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## Instability in the Baltic Region

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### Introduction

There can be little doubt that one of the main issues facing Europe in the not too distant future will be what course of action to adopt if or when ex-Soviet republics meet the requirements for NATO membership and apply to join. In the case of the former Soviet Union (FSU), amongst the most likely candidates for membership are the three small Baltic republics - Estonia, Lithuania and Latvia - situated in northwestern Europe. Part of the USSR until its break up in 1991, with the exception of a brief period of Nazi occupation (1941-1944), the three Baltic republics formed an integral part of the USSR's *cordon sanitaire* against attack from the West, a fact which in itself helps to explain why Russia is far from keen at the prospect of any, never mind all, of the Baltic republics becoming members of NATO. Although the Baltic republics have always viewed themselves as part of Western Europe, fifty years as part of the USSR have, in a number of ways, left their mark and could still have a significant impact on their future. For a number of understandable reasons, the Baltic republics are keen to reestablish their status as "whole" members of the European family of nations, ready and able to take part in the full gamut of European and Atlantic organisations and institutions. However, although the European family is happy to consider for instance, extending membership of the EU to at least one of the Baltic republics (Estonia), it is far from happy with the thought of extending NATO membership to any of the Baltic republics, fearful of the consequences that this could have on NATO-Russian relations, as well as Russia's relations with the major Western powers. There is apprehension in the West that extending NATO membership to any or all of the Baltic republics could create more problems than it would solve. While, as will be outlined below, it is the repeated intention of all the Baltic republics to join NATO as soon as possible, it is also Russia's repeated intention to resist any attempt by NATO to expand further in the East, particularly so if NATO were to expand by including ex-Soviet republics. Given the geographical proximity of the Baltic republics to Kaliningrad *oblast'* (that small piece of Russian territory sandwiched between Poland and Lithuania, but enjoying no common border with Russia itself) and St. Petersburg, it would be logical to assume that, regardless of the political colour of any future Russian president, Russia would retaliate. The nature of the retaliation can be argued about, but not the fact that Russia would retaliate. Further enlargement of NATO eastwards would encourage the hardliners in Russia to retreat into the old "siege mentality" and, at least in the short to medium term, cause considerable problems for the continued development of Russia's relationship with the Baltic republics, NATO and the European powers. Despite its loss of power since 1991, Russia still has the ability to make life distinctly uncomfortable, particularly for the rest of Europe. Russia is less concerned about EU enlargement, as long as the EU remains largely an economic organisation. One day, it may even apply for

membership. This paper will analyse the security agenda as perceived by the countries in the Baltic region itself, in particular the three Baltic republics and Russia. It will be subdivided into a number of subsections: NATO/EU membership; the US/Baltic Charter; the relationship of the Baltic republics with Russia; the issue of Kaliningrad *oblast'*; internal threats to security and last, but by no means least, intra-national disputes that have cropped up between the republics over the past few years.

## **NATO Membership**

Following the decision to include Poland, Hungary and the Czech Republic in NATO, Russia professes itself now at a loss to understand the need for any further enlargement of the Alliance in the east in the foreseeable future. There is a danger that if NATO does not carefully prepare the ground first, further enlargement of the Alliance in Eastern Europe could drive Russia back into the stereotyped thinking of yesteryear. Looking at Europe once again divided into "them" and "us", NATO and Western Europe being distinctly cast by Russia in the role of the villains of the new world order. After all, opposition to NATO enlargement eastwards is one of the few issues that unite all shades of political opinion in Russia. Virtually all the leading politicians in the Baltic republics are convinced that their future security lies in becoming members of NATO and, consequently, are more concerned with the idea of obtaining NATO membership, rather than what happens the day after they have become members. Thus, their primary concern at present is to convince the NATO countries that they are fit to join. However, the idea would also have to be effectively "sold" to Russia, an altogether very different proposition. Both NATO and the Baltic republics could end up making a big mistake, if the membership process went ahead without Russian fears concerning their own security requirements being taken into account at the earliest possible stage. Up to a point, NATO must strive to convince the Russians that if any, or all, of the Baltic republics join NATO, this will not constitute a threat to Russia's own security. Since the break up of the USSR in 1991, the Baltic republics have been foremost amongst the former Soviet republics in attempting to reintegrate their countries into the Western European political and economic mainstream. Initially, this could almost be seen as a reflex reaction to almost 50 years of uninterrupted Soviet rule and, not identifying themselves with the dominant Slavic culture, they wished to retrieve part of what they considered to be their lost identity. As evidenced by the recent decision to invite Estonia to take part in talks to join the European Union (see below), their attempts are beginning to pay off. However, there can be little doubt that - even with the signing of the US-Baltic Charter in January 1998 - the three small Baltic republics are still a good way off from obtaining that which, arguably, they desire most, at least in the field of foreign policy, NATO membership. Time and again most, if not all, of the leading politicians from each of the three republics continue to talk about their desire to join NATO as soon as possible. For instance, the Estonian president, Lennart Meri, in a recent interview to *The Baltic Times* stated that Baltic membership of NATO "will be seriously on the table" at the NATO summit meeting due to be held in Washington DC early next year. Interestingly, this prediction would seem to be somewhat at odds with a statement he made in an interview for the Russian newspaper, *Nezavisimaya Gazeta*, in which he was careful to underline that Estonia would not be joining NATO "either today or tomorrow". This particular interview was also interesting

not least because it could be seen as part of a long-term campaign being waged by the leaders of the Baltic republics themselves to try and persuade Russia that it should have no qualms about proposed Baltic membership of NATO. In the interview, Meri asserted that: "when we talk about our wish to join this organisation [NATO] we do not have in mind the structure, which was born a child of the Cold War. It is a dynamic, changing organisation, whose aims more fully meet the demands of Estonia. On top of this, we will not be joining the North Atlantic alliance either today or tomorrow. No one is presently waiting for us there." Similarly, the former Lithuanian president, Algirdas Brazauskas, in an interview given to the Russian press in October 1997, was also careful not to offend Russia when talking about his country's desire to join NATO: "for us, NATO is not an aim in itself, but a means to achieve our own security and stability in the region." This was further emphasised in his outgoing address to the Lithuanian parliament, in February of this year, when Brazauskas once again stated his country's firm desire "to integrate into Western defence and security systems while, at the same time, supporting all initiatives which enhance mutual trust, security and stability in Europe." Latvia's Minister of Foreign Affairs, V Birkavs, has further underlined the idea that European security has an important Baltic dimension: "Latvia has become a front-line state for Europe. We expect recognition of that reality, that Baltic security is fundamental in the calculations of total European security, which will lead to an understanding of the need to assist us to integrate as quickly as possible." The country's president, Guntis Ulmanis, also recently spoke about how Latvia "viewed its future through the EU and NATO." Thus, rightly or wrongly, the leaders of the Baltic republics are convinced that, sooner or later, they will become members of NATO. As was further demonstrated by the rejection of Boris N Yeltsin's recent offer of security guarantees to the Baltic republics, the three Baltic republics are only interested in security guarantees emanating from the West, not from Russia. In itself, this is understandable, but it remains to be seen whether a more flexible approach in the future might not produce dividends not only for security in the region, but also in ensuring that Russia does not feel left out of the overall European security picture. There would appear to be hints of a recent change in the Baltic republics' approach to NATO membership, with the republics increasingly adopting a more individualistic approach to the pursuit of their goal, which can be summed up in the phrase, one in being better than none in. For instance, given the closeness in the relationship between Lithuania and Poland, it could be that Lithuania may attempt to use Poland to lobby its case for fast-track NATO membership, in preference to attempting to convince NATO of inviting all three Baltic countries to apply for membership. After all, of the three Baltic republics, Lithuania would appear to be the most capable of meeting NATO's membership requirements quickest. According to officially released figures, Lithuania currently (1998) spends 2% of its GDP on defence (compared to Estonia's figure of 1.09% and Latvia's 0.67%); since 1994, 420 of its soldiers have taken part in various peace-keeping missions and approximately 800 of its personnel are now NATO-language trained. In an interesting selection of views from a number of Lithuania's leading politicians published recently, there appears a strong feeling that increasing cooperation with Poland may ease Lithuania's entry into the wider Western political and economic structures. According to one Lithuanian MP, K Bobelis: "economic and military cooperation with Poland is important for our integration into Western structures. Our relations with other Baltic countries are OK." In the view of the leader of the Opposition, C Jursenas, "each of the Baltic countries

must exploit its geopolitical situation. If we can move westward using Poland, why not do it?" Both men seem to be of the opinion that if Lithuania can move closer to NATO separately and not as one of a trio, with Poland's assistance, then why not? It should come as no surprise to learn that the first official trip by the new Lithuanian president, V Adamkus, was to Poland in April 1998. It could also be the case that, following the EU's invitation to Estonia to begin accession talks, other politicians in the region may seriously re-think their previous position concerning NATO accession talks and that the previously much vaunted Baltic solidarity, at least as regards NATO membership, may soon be replaced with a different formula, one that has one nation joining first, under the guise of "success for one is success for all." In other words, the Baltic republics may be on the verge of beginning to negotiate for themselves, rather than acting in concert. As with many other things in this part of Europe, the situation is fluid.

## **EU Membership**

Unlike with NATO, here at least the Baltic republics have scored one notable success: in December 1997, at the Luxembourg summit, Estonia was invited to begin accession talks with the EU. In some respects, this was almost a continuation of a policy that had begun not long after the failed coup of August 1991; after all, the EU recognised Baltic independence quicker than the then extant Soviet government (EU formally recognised the Baltic republics on 27th August 1991; the Soviet government did not do likewise until 9th September 1991). There can be little doubt that the EU's invitation to Estonia was important not only from the point of view of recognition of Estonia's efforts over the past 7 years to significantly improve its economy but it also served to testify that there was no secret "ban" on Baltic membership of Western organisations. Given the reception of the news in Moscow, it also underlined the fact that Moscow had considerably fewer problems coping with EU enlargement than NATO enlargement. According to one of their experts, V Vershinin, "in itself, EU membership and economic cooperation is an important security guarantee since any Russian intervention - or threat of intervention - in an EU member state would have serious consequences for its relations with Europe as a whole." As long as the EU is viewed by Moscow as predominantly an economic union, then it will raise no strong objections to the latter Union expanding into Eastern Europe and may, one day, apply for membership itself. Since the EU issued its invitation to Estonia, the other two Baltic republics have also speeded up their efforts to convince the EU states that they also should be actively considered for membership as soon as possible. Latvian Ministers have been keen to point out the benefits that Latvian membership of the EU would bring to both East and West. In a recent interview the Latvian Minister of the Economy, A Sausnitis, stated that "our place in the EU will be the same as it is now - we will be the bridge between East and West. In the transit sphere we are going to be good partners with the EU." The country's Foreign Minister, V Birkavs, has also been keen to stress the importance of further integration between East and West through the auspices of organisations like the EU: "for the next decade, the development of competitiveness, education and integration in Europe will be the most important issues. Integration of the Baltic states with the EU will facilitate development in the region with untapped potential, while positively influencing stability and security." The country's president, G Ulmanis, though, has already admitted that Latvian membership of the EU may take up to 7 years. Similarly,

Lithuania has made strident efforts to convince that it too is ready to be considered for future membership of the EU. In an interview with the *Financial Times*, the Lithuanian Prime Minister, G Vagnorius, on the eve of a meeting with EU Foreign Ministers, stated that: "if the same criteria and the same requirements are applied to us as to the countries in the first wave, then we think that we have even better chances than some of those countries [to enter the EU soon]." The newly-elected president, V Adamkus, is also a strong advocate of Lithuanian membership of the EU: "I personally believe that there are two major foreign policy issues: to make sure that Lithuania will become a member of the EU and NATO.." Nor is any of this simply wishful thinking on the part of the Lithuanian political leadership. According to a report published by the European Commission in 1997, Lithuania is likely to have higher rates of economic growth over the next two years than any of the other nine applicant countries in central Europe. Thus, economically speaking, Lithuania would appear to have a strong argument in favour of it being considered for early EU membership. On top of economic considerations, unlike both Estonia and Latvia, it has no border problems with Russia, nor does it have a significant problem in relation to its indigenous Russian ethnic population (only 8.6% of the Lithuanian population are native Russians): of the three Baltic republics, Lithuania alone has signed a border treaty with Russia and granted citizenship to all its citizens who wanted it almost right away, thereby forestalling any attempt by Moscow to play a "Sudeten German scenario" card in the future. As will be detailed below, neither Estonia nor Latvia have been able to sign a border treaty with Russia, nor have they yet come up with a solution to the problem of what exactly to do with their large indigenous Russian-speaking populations.

## **US/Baltic Charter**

In January 1998, the three presidents of the Baltic republics and the US president, Bill Clinton, signed the so-called "Charter of Partnership". According to the US, the Charter "is not a security guarantee and the United States cannot guarantee Baltic membership of NATO." However, not long after the signing of the Charter in Washington, Clinton did make a statement to the effect that "with time" the three Baltic republics would become members of NATO: "the door to NATO remains open for all partners of the USA, which is going to create conditions for Latvia, Lithuania and Estonia to enter the door at some time." Needless to say, the reaction of the Baltic political leadership has been to seize on this particular implication of the Charter. According to Landsbergis, "the United States...has declared, together with its three partners, that European security will depend on the security or insecurity of the Baltic states." Meri has asserted that the Charter provides "support" for his country's desire "to join European and Transatlantic [NATO] organisations." For his part, the Latvian Foreign Minister, Birkavs, has even postulated that the Charter could help the US act as an "intermediary" between the Baltic republics and Russia - although this would seem an unlikely course of action for the US to pursue in its relations either with Russia or the Baltic republics. Despite American protestations that the Charter is not a security guarantee to the Baltic republics, the Russians have taken a very dim view of its wider implications. In February 1998, Yeltsin stated: "I'll say frankly that I was alarmed at some of the initial comments by the Baltic signatories of the Charter and at what was being said about the pledge of the United States to help Latvia, Lithuania and Estonia to join NATO. Let me emphasise once again that this scenario has been and remains unacceptable to

Russia...what we need now is not debates on who should be the first to join NATO, but efforts to strengthen security and stability in Europe." Slightly earlier, the Russian *duma* expressed its concern at the signing of the document, warning about new "dividing lines" being drawn in Europe. One of Russia's deputy foreign ministers, A Avdeyev, has warned that the Charter poses "a danger to European security", effectively undermining the agreement signed between Russia and NATO in May of last year (the Founding Act): "everything undertaken in the sphere of security must be done within the framework of that agreement. If the Baltic states become members of NATO, this will destroy the security foundations laid by the agreement between Russia and NATO." Although the USA would appear to be at pains to emphasise that the Charter is not intended to act as a substitute for NATO membership, nevertheless there certainly would appear to be a degree of ambiguity about what it is that the US has offered to the Baltic republics by way of the Charter. The perception of the states in the region is that the Charter will assist - along with continued and active Baltic involvement in NATO PfP exercises (for instance, Baltic Challenge 98, to take place near the port of Klaipeda) - the Baltic republics' attempts to join NATO. Whether this perception is mistaken only time will tell. It would be ironic, to say the least, if both the Russian and Baltic perceptions of the Charter were proven to be correct!

## **Russia/Baltic**

"The prospect of NATO expansion to the East is unacceptable to Russia since it represents a threat to its national security." This quote is taken from Russia's newly-worked out concept of national security, approved by Yeltsin on 17th December and published on 25th December 1997. Thus, it will come as no surprise to learn that Russia vehemently opposes Baltic membership of NATO. This was further underlined by an article which appeared in the Russian government's newspaper, *Rossiyskie Vesti*, in February 1998. The article was written by the deputy foreign minister, A Avdeyev, and was built around a series of questions to the minister under the general heading, "the Baltic region is a zone of our national interests." Concerning a proposed second wave of NATO enlargement, Avdeyev was in no doubt that such a wave should not include former republics of the USSR: "there should be no second wave [of enlargement...] bearing this in mind, we have clearly told NATO that it should not admit any one of the former Soviet republics. If, in spite of our warnings, this occurs, stability in Europe will be put under threat and we will have immediately to re-examine our attitude to NATO." In relation to security guarantees to the Baltic countries, Avdeyev underlined the seriousness of recent Russian security proposals made in October of last year, when the outgoing Lithuanian President, A Brazauskas, paid an official visit to Russia, and when President B N Yeltsin himself visited Stockholm in December 1997 and talked about introducing a unilateral 40% reduction in the number of troops in Russia's North-Western region (including Leningrad MD and Kaliningrad *oblast*): "at present, in a military sense, no one threatens the Baltic region, there is no existing threat to their statehood.. Thus, we are not proposing 'outdated' guarantees...We are talking about guarantees through confidence. In international law, there is such a proposition. And we agree to such a system of confidence measures, including unilateral measures, which will guarantee these countries full security, minus threats and risks." Yel'tsin's proposals, in the words of the deputy foreign minister, were not "adequately read by the political elites of the Baltic countries." Once again,

however, a mixture of history and real contemporary problems seem to be determining factors in understanding the generally pessimistic view that the leaders of the Baltic republics have concerning Russian security guarantees to the region. Russia is still largely viewed as the direct inheritor of the mantle of the old USSR and, as such, evokes very strong negative feelings amongst the peoples and politicians of the region. It was the USSR that forcibly annexed (although Russian politicians still debate this particular point passionately) the three Baltic republics back in 1940 and compelled each of the Baltic republics to undergo an intense and bitter period of "sovietisation", a period that in each of their histories will burn long and hard, especially in the memory of those who underwent what they now term the "years of occupation". Having regained their freedom and independence in 1991, the republics are suspicious, to say the least, of anything that looks remotely like an attempt by Russia to regain some form of hegemony over the Baltic region. In other words, Baltic politicians have little faith, at present, in any proposals emanating from Moscow concerning security in the region - unless the proposals emanating from Moscow are unilateral measures and are in relation, for instance, to troop reductions in Kaliningrad *oblast'*, although even here they would rather see action as opposed to words. As one Russian analysis of the Baltic republics' attitude towards Russia's security proposals put it: "these countries see guaranteeing their security above all by joining NATO and the EU, maintaining normal neighbourly relations with Russia and strengthened by the corresponding treaties,." As alluded to above, there are a number of real issues involving Russia and at least two of the Baltic republics, namely the rights of the large Russian-speaking populations in Estonia and Latvia and, flowing from this, the still unsigned border treaties between the countries involved. Lithuania is the only republic of the three which has a signed border treaty with Russia (concluded in October 1997) and, due to its relatively small ethnic Russian population (in 1994, only 8.6%% of the population in Lithuania was ethnically Russian) has no real problem with the Russians living in its republic. Interestingly enough, about 46% of that figure were actually born in Lithuania. The same cannot be said, however, in relation to either Estonia or Latvia. Again, using data for 1994, in Estonia, the share of the population which was ethnically Russian was over 30%; in Latvia, the corresponding figure was just under 34%). Despite some recent movement on the part of the Latvian authorities - in April of this year, they decided to amend the citizenship law to allow Latvian citizenship to all children born in Latvia after 21st August 1991 and at least one of whose parents was Latvian - the problem will not be resolved quickly: according to a report published in the *Baltic Times* last year, "there has been almost no naturalisation [amongst the ethnic Russian population], with only about 4,000 people out of 700,000 people getting citizenship." The question of language instruction has also become an important issue: Latvian and Estonian are very different languages to Russian and share very few common features. However, if the citizenship issue could be resolved fairly and quickly, Latvia could move to better integrate the Russian ethnic minority; after all, a recent study of the Russian diaspora in the Baltic republics showed that 56% of the Russian population in Latvia were actually born there. Estonia too has a large ethnic Russian minority: of a population of 1.52 million, some 560,000 are non-Estonian (420,000 of whom are ethnically Russian). However, when polled, 80% of the non-Estonians questioned said that they wanted Estonian citizenship. This despite the fact that the Estonian Education Minister wants to abolish all teaching in Russian in schools by the year 2000! Clearly, given the size of the

Russian-speaking population in both republics, there has to be some degree of flexibility here, if the tension between the ethnic minorities is not set to erupt - as it did in the last dying years of the USSR - and lead to a situation which will spell disaster both for the indigenous population and the Russian-speakers. A large body of "non-citizens" in any country at any time does not promote healthy development, political, economic or cultural and if, as one Russian study has pointed out, Russians in Estonia are quite happy to vote for Estonian political parties on the basis of policies and politicians, and not on an ethnic basis, then there is the possibility that amending the nation's citizenship law would allow both sides of the community a much more harmonious and just existence than is presently the case. Curiously enough, another positive factor has been that the rights of the Russian-speaking population in the Baltic republics has, until very recently, attracted little political attention from Moscow, in the sense that in both the December 1995 Russian parliamentary elections and the July 1996 presidential elections, many of Russia's nationalist political parties - Zhirinovskiy's Liberal-Democratic Party, the National Republican Party and the Congress of Russian Communities - paid very little attention to this particular problem, obviously not seeing it as a vote winner amongst the broad mass of the Russian electorate. The situation in Latvia has become slightly more complicated following the recent police handling of a predominantly Russian-dominated demonstration by pensioners in Riga, as well as the official sanctioning of a parade of former Latvian SS battalion soldiers in March of this year. Russia's reaction to both events has been to threaten imposing economic sanctions against Latvia, as well as its continued refusal to sign any sort of border agreement with that country. The other main problem in Russo-Baltic relations (with the exception of Lithuania) is the lack of a border agreement between Estonia and Russia and Latvia and Russia. Space here does not permit an exhaustive or detailed examination of such a complex issue, but a brief outline can be given. Almost immediately following their declaration of independence - it should be remembered that all three Baltic states had been part of the Russian Empire from the late 18th century onwards - Estonia and Latvia claimed certain areas of Russia as belonging to them. In Estonia's case, territory was claimed both from the Leningrad and Pskov *oblasts* (approximately 2,300 sq. kms). For its part, Latvia claimed a further 1,600 sq. kms of the Pskov *oblast'* (see map). Both claims were based on the argument that the re-establishment of both republics, based on the original peace treaties of Tartu and Riga - signed at the end of the Russian Civil War in 1920 between the two Baltic republics and the RSFSR (Russian Soviet Federative Socialist Republic) - and which had defined the original borders between all three states between 1920-1940, were still valid, despite the annexation of both republics by the USSR in 1940 and, consequently, the new borders between all three states should correspond to the borders that had existed before Estonia and Latvia became Soviet Socialist Republics in 1940. For its part, Russia has argued that both treaties are invalid and have now only historical significance. Given the lack of any real political support from other European countries behind this attempt to redraw the boundaries of Europe, both Baltic republics have been forced to negotiate with the Kremlin and, although agreement between Russia and Estonia, until quite recently, certainly looked very hopeful, neither state has yet signed the border agreement. With the threat of Russian economic sanctions being imposed on Latvia, Latvia is in a worse situation than Estonia. The lack of a border agreement between the three republics obviously complicates the nature of the relationship between the three

states; however, given the fact that the EU has invited Estonia to accession talks, it would appear that the EU countries, at least, do not see the lack of a border agreement between Estonia and Russia as being an impediment to Estonia acquiring EU membership. It is now debatable whether the NATO countries would allow the lack of a confirmed border agreement between the Baltic republics and Russia to be an obstacle on the path to NATO membership. Perhaps more worrying to NATO would be allowing in states with such a large number of ethnic Russian "non-citizens."

### **Kaliningrad Oblast'**

Without detailing the history of the *oblast'*, suffice it to say that Kaliningrad *oblast'* (hereinafter referred to as KO) is that small piece of Russian territory sandwiched between Poland and Lithuania in north-western Europe, not enjoying a common border with the territory of the Russian Federation. Formerly part of East Prussia, it has been part of the Russian Federation since the end of WW2 and its native population is now overwhelmingly Russian (out of a population of 932,000, approximately 78% are ethnically Russian). It is only 15,500 sq. km. in size and enjoys land boundaries, as outlined above, with Poland (432 km) and Lithuania (227 km). Its largest city - Kaliningrad - accounts for approximately 50% of the population of the *oblast'* (415,100) and is the most heavily industrialised part of KO. Given both its physical and population size, it would be wrong to argue that the region, for instance, is "vital" to the economic well-being of the Russian Federation (although with greater inward investment, its importance to Russia could far outweigh its 15,500 sq. km). Its real importance to the Federation lies in its geographical location representing, as it does, Russia's toehold in the Baltic region.. Russia has had a physical presence in the Baltic region for over 300 years (initially won by Tsar Peter the Great back in the early 18th century), and is unlikely to be taken with the idea that its presence in the region be further diminished. With the enlargement of NATO eastwards - following the inclusion of Poland, Hungary and the Czech Republic - therefore, KO's importance to the Russian Federation has increased enormously, not only in maintaining Russia's physical presence in the area but also in being Russia's foremost visible asset to the West. It has a psychological importance, perhaps not immediately obvious, but one that outweighs its present economic or military importance. This is a factor which will become more evident as Russia tries to come to terms with the implications not only of the new members joining NATO in 1999, but also the distinct possibility of the Alliance expanding still further eastwards in the future. As stated earlier - and repeated by Yeltsin in an interview with *The Guardian* recently, Russia would view Baltic membership of NATO as "the red line". If NATO crosses that "red line", then, in his opinion, "European stability might not withstand the new tension." With Poland set to become one of the Alliance's new members next year and the possibility that, for instance, Lithuania could become a member of NATO in the next 15-20 years, KO would then be hemmed in by not one, but two, NATO members, a prospect which would not please whoever is in charge of the Kremlin at that time. The situation surrounding the *oblast'* has shown signs of movement recently, as more Russian politicians become alive to the issue. There can be little doubt that KO has been largely ignored by the central government in Moscow and this, in turn, has helped to develop a feeling that this situation should not be allowed to continue. In a recent interview with the Russian newspaper *Nezavisimaya Gazeta*, the

region's governor-general, Leonid P Gorbenko, stated that: "We have everything - unique natural resources, advantageous geographical position, strong enterprises, developed business culture, which many of the *oblasts* in the country lack. We have the right to decide locally ourselves our real problems, there is a formula for transferring the region to [a position of] self-security." The leader of the Baltic Republican Party - created in Kaliningrad when Gorbachev was in power - Sergei Pasko, has argued for the "sovereignisation" of the region within the framework of the constitution of the Russian Federation claiming that, if this does not happen soon, KO will be left further behind, economically-speaking, compared to the neighbouring states of Poland and Lithuania: "in the next four years, it will be necessary to sort out our status, to come to an agreement with Moscow on transferring the sovereignty of this territory. I do not exclude the possibility that after the year 2000, the new composition of the *oblast'* дума will realise [the aims of] our political programme, the establishment of the statehood of the Kaliningrad confederation...A million people on this territory could support themselves, if we stopped the practice of handing over all our profit to the capital [Moscow], in order then only to receive part of it back." Latest reports from the region would appear to confirm Gorbenko's and Pasko's views that, politically, at least, something will have to be done very soon about the region's status within the Federation. The much hyped creation of a Free Economic Zone in the region would appear to have had little impact on a large section of the population: "if the latest opinion polls are accurate, more than half of the local population want closer economic relations with Germany and Poland...unemployment in the region accounts for 25% of the working population (in the rural areas, it is as high as 50%). About 60% of the population...live on the poverty line. We also have to add the thousands of unsettled families of soldiers...and the recently announced 40% reduction of land and naval forces in the north-western region." Yel'tsin may announce cuts in the size of the forces in KO and be rightly applauded for such a unilateral and helpful gesture but, unless the economic and social support infrastructure are in place, then despite the applause from the other Baltic countries and Western Europe, he is, in effect, only adding to the burdens of KO and, perhaps unwittingly, potentially fanning the flames of future conflict between the centre and region. Of all the Baltic republics, the one that has most to say about KO is, of course, Lithuania. The recently-elected parliamentary speaker, V Landsbergis, has stated that KO is more than just a Russian problem: "the future of this region is both a Russian problem and a European problem if for no other reason, in that there is such a large military force in the *oblast'*, it not being comprehensible against whom it plans to fight. But, in Lithuania, no one has any aspirations to Kaliningrad *oblast'*." Reassuring and soothing words for the Russian readership but, strictly speaking, not accurate. Certainly, back in 1992, the Lithuanian ambassador to the USA, S Lozoraitis, publicly stated that "one day, Kaliningrad *oblast'* will become part of Lithuania." In March 1998, according to a newspaper report in the Russian military newspaper, *Krasnaya Zvezda*, which, no doubt, sent alarm signals through its readers, "at the end of December last year in Vilnius, a congress of nationalist forces of Lithuania was held which adopted a clearly provocative resolution concerning the 'status of Little Lithuania (Kaliningrad *oblast'*)'." More worryingly from Russia's point of view is that there does still seem to be, at least semi-official backing for the view that if KO does not become a part of Lithuania, its status within the region should be up for re-definition within a European, as opposed to a Russian, context. In December of last year, *Krasnaya Zvezda*

published a report of a speech made by the deputy-chairman of the Lithuanian parliament, Ronaudas Ozolas, in which he stated that "Kaliningrad *oblast'* is not Russia" and that "by general European agreement", it will become the fourth Baltic republic. He was also of the opinion that until the status of the region is finalised, once and for all, Lithuania will not be granted NATO membership. This re-examination of KO's status has reached the top of Lithuanian political society: although the previous Lithuanian president, Brazauskas, had no problems in accepting KO's status within the Russian Federation - in one interview published in March 1998, Brazauskas stated that "we live in the real world, it is not worth fantasising about the status of Kaliningrad *oblast'*. Such suggestions only complicate relations between Lithuania and Russia." His successor, V Adamkus, is less certain, stating that "the question of Kaliningrad *oblast'* is still an international problem." To all intents and purposes, therefore, there would appear to be a strong body of opinion in Lithuania which is clearly far from happy with the current status of the *oblast'* and wants that status re-defined, taking into account the new security situation both within the region, as well as within a European context. It is hard to see how Russia could allow this to happen without substantially losing face both in the eyes of its own people, as well as in the eyes of the rest of the world.. One of the courses that it may adopt is to allow the *oblast'* greater autonomy within the Federation, but there is no sign, as yet, that this is on the cards. The reaction of the *oblast'* to such speculation about its political future was best summed up by Gorbenko, in an interview he gave to *Nezavisimaya Gazeta*, published in April 1998: "true, some people talk about how good it would be if we became a republic. I put forward another suggestion: it is all a question of ambition. It is another conversation altogether, and would be infinitely better, if our rights became broader." In another section of the same interview, Gorbenko speculated about "federalism" and the *oblast'*: "what type of federalism are we talking about here, when all the branches of power are in Moscow? At the local level, it is impossible to solve any real problems, including personnel. In the administration - the strength of the bureaucratic apparatus [is apparent]. In our *oblast'*, we have 54 federal departments. Why do we have such an armful?" In a more recent interview, for the German magazine *Der Spiegel*, Gorbenko was even more pessimistic: "the sell off of the *oblast'* to pay off debt is completely possible sooner or later." Thus, there would seem to be a growing demand for a re-examination of the precise status of the *oblast'*, both from politicians from within KO, as well as those from the Baltic region. How, and in what way, Moscow will react to this demand is difficult to say at present. It would be a safe assumption to make that with the possibility of further NATO enlargement in the area, Moscow will not allow the *oblast'* full or complete autonomy from the centre: Moscow needs to hold on to its last piece of Russia in the Baltic and for that reason alone, if for no other, it will not negotiate the status of the *oblast'* outwith the Russian Federation. Strategically, KO could prove very important to Russia if it seeks to gain some sort of leverage concerning future enlargement plans of NATO. However, if Moscow did decide to do a *volte face*, one of the more interesting proposals could be that belonging to the LDPR spokesman, A Mitrofanov, who recently argued that KO be used to create a "joint German-Russian zone of economic activity" eventually leading to joint military manoeuvres, allowing Germany to cease being a US protectorate and, in return, helping Russia to reunite with both Belarus' and Ukraine. He concluded his piece with the assertion that "a union of Russia and Germany would solve all of Europe's problems". If nothing else, it does further underline that from all shades

of political opinion, there is an intensifying demand that the politicians in Moscow take a long hard look at the *oblast'* and work out a plan for its future." A lot of myths have been created about Kaliningrad *oblast'*. Myth No.1 is about the concentration of weapons, troops and military equipment in that region. And this myth is being stubbornly cultivated...there are much less weapons in Kaliningrad *oblast'* than is allowed by international treaties signed by Russia. Besides, based on a declaration by our president on the reduction of troops in the Baltic Sea region, I can assure you that the *oblast's* military personnel will be limited even further." Certainly, one of the main areas of concern for the states in the Baltic Sea region is the Russian military presence in KO. Even according to official Russian statistics, the Russian military presence in KO would appear not to be insignificant: 19,000 military personnel, 850 tanks, 50 helicopters, 426 artillery pieces, 50 ground-to-air missiles. To this must also be added the men and equipment of the Baltic Fleet: 25 surface ships, 6 submarines and 32 coastal protection vessels. Yel'tsin's announcement, made in early December last year when visiting Stockholm, of 40% cuts in Russian ground and naval units in both the KO and Leningrad MD by January 1999, would go a long way to easing the fears of the other Baltic states concerning the precise nature of the Russian military units based in KO. Thus, in overall terms, in examining this particular problem, it is simply a question of the West and the Baltic republics themselves adopting a policy of "wait and see": if the Russians do introduce the proposed unilateral defence cuts in the region, all well and good; if not, in some respects, nothing changes in the region and everyone is where they were. In short, KO could become a very important test as regards the intention of both Russia and the Baltic states in the future concerning the construction of the new European security order: if Russia is prepared to introduce real concrete measures to ensure everyone else's security in the region, it will introduce cuts both in its local Russian ground and naval units. However, if the Baltic states wish to enhance further their own security within the region, then they must themselves recognise Russia's legitimate interests and start reacting more positively to Russian security overtures. The Baltic states have to realise that, for better or worse, Russia is a Baltic power in its own right and has been so now for over 300 years. To continue to ignore, never mind reject, this basic historical fact is both short-sighted and potentially dangerous, especially if none of the Baltic states are invited to join NATO at the second attempt post-1999. For its part, Russia too has to make the Baltic states less suspicious of its intentions in the region and more actively promote the economic reintegration of KO within the wider Baltic community; there would appear to be a strong body of support for more economic reintegration of the *oblast'* with the other Baltic states. Further reintegration would help enhance security, as each of the states concerned would have a greater stake in enhancing everyone else's security. How the whole issue of KO is settled could be a determining factor in helping to re-formulate the security order not only for the Baltic region, but for Europe as a whole.

## **Soft Security**

This is an issue that is daily becoming more and more important. Although this is not "security" in the classical sense of the word, nevertheless it is beginning to be viewed as posing as real a threat as the tanks and nuclear bombs of the Cold War era. "Soft security" threats are taken to be those which, in their own way, threaten the security of the nation state not simply because of their

illegality, but by the nature of the scale of their operations and activities. It is no accident that the G8 nations are beginning to take the issue of international organised crime a lot more seriously than they have done in the past: at their recent summit meeting, held in Birmingham in May 1998, for the first time ever they had a police briefing, devoted to analysing the threat posed by trans-national crime and how best it could be tackled. According to the report produced for the G8 meeting, crime now costs the developed nations of the world some 2% of their GNP; for the developing nations, the cost can be still higher, upwards of 14% of GNP. This is an issue that is not going to disappear overnight and, indeed, during the G8 meeting, Britain itself came under the spotlight from a few countries, concerning a number of its territories becoming centres for illegal money operations. Further evidence of organised criminal groups, originally operating from Eastern Europe, but now making their mark in Britain, was revealed quite recently by a newspaper report detailing the activities of one Russian crime boss buying into a number of British firms. Thus, if the criminal situation here is beginning to reflect more and more what is happening in the countries of the former Warsaw Pact, there is little wonder that in the three Baltic countries, they are even more aware of the criminal situation in the East and, indeed, in some respects, are contributing to it themselves. However unwittingly, the previous regimes in the Baltic countries helped to establish the groundwork for the explosion of organised criminal activity which has been such a marked feature of Eastern European society since 1991. The previous economic structure produced a never-ending flow of shortages, thereby forcing people to rely on a close network of friends in order to help them obtain what it was they wanted, usually by stealing from the workplace or accepting bribes for services rendered. The local Party apparatus was usually corrupt, so the system from top to bottom produced corruption and graft at every level. With the unleashing of Gorbachev's reform process in the late 1980s, one other feature which helped to boost organised criminal activity in the region was the easing, and then the lifting, of travel restrictions both within and throughout the former Warsaw Pact countries. This also helped those so inclined to establish links with organised criminal groups outside the former Soviet bloc. Thus, organised criminal activity began to assume an ever greater international dimension, as even fewer Soviet-era restrictions survived the collapse of the former Soviet Union. Although reliable information on this particular area is still hard to come by, one recent detailed analysis of the criminal situation in Estonia may help to throw some useful light on what is, for obvious reasons, still a murky area for proper academic investigation. It would appear that the first signs of organised criminal activity in Estonia first appeared at the beginning of the 1980s, following a large wave of immigration to the republic as a result of the 1980 Olympic Games. However, it only really began to grow as a result of Gorbachev's economic reforms. One of the negative aspects of the collapse of Soviet power and the re-establishment of Estonian independence was that some criminal entrepreneurial activity grew quickly and, in what has now become known as the "Estonian Metal Age", various criminal groups made a huge amount of money - thus enabling them to finance further other illegal activities - in 1991-1993, as Estonia became one of the world's top exporters in non-ferrous metals, despite not having its own extractive industry, as a transshipment point for the CIS, especially Russia. The profits from the metal export trade allowed organised crime to invest in both legal and illegal businesses, thus making it very difficult for the local power structures to force organised crime either out of business, or away from legally-run businesses.

Since 1994, however, Estonia has re-established its monopoly on metal exports, but the decision to do so has probably come too late to hit the local organised crime groups. They made so much money during the initial privatisation period that they had already switched their attention and focus elsewhere before the government reacted. Estonian police have identified 10-20 organised criminal groups operating within the republic. They have divided them into "Russian" and "Estonian." Interestingly, there would appear to be a division of interests between the two groups - the Russian gangs are more involved in rackets, theft of cars, violent crimes, prostitution, etc. For their part, the Estonian groups are engaged in economic crimes, tax evasion, smuggling, etc. This differentiation between the older, more "traditional" type of crime and the newer type is also reflected in the detection rate, Estonian police being less able to tackle the perpetrators of the newer types of crime. Estonia has also become a trans-shipment point for illegal goods, drugs and alcohol, involving groups operating from within Russia, Sweden and Finland. Not that long ago, Estonian police solved a case where illegal drugs were being moved from Estonia to Sweden, organised by Swedish criminals. Finnish criminals are also involved in the illegal production and distribution of drugs from Estonia, as well as money laundering. In attempting to counter the threat, organised criminal activity was the focus of a separate department within the Estonian Interior Ministry (namely the 6th department) until 1991. Between 1991-1993, it became the focus of attention for the Security Police. In 1993, however, the Estonian Police Board established a separate sub-division to tackle the whole issue of organised crime. In order to further assist intra-police cooperation between states, Estonia joined Interpol in 1992 and the FBI has also set up a special office in the republic to train Estonian police officers. Despite increased cooperation between police forces - especially those from Great Britain, USA, Germany, Sweden - there is still a distinct lack of bilateral and multilateral agreements between states, hampering further development. As outlined at the Birmingham G8 summit meeting, one of the problems in fighting organised crime is not so much lack of police cooperation, but getting the different judicial systems to work together. In assessing the nature of the threat to the state, suffice it to say that organised crime, in many ways is an immoral business enterprise. It exists solely to make profit and will use all means at its disposal to ensure that its outlays are minimal and its returns are maximised. It has no moral agenda, either as regards the individual or the state. It will seek to corrupt and unduly influence all those who can enhance its power at minimum risk to itself and, although organised crime works better (ie obtains more profit) in a fluid economic and political environment, as presently exists in Eastern Europe, in its bid to maximise profit and minimise outlay, it will seek new markets elsewhere and create new demand for the products it has to sell, hence the increasing internationalisation of organised criminal activity, which only helps to undermine the proper and efficient workings of any democratic state. In assessing future instability either in the Baltic region in particular or in Europe as a whole, this is a factor that has to be taken seriously into account. It may not be as obvious as the tanks and missiles of the Cold War era but, in its way, it is even more sinister, not bound by internationally agreed treaties, composed by statesmen and politicians serving a bigger interest than their own individual aims and desires. The soft security threat is a real one and should be accorded more detailed analysis than has been the case to date.

## **Intra-National Disputes**

Despite the tendency to lump all three states together, there have been a number of occasions when the much vaunted so-called Baltic solidarity has been put under pressure by the Baltic republics themselves. This should not come as too much of a surprise - after all, they are three independent sovereign republics and, as such, there will be issues where they will disagree with one another, especially if the issues touch on natural resources. Germany does not agree with Britain on every single issue, similarly France does not agree with Britain on every topic. Therefore, it is only natural that, occasionally, the three leaders of the Baltic republics do fall out on matters of import to their respective countries. Since regaining independence, there have been a number of instances where a combination of republics have fallen out, but there has not been, as yet, an occasion when all three republics have disagreed with one another on a central key issue. As has been shown by the recent incident involving the Latvian police handling of the pensioners' demonstration in Riga and the subsequent Russian reaction, when push comes to shove, the three republics look set to support one another unconditionally when it comes to dealing with Russia. Whilst one can speculate about a potential split in the ranks as regards the issue of NATO membership (bloc entry or single entry?) the Baltic republics have been fairly unified and consistent in their relationship with Russia over the past seven years. Given the size of the countries involved, natural resources are at a premium in the region and thus each nation will attempt to maximise its own resources, even at the expense of potentially harming the interests of a close neighbour. For instance, in the dispute between Estonia and Latvia over fishing rights in the Gulf of Riga, apart from the issue of the maritime boundary between the two states, each republic's fishing industry employs, relatively speaking, a not inconsiderable number of men and women. According to the Estonian Fishery Association, the industry employs 7,800 people in Estonia; in Latvia, the number employed is near enough 10,000: thus it is more than simply a question of national honour at stake here; this is a real issue, one which could affect the employment prospects of thousands of people. In an interview with the Russian newspaper *Nezavisimaya Gazeta*, the Estonian President, Lennart Meri, alluded to the fishing dispute with Latvia, stating that there had been "complexities" in the relationship with Latvia, "but that this problem has been calmly resolved." However, as revealed later that month (February 1998), the problem had not yet been solved; the Estonian Prime Minister, Krasts, failed to reach an agreement with his Latvian counterpart on fish quotas for the Estonian fishing fleet. Thus, Latvia and Estonia are still in dispute about what exactly are "inland waters" for Latvia and where Estonians can legally fish. Another serious dispute that has arisen, this time between Latvia and Lithuania, has been the question of oil exploration rights on the continental shelf. The dispute between the two states has rumbled on and off now for some 5 years and basically revolves around the issue of who owns what part of the continental shelf in the Gulf for oil exploration purposes. By 1994, both sides had managed to bring down the disputed area to 5 kilometres but, later on that year, Latvia unilaterally announced that its Cabinet had approved a plan for oil exploration of the continental sea shelf, to begin immediately, by both the US AMOCO oil company and the Swedish company, OPAB. Given that the area was still under dispute and that Lithuania had not been forewarned of Latvia's intentions, Lithuania lodged an official protest. In October 1995, the situation worsened between the two countries as fresh rumours circulated that Latvia was on the verge of signing contracts with both companies to begin oil exploration. This was eventually confirmed by the Latvian

government and, as a further protest, Lithuania recalled its ambassador from Riga. However, no oil exploration activities can be carried out until a bilateral boundary agreement has been signed for the area and the contracts have to be formally approved by parliament. Thus, the two countries are in stalemate. With the recent election of the new Lithuanian president, V Adamkus, there is a sign that both countries may move on this issue soon, following the resumption of talks concerning the construction of a new oil terminal at Butinge. There would appear, at long last, hopeful signs that this dispute between the two states may soon be drawing to a close but, the two disputes outlined here clearly demonstrate that all three Baltic republics can be just as independent of action and thought as any other sovereign states.

## **Conclusion**

In conclusion, there is much in this part of the world that will command the attention of the West for many years to come. With the ongoing enlargement of both NATO and the EU in the foreseeable future, its importance will only increase with the passage of time. There are many issues in the area which still need some form of final resolution - some will be resolved quicker than others. There is the possibility that some of the solutions may not actually be found in the region itself, but whatever the problem or the solution, both Western and Eastern European countries will watch developments in the Baltic region with much interest. The issues outlined above will, no doubt, concentrate the attention of both specialists and politicians alike, as they should, given their importance to the future stability and security of Europe. There are so many issues here which, in the opinion of this author, will act as a litmus test for the new Europe: how will relations between the Baltic republics and Russia develop if one, or all three, of the Baltic republics join NATO? When, and under what circumstances, will Russia agree to sign new border treaties with Estonia and Latvia? What about the rights of Russian speakers in Latvia and Estonia? Will Russia take concrete steps to ensure that they are properly protected? How will Russia resolve the status of Kaliningrad *oblast*? Will the internal stability of the Baltic republics be threatened by the very powerful organised criminal groupings currently operating within their states? These are simply a few of the very real and pressing problems that the countries in the area will have to resolve sooner rather than later. How each of these problems is solved will have an impact not just on security in the region, but also on the security picture of Europe. If the Baltic Russians, for example, are not accorded full citizenship rights, then the potential for Russian mischief-making grows. If Russia does not properly address the security concerns of the Baltic republics, for instance concerning the size of its military force in Kaliningrad *oblast*, then the neighbouring states have the right to be suspicious of any future Russian security guarantees to the region. The whole area is replete with problems which can only be solved by a mutual process of give and take: no one nation is going to end up "the winner" on all counts (unless overwhelming military force is applied and none of the other nations in Europe does anything to prevent the use of the "big stick"). Russia has been a Baltic power for over 300 years and will not be squeezed out of the region. Regardless of the existence of Kaliningrad *oblast*, Russia would still be a major power in the region. Russia's presence in the Baltic is not conditional; by geography, history and culture, Russia has been there, is there and will continue to be there for a good number of years yet. That basic proposition has to be taken into account by all the other neighbouring states if workable and just solutions to the region's problems are to

be reached. No one will be served by forcing the Russians to return to the bad old days of the "siege mentality". In many respects, all the leading players in the Baltic region could help ensure Russia never returns to that mentality by allowing it to play a more positive role in the region, remembering that whatever else Russia is, it is not a carbon-copy of the former USSR and that the three Baltic republics were not the only states who regained their independence and sense of nationhood after the failed August coup of 1991: so did Russia.

## **ENDNOTES**

### **APPENDIX 1**

**Source: IBRU Boundary and Security Bulletin, Winter 1997-98.**

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