes, **Russians in the Baltic states can become “a bridge that would unite Europe and Russia.”**

**Alexander Shumilin**, Director of the Center of Analysis of International Conflicts, at the Institute of USA and Canada studies, Russian Academy of Sciences, dwelled on the impact of Islam on the European model of integration, especially after September 11, 2001. He pointed to the danger of radicalization of young Muslims in the European countries that followed thereafter, while in the US this radicalization is more limited in scope and time. This poses difficult questions about the viability of the multicultural European model of integration. Another aspect of the problem, in Shumilin's view, is “the persistence of left-liberal bias in Europe which is both anti-American and “soft” on Islamists.” **The integration of Muslims will in large part “determine the future of Europe”,** said Shumilin.

**Alexander Tsinker**, President of the International Expert Centre of Election Systems (ICES), Israel, went further, arguing that “Muslim immigrants in Europe stick to their own religious and cultural identities rather than integrate into the society's mainstream.” Both the concept of “melting pot” and that of a pluralistic multicultural society has “failed.” Tsinker argued that **“the only thing capable of saving Europe's**

**cultural identity is religious Christian revival, rediscovering of the continent's Christian roots, going back to Christian family and moral values."**

**John Palmer** voiced his disagreement with Tsinker's view. He pointed that there are currently "more people in United Kingdom attending mosques than churches." Islam is therefore "a European reality." But it would be a mistake to generalise about Islam. has a long history in Europe which predates the current wave of Muslim immigration – think of the Balkans and Turkey. **Not all interpretations of Islam are the same. It would be "premature" to concede that "Europe is losing battle for its Muslims."** Contrary to the views expressed earlier, Palmer believes that the attempts to create a moderate, European version of Islam have not failed, but are still in progress.

**Abram Kleckin** depicted fears of Islam as "a soft version of racism." Europeans, he pointed out, were ready to accept Muslims as guest workers willing to undertake jobs that Europeans no longer wanted. However, when Muslims seek to escape these narrow confines and play a more prominent role in Western societies, they get rejected. "It's not an accident that so many terrorists are Western-educated people", warned Kleckin.

**Nils Muižnieks**, Director of the Advanced Social and Political Research Institute, University of Latvia, pointed to the dangers of "new populism" in Europe. Populist parties are on the rise in many European countries. **This is a "very dangerous development", since "democratic systems are starting to look vulnerable to the assaults by populists."** The populist movements are in many cases brought to greater prominence by exploiting the fear of immigration. The European countries must take immigration seriously since "it is necessary from economic point of view, given the demographic situation in Europe." There is a need for new thinking on this subject and for a long-term policy on immigration. "If this is not done now, the whole issue will fall back into the hands of xenophobes, and it will be rather difficult to amend the situation", concluded Muižnieks.

## RUSSIA AND THE WEST

**Viktor Kalyuzhniy**, the Russian Ambassador in Latvia, stated that "one of the main elements of his country's foreign policy is broad cooperation with and integration into Europe." Ambassador spoke just a day after the end of the Sochi summit between the EU and Russia at which discussions were held on the progress in four "common spaces" – economy; justice and home affairs; external security; culture, education and science. There are tangible results: agreements on easing of visa regime and readmission have been signed. There was also an exchange of ideas on a new strategic partnership agreement between the EU and Russia which will be signed after the current agreement expires in 2007, the ambassador reported. He said that the new agreement will embrace the "four spaces" referred to earlier, as well as take into account "the new realities in Europe."

The energy dialogue was mentioned as one of the priority areas for the EU-Russia cooperation. The ambassador dismissed the talk about the "dangers of energy dependence from Russia", pointing out that "it is Russia who is dependent on its European customers."

The cooperation between the two sides is not, however, limited to economic and commercial issues. It also includes shared interests in common security, more intense cooperation in the areas of culture, education and science. The ambassador pointed to **"the difficulties posed by some new member states of the EU which brought to the EU their negative attitude toward Russia and are complicating cooperation."** At the same time, according to Kalyuzhniy, the situation of the ethnic minorities in the Baltic states is far from perfect, and Russia consistently raises the issue in the dialogue with its European partners. For example, granting Latvian non-citizens right to vote in local elections, as was done in Estonia, would be a very positive step forward.

**Leonid Grigoryev**, President of the Energy and Finance Institute Fund, President of the Association of Independent Centres of Economic Analysis, Russia, elaborated on the energy aspects of EU-Russia cooperation.

European needs for gas consumption are steadily increasing, while Russia is a “global energy reservoir.” **Even diversification of gas supplies would hardly diminish the importance of Russia as the prime source of gas for the European market.** This provides



LEONID GRIGORYEV:

**“Even diversification of European gas supplies would hardly diminish the importance of Russian gas.”**

**should first of all strengthen the Russian statehood rather than serve the aim of integrating Russia into the Western structures.**

Hotkova pointed to “a substantial choice to be made between a relationship based on equality of the two sides and an EU-centred model where Russia amounts to no more than one of the countries on the periphery of the EU.” She advocated the “pragmatization of relations”, i.e. a close cooperation in the areas of common interest, first of all in economic and social spheres. This is indeed the course taken by the Russian government, she said.

As to the construction of “common Europe”, she believed that “the mechanical enlargement of the EU as a means to achieve this vision has not been particularly successful.” Hotkova also thought that the “EU expansion has come to its geographical limits” and a new vision is needed. She advised to look at Russia as an opportunity, not a problem.

for a very “harmonic situation” where cooperation is in the best interests of both sides.

**Elena Hotkova**, Head of the International Security Problems Department at the Russian Strategic Research Institute, noted that the quality of Russia’s relations with Europe will in large part depend on how successfully it modernizes itself. In her analysis,

**modernization**

**Eldar Mamedov**, Research Fellow at the Baltic Forum, disagreed with the notion that the enlargement of the EU has come to its geographical limits and is not an adequate instrument for building “a united Europe.” He referred to the fundamental treaty of the EU which states that any European country that respects the principles of democracy, human rights and rule of law can apply for membership in the EU. Of course, there are objective geographical limits to what can be considered as “European country”, but so far nobody has *a priori* excluded Russia from the process of the enlargement of the EU. Mamedov also pointed to the success of the EU enlargement in nudging the applicant countries closer to the EU standards of democracy, human rights and rule of law.

**John Palmer** agreed with Mamedov that the “classical enlargement of the EU will go on for some time. There is no doubt that in coming 10 or 15 years we will see new members in the EU.” He asked Hotkova about the strategic thinking in Russia on the new relations between Russia and EU in the framework of “larger Europe”, which includes some shared neighbour countries.

**Hotkova** replied that by saying that the enlargement process had come to an end she also meant the countries “already on the list.” After they join the EU, “its initial project will have come to an end.” New solutions are needed to advance toward a united Europe, and Russia can help in this regard. As to the strategic relations with the EU, Russia sees how “the four spaces” are now being filled with new substance. Concerning the shared neighbourhood, Hotkova stressed the need for finding a model which would help “harmonize this space rather than converting it in a zone of misunderstandings and conflict between the EU and Russia.”

**Mark Urnov**, Chairman of *Expertiza* Analytical Programmes Fund, Russia, espoused a wholly different view of the Russian-European relations. He advocated a **full integration of Russia into the Euro-Atlantic structures as the best possible guarantee of the country’s survival, development and prosperity.** In terms of culture and civilization, Russia is part of the European world. It must strive to adjust its

political outlook to this reality. This would mean abandoning the “great power” rhetoric; integration into the European institutions; a



MARK URNOV:

***“Full integration of Russia into the Euro-Atlantic structures is the best possible guarantee of its prosperity.”***

seems “extremely unlikely.”

On the contrary, and much to Urnov’s dismay, the nationalistic “great power” tendencies on both rhetorical and practical level are having an increasing appeal for large segments of Russian elite and popular opinion. For example, in Russian opposition to American policies regarding Iraq, Iran and Palestine Urnov sees an eagerness to play spoiler against America rather than an astute pursuance of its own national interest. What Russia must do now is stop feeding its imperial nostalgia and dedicate itself instead to elaborating a workable, realistic national strategy that would help the country to adapt to the changing world and find its place among European nations.

**Viktor Makarov** supported Urnov’s view of Central European countries as natural allies for Russia’s movement closer to Europe. He challenged the view, popular in some pro-Russian quarters, that “a coalition of Russophobic forces has been formed in European institutions.” Rather, as Makarov sees it, there is in the EU a strong desire to see a stable and democratic Russia integrate with Europe. He asked Urnov what could be done to help Russia move in this direction. **Urnov** repeated that rejecting “great power myth and

branch and root reappraisal of its current policies towards former satellites who have already embarked on the path of European integration, as “they must become natural allies rather than foes for Russia in this process”; creation of an attractive and predictable investment climate in the country. This would require “a dramatic change in mentality of both the state and the public opinion” which, at current state of affairs,

rhetoric” and realistic re-appraisal of national interest is essential, but he was highly skeptical about this taking place in the current social climate in Russia.

Disagreeing with Urnov, **member of the State Duma (Parliament) of Russia and director of the Institute of CIS countries Konstantin Zatulin** dismissed all talk about integration with Europe as wishful thinking. He reminded of the statements made by president Putin hinting at a possibility of closer Russian-NATO partnership which were left without any reaction from the West. To this **Nurick** replied that “there was no official reaction from NATO because there was no official request from Russia.” Furthermore, he added that “membership in the Alliance entailed a number of obligations for both Russia and NATO”, and that his impression was that “neither side was quite ready to undertake them at that moment.”

**Vitaliy Tretyakov**, director of “The Moscow News” weekly, predicted the death of the EU which would be “mourned” by Russia, because it needs “an intelligent EU as a partner.” But, in his view, the EU is not behaving intelligently. **Palmer** strongly disagreed with this forecast. He said that the Union might be having its problems, particularly as it is digesting its last enlargement or squabbles over budget, but nothing suggests that this could lead to the dismissal of the EU as such. In fact, most Europeans want the EU to function better, not to disappear.

## **BALTIC – RUSSIAN RELATIONS: SEARCHING FOR WAYS FORWARD**

Director of the Russian Center of Scientific and Cultural Cooperation, Ministry of Foreign Affairs of Russia, **Eleonora Mitrofanova** addressed the “the problem of the Russian speaking population in the Baltic states,” which needs to be resolved on the basis of “constructive dialogue, cooperation, mutual trust and universal application of the human rights principles.”

A broader approach was proposed by **Yurgens**. He advocated “a two-dimensional relationship.” That would mean not shying



away from confrontation in questions on which the positions of the two countries are opposed, while cooperating where it is both possible and mutually beneficial.

Yurgens called on Latvia to soften its approach to the “school reform” and to adopt a liberal law on national minorities. Also useful would be granting of voting rights to non-citizens in local elections, as was done in Estonia. In her dealings with Russia, Yurgens suggested Latvia should adopt the “Finnish model” which implies a more forward-looking and pragmatic approach to bilateral relations. On her side, Russia should “pay more attention to the uncomfortable historical aspects of its relations with Latvia”, perhaps condemning once again the Molotov-Ribbentrop pact. But the key to better relations ultimately lies with people-to-people contacts, for which some easing of visa regime is needed, said Yurgens.

Oznobischev echoed the words of Yurgens about the need for pragmatic cooperation, where possible, while leaving intractable historical questions aside.

**Zalman Katz**, journalist and member of the Board of the Baltic Forum, expressed hope that the open-ended situation after the current Partnership and Cooperation Agreement (PCA) between Russia and the EU expires in November 2007 will provide a fresh opportunity to redefine relations between Latvia and Russia.

**Justas Paleckis** addressed the Baltic-Russian relations from a broader European perspective. He advocated pragmatic cooperation with Russia and said that an eventual Russian membership in the EU could not be ruled out, although currently it was neither on the European nor Russian agenda.

## **LATVIA IN A GLOBALIZED WORLD: BIG HOPES OF A SMALL COUNTRY**

*Several participants shared their thoughts on different aspects of the role and place of Latvia in global world.*

Minister for Social Integration of Latvia, **Karina Pētersone**, dwelled on the evolution of the Latvian identity in the context of further

European integration and globalization. In addition to the traditional identity based on Christianity, European integration also emphasizes the values of democratic society, individual rights and tolerance. Promotion of these values is a top priority for the Latvian government. This is particularly crucial as Latvia enters a new period in its development after joining the EU: the economic imperatives are likely to increase the migrant flows to Latvia, bringing with them a new ethnic and cultural diversity, the minister said. To manage these new challenges, “a strong civil society and a well thought-out social integration policy are needed,” she pointed out. **A cohesive society is also the key to a strong economic performance in the globalized world,**” said Pētersone. Therefore, in her view, high priority must be given to “cultivating values that unite the society rather than divide it.”

From the economic angle, **Edvīns Karnītis**, Senior Researcher at the University of Latvia, believed that the key to success in globalized world is knowledge-based economy with a free individual at its centre. A group of experts has worked on the program of sustainable economic growth for Latvia based on this model, and it was accepted by the Parliament of Latvia. In Karnītis’ view, some substantial changes are needed to fully implement the vision of knowledge-based economy. First, the cities of the Baltic sea region must become knowledge hubs which would spread the benefits of their rapid development around. Second, immigration policies must be modified. At the moment, Karnītis noted, the Baltic region is “a donor of the knowledge to the outside world.” It must become an attractive knowledge centre. **The quality of life must be improved to make sure that educated middle class people choose not to leave the region, but instead to contribute to its progress.**

**Kairbek Arystanbekov**, Chief Expert of the Security Council, Administration of the President of the Republic of Kazakhstan, Kazakhstan, took a different approach suggesting to Latvia **not increasing its industrial output but concentrating instead on the service sector**, which, in his view, could bring the country more prosperity. **Vladimir Menshikov**, Professor at the Daugavpils University, Latvia, emphasized the

need to pay more attention to diminishing regional disparities, which are the result of “Riga-driven development model”, adopted by the Latvian government. **Alexey Ruzha**, Chair of the Department of Social Psychology, Daugavpils University, presented the results of the research on perceptions of other EU countries by Latvian residents.

**Ivo Sarja**, Research Fellow at the Baltic Forum, made known the results of an expert survey conducted by the Baltic Forum to assess Latvia’s two years in the EU. Despite the largely positive assessment of the effects of Latvia’s EU membership, **two thirds of Latvian experts on believed that Latvia has not formulated its national interests in the EU with sufficient clarity.** The reasons for this are the lack of clear goals and political will, incompetence in the administration and pervasive corruption. These are the obstacles for better realization by Latvia of its national interests. No area has been singled out where there was “excessive integration”, while most experts believe that the economic integration has been insufficient. According to the survey, most experts believe that Latvia must form part of the “inner circle” of countries that integrate closer between themselves.

The opinion of Latvian experts is shared by **Wojciech Kosiedowski**, Professor at Nicolaus Copernicus University, Torun, Poland, who believes that deepened integration, particularly in the economic realm, would be beneficial for the Baltic states and Poland. He advocated fast adoption of euro by these countries and underlined the importance of achieving greater social convergence with richer members of the EU. This can be achieved by skilful combination of strong economic performance and far-sighted social policy. The EU provides possibilities for both.

**Ivars Ijabs**, lector at the University of Latvia, stressed the importance of the role of the Latvian civil society in the context of globalization. From the point of view of democratic legitimacy of states, civil society must be taken seriously, even if it poses awkward questions to political authorities. **“It is wrong to assume that only apolitical, “harmless” organizations of civil society, say, club of cinema lovers, must be accepted”**, cautioned Ijabs. The whole point of civil society is its pro-active involvement in the political process.



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The Baltic Forum is an internationally oriented think-tank in Latvia established by civil society leaders, politicians and scholars with the aim of promoting research and dialogue on relevant national, European and global issues. For more information, please, on the website: <http://www.balticforum.org>.