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Editor's Note:

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Is History Repeating?

2010 was an extremely challenging year for untold millions of people who experienced the full security impact of environmental disasters, ensuing militarised conflicts, food and potable water shortages, and a multitude of smaller, but no less important, issues, all of which have led to mass displacements, ethnonationalist tensions, political violence and a general trembling throughout the international community.

At a time when the world (politically and geologically) seems to be going through a period of conflagration, the tendency for political personalities to exploit peoples' material and psychological vulnerabilities rise, anticipating that, through word and deed, they could wrestle more political authority within their body-politic.

There is a certain, if unfounded, predisposition in Europe to assume that populist political posturing is designated only to the developing world or states prone to authoritarianism. However, events over the past year have revealed the absurdity of such sentiments, since some of the more 'refined,' apparently 'responsible' and 'respected' European leaders seem to have gone out of their way to gain votes on the cheap; not by properly addressing the real political complications facing their societies, but by attempting to deflect public opinion away from them.

While there has been a general 'digging-in' to the populist mould throughout many EU countries, the cases of Sarkozy's Roma policy and Merkel's approach to German multiculturalism stand out for their audacity and thus require further attention.

If Sarkozy was more honest, he would have indicated that France's Roma 'operation' was a summer-time tactic designed to cushion the up-coming autumn weeks of civil protest and disobedience which have encircled his already battered presidential legions. Unfortunately (for him), Sarkozy has not demonstrated his capacity for such honesty, and while the current turmoil may break the UMP's ability to govern, it is Sarkozy's ill-thought and mismanaged Roma policy which has earned the wrath of the EU, the international community at large and tarnished France's image as a fair and democratic country. Those who know France and the French will attest to the country's democratic passions, reflected in the age-old – but still vibrant – culture of demonstration and revolution. Such actions are not only avenues to express the frustrations associated to higher taxes, decreases in public services, talks of revising the unequal benefits France derives from the Common Agricultural Policy (CAP), responses to the UK's EU rebate or

nearly all US foreign policy decisions, they are also frequently undertaken to reveal the power of voting with 'feet.'

With this in mind, it is curious that Sarkozy decided to try and placate French voters – which had, in March dealt a severe blow to the ruling UMP party in regional elections – by mass deportations, coolly referred to as 'repatriation,' of Roma to Bulgaria and Romania.

The manner in which his Roma 'operation' was undertaken – tearing down make-shift residences, interning populations in busses and then internment 'centres,' and forcibly sending some 5400 people out of France – was reminiscent of darker times. These actions did not take place against illegal immigrants since the Roma of Bulgaria and Romania are EU citizens. Indeed, although France has been one of the main engines of EU integration and the full-removal of internal borders it's actions contradict the spirit of the EU and can only be understood as a shallow attempt by Sarkozy to visibly address a 'problem' in order to shore-up his waning public support, which had dipped to below a 40% approval rating by mid-summer.

That the French public did not buy into his depiction of the Roma as an internal security issue is hardly surprising. What is rather more surprising however was the theatrical performance that Sarkozy engaged in once the full scope of his actions were picked up on by the EU and international press. In one particularly distasteful episode, when EU Justice Commissioner Viviane Reding (from Luxembourg) condemned the French action as reminiscent of persecutions in Nazi-Occupied France and commented that this 'is a situation I had thought Europe would not have to witness again after the Second World War,' Sarkozy's response was that 'if the Grand Duchy wants the Roma, they can have them;' a statement that finds, unfortunately, parallel in Hitler's reaction to the 1939 *S. S. St. Louis* episode in which the Nazi Dictator reportedly remarked that if the Jews could find some poor nation to take them in, he would happily facilitate their transfer.

As it were, the *S. S. St. Louis* was forced back to Europe after immigration was denied in Cuba, the US and Canada. En route to Germany, the refugees were given safe haven – if, due to unfolding circumstances, only temporarily – in the UK, Belgium, the Netherlands and, ironically in the context of this editorial, France. It is more than a shame, it is a political tragedy that Sarkozy is so out-of-touch with the reality of his Roma policy that he is single-handedly undermining France's long and proud tradition of being a pluralistic, multicultural, immigration-based country known for tolerance and social inclusion no matter how the inhabitants wish to organise themselves.

Sarkozy's 2010 steps back to Europe's dark ages are only currently being rivalled, in Europe, by Merkel's insane depiction of Germany's multiculturalism project as an 'utter failure.' Back here, on planet Earth, 'utter failures' of

multiculturalism tend to stand in sharp contrast to contemporary Germany. It would be more appropriate for, say, (outgoing) Iraqi PM, Al Maliki, to suggest that Iraqi multiculturalism is an utter failure, since the ethnic and political communities in Iraq not only refuse to share the same belief systems (religious or secular) or accept the legitimate political aspirations of the 'others,' but an active conflict is being waged between them, which has claimed nearly a million people since 2003.

The list of places that could be said to have experienced an 'utter failure' of multiculturalism is long, too long, and fortunately Germany is not on it. Instead, Germany is a glowing example of the success of multiculturalism; 10% of its population of 81 million are German citizens of foreign parents (first generation Germans) while an additional 9% are considered foreign.

No, Merkel's failed multiculturalism idea was ethnically selective – aimed at the sizable Turkish, and smaller Arabic communities – and said against the backdrop of an increased internal security drive which directly links immigration to terrorism and organised crime. While there is little doubt that such a link exists, to castigate an entire socio-political approach as a means of punishing the behaviour of a tiny minority within a minority is completely irresponsible and undermines the very premise of the Berlin Republic.

It is clear that discussion which focus on Islam's ability to coexist and even thrive in modern Western societies breeds commentaries that border on, and often cross, the threshold of acceptability and so it is rather pointless to engage the topic. But what is necessary to address is Merkel's sly way of pressuring Germany's Muslims, after all it may be assumed that she did not intend to insinuate that the roughly 100,000 British and American, 175,000 Austrian, 225,000 Croat, 200,000 Jewish and 130,000 Dutch (to name a few) migrants, who call Germany home, had failed to adequately integrate into German society or state.

Instead, Merkel spoke in general terms about a problematic relationship she perceives with one minority group but, not wanting to be accused of xenophobia or racism, shrouded her sentiment hoping that others would be able to read between the lines and simply understand that she meant that multiculturalism has failed to integrate Germany's Turkish population – or is it that German multiculturalism has simply failed its Turks?

2010 *does* mark a monumental failure in Germany – Merkel has failed in her role as Chancellor. The temptations of political populism arrested her judgement. German history is eternally plagued despite the fact that its current population bears no responsibility for the crimes the state committed in previous generations. However, the German public – the entire population, citizen or not – deserves to be treated with dignity and not be meant to feel uncomfortable within German boundaries; that is a 'national right' German history has forfeited for all succeeding generations.

In my last editorial (May 2010), I spoke of the importance of the Idea of Europe and, in a rather up-beat fashion, meant to convey how far Europe had come in its internal and external relations. While I am still a firm believer in the EU and its preferred normative approaches, I am becoming increasingly aware that it is all for naught if European publics do not hold their leaders to account for myopic perspectives and policies. Now, more than ever, citizenship must trump populism so that the true strength of Europe may be adequately reflected in our political discourses.

Mitchell A. Belfer

Editor in Chief
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Research Articles

From Preference Formation at Home to Preference Promotion Abroad: The Role of Czech Intrastate Actors[1]

Senka Neuman-Stanivuković and Marek Neuman

Abstract: *Building on the governance turn in EU studies, this work examines the emergence of polycentric interest structures among new member states and looks at the extent EU governance structures contribute to decentralisation and deconcentration of power with the state eventually losing its traditional monopoly over decision-making vis-à-vis EU processes. The analysis is based on an empirical study of decision-making processes in the Czech Republic contrasted to EU regional and foreign policy. In particular, an empirical assessment of the behavioural patterns of Czech sub-national and non-state actors within domestic and EU structures is provided. The study argues that EU governance, by offering decision-making access points to Czech intrastate actors in the post-accession context, contributes to the pluralisation of domestic interests though this does not lead to the emergence of polycentrism as the relationship with Brussels in general, and the decision-making vis-à-vis EU processes in particular, continues to be centrally coordinated and scrutinised.*

Introduction

The accession of the Czech Republic to the European Union (EU) concluded the negotiations of the conditions of the country's entry to the Union. Whereas one of the prerequisites for the accession was to demonstrate a consolidated, pluralist democracy, rather paradoxically, the accession negotiations firmly rested in the hands of the Czech government. Whereas the Czech Republic

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[1] This paper was presented at the Fifth Pan-European Conference on EU Politics, held on 23–26 June 2010 at the University of Oporto and the University Fernando Pessoa in Porto, Portugal.

internally underwent significant democratic transformation, encouraging the participation of sub-state and non-state actors in decision-making and decentralisation of interests and opinions, this pluralism was nowhere to be seen vis-à-vis the relations with the European Commission (EC) during the accession negotiations. Rather, the central government acted as a gatekeeper and the only access point for channelling and communicating various domestic interests to the relevant supranational decision-makers. However, as the EU increasingly is described as a multi-level governance system with multiple centres of legislative initiative and decision-making along vertical lines, it soon became clear that once the Czech Republic joined the EU, such centrism would be in conflict with basic EU principles of multilateralism. Therefore, this paper sets as its goal to analyse whether increased pluralisation of domestic actors was followed by deconcentration and denationalisation of domestic interests vis-à-vis the EU.

The analysis itself focuses on two distinct policy areas; regional and foreign policy. The benefit of comparing these two policy-areas is twofold. First, both policies tackle upon the core of state sovereignty. As regionalisation can lead to deconcentration of power and the creation of multiple preference and decision-making centres, it is seen as to potentially impact national identity or even result in segmentation of statehood. Foreign policy, on the other hand, is concerned with matters of national security, and therefore participation of sub-state and non-state actors is observed with great mistrust. Seeing that both areas are considered to be of primary importance to the unity of a state, in the Czech Republic, where we encounter significant centralised traditions, deconcentration of power was a difficult and long-lasting process. This comparison allows us to scrutinise developments related to state sovereignty and consequently evaluate to what extent domestic traditions are a variable in denationalisation of interests vis-à-vis the EU. However, there is also a significant degree of dissimilarity between regional and foreign policy matters. In particular, this regards the accessibility of channels of representation on the EU level. Concerning EU policy-making, EU regional policy is firmly institutionally anchored in the EU's multi-level structure, providing institutionalised fora for the participation of sub-state actors. In contrast, EU foreign policy-making is strongly intergovernmental with very limited means and channels for sub-state and non-state actors to have any real impact on foreign policy preference formation, let alone implementation. Thus, by placing both regional and foreign policy on one axis, with regional policy standing at the one end with multiple access points enabling a variety of actors to participate in policy-making, and foreign policy at the other end with the sole institutional access point being the national government, we create a framework within which to analyse the role of sub-state and non-state actors in EU policy-making. This should permit for more general conclusions about the accessibility of EU channels of representation as a variable in denationalisation of decision-making. Consequently, the above-presented comparison allows us to scrutinise not only the impact of the

domestic setting on the degree of pluralisation, but also the role of EU institutions on this very process.

The article is organised as follows. In the first section, we discuss the topic at hand from a theoretical and methodological perspective. What follows is an empirical analysis of regional actors and their ability to formulate regional policy preferences independently of the government. In the following – third – section, we assess the extent to which non-state actors concerned with foreign policy matters, such as think-tanks and non-governmental organisations, participate in foreign preference formation at the national level and whether they appeal directly to Brussels to impact EU foreign policy-making. In the concluding part, we link multi-level governance, as a theoretical approach, to the capacity of Czech sub-state and non-state actors to participate in EU policy-making, drawing some more general conclusions as to the state-centrism vs. polycentrism dichotomy.

Multi-Level Governance and Deconc Entration of Interest Formation in EU Member States

In response to multi-level and multi-actor complexities of EU decision-making, the traditional dichotomy between an anarchical international structure and a hierarchical domestic level is losing strength to capture an emerging *heterarchical* political system, which subsumes the supranational, national, and intra-national level.[2] This system is neither decentralised nor centralised as various actors share and execute governance simultaneously. Thus, to account for causal complexities of EU decision-making, our theoretical lenses need to be perceptive of both system level and domestic level interactions. Under the assumption that EU and domestic processes are inherently interlinked and mutually constitutive, there is growing necessity for a cross-level analysis model embedded in an interdisciplinary theoretical framework.

The governance turn sets out some groundbreaking work in terms of conceptualising the interdependency and multi-facetedness of EU/member state interactions. In contrast to a traditional understanding of EU integration as competition for authority between supranational and national institutions, governance scholarship views EU processes in terms of cooperation, collective decision-making and compromises: 'We look at the European Union as a political system comprising both EU institutions and the Member States acting together.'[3] Policy-making negotiations in Brussels trigger horizontal distributions of political action and consequently create novel institutional and

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2   Neyer, Jürgen, 'Discourse and Order in the EU: A Deliberative Approach to European Governance,' *EUI Working Papers*, no. 57 (2002): 8.

3   Jachtenfuchs, Markus and Beate Kohler-Koch, 'The Transformation of Governance in the European Union,' (hertie-school.org, 1995): 2.

ad-hoc access points for sub-state and non-state actors. Moreover, integration shifts certain competences to the supranational level, resulting in a distortion of established patterns of domestic preference formation. The participation of intrastate actors in EU decision-making produces significant changes in both EU and domestic governance. It not only reinforces heterarchical and multi-actor EU governance, but it also encourages significant alterations in domestic policy-making and political culture. By giving new momentum to actors with limited access to national decision-making, the EU supports a movement away from statecentric policy-making and it changes the traditional role of a national government as a gatekeeper vis-à-vis EU topics.

Kohler-Koch's work on European governance and system integration offers insightful theoretical conceptualisation of how Europeanisation impacts national governance. She argues that by providing actors with alternative political and/or financial resources, EU governance challenges the ability of a nation state to accommodate a variety of competing interests within its own borders, which results in denationalisation of political structuring.[4] However, the presence of intrastate actors in Brussels does not need to trigger decentralisation and deconcentration of power on the state level nor does it suggest pluralisation of opinions at any cost. EU integration can cause either the strengthening or weakening of a national government, but it may also cause the strengthening of a state in some areas while simultaneously causing a weakening in others. In other words, when looking at domestic interest formation vis-à-vis the EU, the state acts either as a gatekeeper, a partner, or is being transcended by intrastate actors coming to Brussels. Kohler-Koch assigns diversity in the degree of denationalisation of governance to both the nature of a particular segment of EU governance and the nature of domestic structures.[5] Hence, whether and to what extent EU policy-making disrupts domestic consolidation of power by promoting pluralisation of interests and access points to decision-making depends on the attractiveness and accessibility of access to Brussels. However, it is also conditioned by domestic political culture and institutional setting.

Accordingly, one wonders to what extent the 2004/2007 Enlargement has changed governance processes in Central and Eastern European countries (CEECs) and whether this change is reflected in the diversification of post-Enlargement EU governance. Goetz warns us that not only is the story of Europeanisation in Eastern Europe different from Europeanisation in Western Europe, but also the practices of EU integration in the East are distinct from those in the West.[6] In view of the specificity of historic path-dependencies,

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[4] Kohler-Koch, Beate, 'European Governance and System Integration,' *The European Governance Papers (EUROGOV)*, no. C-05-01 (2005): 7.

[5] Ibid.: 8.

[6] Goetz, Klaus H., 'The New Member States and the EU: Responding to Europe,' in *Member States and the European Union*, ed. Simon Bulmer and Christian Lequesne (Oxford: Oxford University Press, 2005): 268.

principally unitary political cultures, and a predominantly state-centric mode of negotiations in the Enlargement context, the following question arises: to what extent can one account for consolidation of polycentrism in the new member states which would enable sub-state and non-state actors from these countries to explore the structural possibility of interest mobilisation within EU institutions independently from central authorities? While taking the concept of multi-level Europe as given, we aim to see if intrastate actors from CEECs possess cognitive and institutional capacity to participate in the patchwork of the EU's decision-making. Whereas EU scholarship has accumulated an impressive degree of knowledge on the effects of EU accession on institutional changes in CEECs, the question of whether EU governance by providing novel access points to the decision-making processes is a shift-producing variable in decentralisation and deconcentration of power in new member states remains under-researched. Consequently, the aim of this paper is to see to what extent EU governance has contributed to the consolidation of polycentrism as opposed to state-centrism in the Czech Republic and to what extent this translates in the domain of post-accession regional and foreign policy-making in the Czech Republic vis-à-vis the EU. This question is tackled in comparative, cross-policy case studies. Methodologically, this article relies on elite interviews. The interviews are complemented by a textual analysis of primary sources, if they have been made available to the authors. As not all these sources are publicly available, an analysis of secondary sources was inevitable.

Decentralisation of Czech Territorial Administration and the EU

The introduction of regional self-governance in the Czech Republic not only occurred out of practical necessity to add a missing link to the existing territorial administration, but also because decentralisation along territorial lines was strongly promoted by the Commission during negotiations for EU accession. Whereas demands arising from the *acquis* provided the Commission with limited leverage over decentralisation reforms, progress reports disclose the EU's preference for the creation of political over administrative regional bodies with a relatively high degree of financial and legislative autonomy and directly elected regional governments.[7] The idea behind this was to promote regions into partners (together with national governments) in the implementation and formulation of EU policies. This proved to be only semi-successful. Efforts for regionalisation collided with unfavourable circumstances in both domestic and supranational politics. In the absence of firm constitutional support, both

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[7] 'Regular Report on the Czech Republic's Progress towards Accession SEC (2001) 1746,' (Brussels: European Commission, 2001): 80-83.
'Regular Report on Czech Republic's Progress towards Accession SEC (2002) 1402,' (Brussels: European Commission, 2002): 101-03.

the Commission and applicants applied their targets loosely.[8] Consequently, although decentralisation was implemented in a legislative sense, there was only limited empowerment of the sub-national actors. Moreover, reforms failed to meet the specificities of Czech territorial and political traditions. This reflected negatively on the position of regional authorities in Czech politics and consequently their capacity to act autonomously in EU politics. Additionally, despite various programs aiming to prepare regions for post-accession presence in the EU, negotiations surrounding Czech regional administration were state-centric. Seeing that negotiations for the accession were formulated in intergovernmental terms, with Prague as the gatekeeper, sub-national actors were excluded from the participation in policy-formulation and from any form of elite interactions which would trigger social learning or lesson-drawing mechanisms. The lack of communication with Brussels provoked significant scepticism about the reforms among regional bodies. Moreover, it made these bodies unaware of the political climate in the EU and consequently unprepared to enter the system of multi-level governance.

Thus, after a lengthy and rather turbulent transition, regionalisation was consolidated by a set of reforms from 2000,[9] whereas full transposition of this legislation into practice was completed only in 2003. Even though reforms provided the fourteen newly created units (thirteen regions and the City of Prague) with a significant degree of administrative and legislative autonomy, many of these powers remained hypothetical either due to a lack of administrative capacity to take advantage of the newly gained competences or due to financial dependency on resources redistributed by Prague. Overall, the Czech Republic maintained a unitary tradition where regions either exercised limited self-governance in certain areas such as education, transport, culture and others or implemented centrally made decisions. Moreover, due to a lack of regional identity, the electorate failed to identify with regional governments, which has diminished the legitimacy of their activities. Hence, since the very beginning of their existence, regions entered an ongoing and difficult struggle to profile themselves within the Czech political system. Nowadays, due to an increase in public interest for regional questions[10] and due to a change in the attitude of political parties about regionalisation of governance in general

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[8] Baun, Michael and Dan Marek, 'Redressing the Regional Deficit? Regionalization in the Czech Republic with Respect to EU Accession,' *International Relations* 41, no. 1 (2006): 49.

[9] 'Constitutional Act No. 347/1997 about establishment of the higher-level territorial self-governing units, entered force in January 2000.'
'Municipalities Act 128/2000 from 2000.'

[10] Statistical analyses mark a steady increase in both public identification with regions and in the voting turnout for the election of regional assemblies.
'Volby do zastupitelstev krajů konané dne 12.11.2000' (Prague: Český statistický úřad, 2000): 1.
'Volby do zastupitelstev krajů konané dne 17.–18.10.2008' (Prague: Český statistický úřad, 2008): 1.

and *regionalisation* of party politics in particular, regions are gaining more power within their institutionally determined competences. Furthermore, joint regional action through the Association of Regions of the Czech Republic (AKCZ), which, as a private interest group, coordinates and promotes their common interests, significantly adds to the proliferation of regional politics within Czech governance. Hence, in the future we can expect further consolidation of regional self-governance and consequent decentralisation of authority in accordance with institutionally set marks.

However, this seems not to be the case vis-à-vis EU-related matters. Baun and Marek, in their study of negotiations over regional policy planning, portray difficulties in the regional struggle for competences in the administration and management of the EU's Structural Funds. Here, the position of regions vis-à-vis the Ministry for Regional Development (MMR) remains secondary due to a maintained dependency of sub-national actors on centrally outsourced finances, which prevents them to act as a full partner in realising EU programs.[11] The ministry maintains its gate-keeping role vis-à-vis sub-national actors in communication and coordination of policies from Brussels. Thus, whereas Brussels did play a role of a catalyst in the establishment of regional self-governance during the accession, it had only minimal impact on deconcentration of interests in post-accession Czech Republic. Although regions are starting to profile themselves in domestic politics, Prague remains to act as a gatekeeper vis-à-vis the implementation of the EU agenda. We proceed with the analysis of the bottom-up aspects of this relationship. In other words, the following is examined; whether and to what extent Czech regions are utilising the possibility of interest mobilisation in Brussels independently from national authorities and to what extent this is reflected in deconcentration of interests on the domestic level.

The literature on sub-national presence in the EU discloses not only a high degree of diversity among and within member states, but it also points to a correlation between the domestic institutional context and supranational performance.[12] Regions with substantial legislative powers establish direct ties with Brussels to exert political leverage and/or to enhance their bargaining position vis-à-vis the national government. In contrast, administrative regions refrain from political lobbying seeing that the central government monopolises communication with Brussels. In the absence of legislative powers to be advanced

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'Vznik krajů lidé hodnotí obecně pozitivně, každý druhý si ho spojuje se zvětšením možnosti občanů rozhodovat o regionálních záležitostech' (Prague: Středisko empirických výzkumů 2008): 1.

[11] Baun, Michael and Dan Marek, 'Regional Policy and Decentralization in the Czech Republic,' *Regional and Federal Studies* 16, no. 4 (2006): 421–24.

[12] Hooghe, Liesbet, 'Subnational Mobilisation in the European Union,' in *The Crisis of Representation in Europe*, ed. Jack Hayward (London: Frank Cass, 1995).
Hooghe, Liesbet and Gary Marks, ''Europe of the Regions': Channels of Regional Representation in the European Union,' *Journal of Federalism*, no. 26 (1996).

or defended at the supranational level, these regions focus on funding opportunities and promotional tasks. Consequently, the institutional opportunities for regional participation in supranational decision-making seem to empower only already strong actors. Nevertheless, the above-stated hypotheses have been drawn and tested on Western European examples. It remains to be seen whether EU governance, by providing access points for articulation of regional interests, confirms or disrupts the unitary character of the Czech political culture and institutional setting. Consequently, the question whether Czech regions act in the EU autonomously, in partnership with other domestic actors, or via the central state, arises. If these activities are independent and uncoordinated by central authorities in Prague, we may conclude that our empirical results support the hypothesis of European integration contributing to deconcentration of national interests.

Although regional actors generally highlight their autonomous presence in multi-level structures of the Union, further analysis points to a high degree of domestic coordination and institutional and financial dependency on central authorities. Consequently, we witness a paradoxical relationship where central authorities develop a framework of regional supranational activities independently from the regions and then regions manoeuvre within this framework independently from the government. This means that the domestic setting constrains rather than enhances regional involvement in multi-level processes and although there might be plurality of interests, when it comes down to their realisation, we encounter centralised and top-down rather than consensus-based governance. In addition, finances and a high level of unawareness about supranational developments also contribute to the problems. Sub-national authorities base their approaches on pragmatism and do not act in conflict with centrally made programs.[13] Building upon a study conducted by Hooghe and Marks, where they name five direct and indirect channels of regional representation, we proceed with the analysis of Czech presence in the Committee of the Regions (CoR) and of the activities of regional representation offices in Brussels.[14] We opt for the above-stated channels as they offer space for comparison of an institutional with an informal access point to EU decision-making.[15]

Regarding the capacity of the CoR to unify and enhance the visibility of the sub-national actors in Brussels, authors predicted rather limp prospects of this

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[13] Drulák, Petr, Petr Kratochvíl, and Lucie Königová, 'Podíl obecních a krajských samospráv na zahraniční politice ČR,' (Prague: Ústav mezinárodních vztahů, 2004): 19.

[14] Hooghe and Marks, ''Europe of the Regions': Channels of Regional Representation in the European Union.'

[15] For a broader overview of the activities of new regions from CEECs in Brussels, see: Scherpereel, John A., 'Sub-National Authorities in the EU's Post-Socialist States: Joining the Multi-Level Policy?' *European Integration* 29, no. 1 (2007).
Moor, Carolyn, 'Beyond Conditionality? Regions from the New EU Member States and their Activities in Brussels,' *Comparative European Politics* 6, no. 2 (2008).

institution developing into a key promoter of regional interests.[16] Today, the Committee has managed to only partially distance itself from the common perception of it being a minor player in EU decision-making despite of a gradual enhancement in its institutional and ad-hoc competences. The Committee's influence relies on the ability of its officers to lobby for the interests of regional authorities, while it remains to be seen to what extent the newly gained role of a subsidiary watchdog will enhance the Committee's profile in the EU. Although one should not neglect the work that has been done in the promotion of regional interests within other EU institutions, the Committee's Brussels-based activities continue to outweigh its ability to relate to its key beneficiaries.[17] The inescapable heterogeneity of the members disrupts cohesion and disables the Committee's capacity to mediate diverse interests. This consequently deprives this institution from an opportunity to develop into a full-fledged actor in the EU. The institution's structure supports national over regional cohesion as it sees states as solid units and the sub-national level as its inseparable component. As such, it determines, rather unintentionally, interest formation along national and not regional or trans-regional lines. Consequently, the degree of regional involvement in the work of the Committee relates to the domestic territorial structure; the strongest territorial units are better represented but less interested.

On the other hand, an extensive effort has been made to integrate subnational actors from CEECs into the Committee's structure. In addition to a number of twinning projects, the Committee opened itself to observer-based participation of delegates from CEECs: '... observers from the accession states began to participate (on a regular basis) in CoR plenaries, commission sessions […] and party group meetings.'[18] While these practices were beneficial in helping the Committee to deal with the institutional shock of accommodating a large number of rather diverse new members, the impact was modest in terms of enhancing regional autonomous bottom-up participation. The unitary character of the Czech territorial structure in conjunction with institutional and operational limitations of the Committee offer limited space for independent regional mobilisation. Thus, the impact of Czech regional presence in the Committee should be evaluated in terms of national coalition building and information gathering rather than in terms of bypassing the central government. The Committee offers networking and social-learning possibilities to weaker regions. In line with the above, from an institutional point of view, the position of the Czech delegation within the Committee reflects the centralised

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16 Christiansen, Thomas, 'Second Thoughts on Europe's ''Third Level': The European Union's Committee of the Regions,' *The Journal of Federalism* 1, no. 26 (1996).
Hooghe and Marks, ''Europe of the Regions': Channels of Regional Representation in the European Union.'

17 Warleigh, Alexander, 'A Committee of No Importance? Assessing the Relevance of the Committee of the Regions,' *Politics* (1997): 102-04.

18 Scherpereel, 'Sub-National Authorities in the EU's Post-Socialist States: Joining the Multi-Level Policy?,' 28.

political culture of the Czech Republic. The procedure for the allocation of available seats is decided by member states; the MMR in consultation with the sub-national level elects twelve delegates balancing between regional representatives, local representatives, and changes in preferences of the electorate. Although the four-year mandate may be extended providing for a continuity of the delegation's voice, the composition of Czech representatives has changed substantially since 2004. Thus, those who participated in the pre-accession preparations are no longer in office. The instability of the mandate in addition to high responsiveness of delegates to party politics circumvents the articulation of regional preference and makes the Czech delegation more receptive to national affairs than to their sub-national constituency. Besides having extensive discretion in seat allocation, the MMR sets and coordinates the activities of the delegation, which are consequently uniform rather than region-based. Thus, the mandate of the Czech delegation is relatively weak and subject to domestic political changes. The credibility of the mandate is further destabilised by the unfavourable demographic and financial composition of the Czech regional level. However, although legal-constitutional factors determine the limited interest of Czech regions to participate in decision-making debates at the EU level, the Committee enables them to penetrate the EU's day-to-day politics via social learning and networking prospects. Although these interests are nationalised and mostly concerned with EU funding opportunities, they should not be disregarded. Thus, although regional actors remain doubtful about the significance of this body in EU decision-making, they do see the Committee as the most important access mechanism to the EU.[19] They favour and take advantage of the opportunity of formalised cooperation with other delegations that provides for information flow and social learning.

Hence, the Czech example shows that the Committee produces more top-down outcomes than bottom-up possibilities for interest mobilisation. This surely stems from financial rather than political motives behind regional presence in Brussels. With limited legislative autonomy, they also have a limited political agenda to promote. Whereas competition for funding opportunities remains the main engine of interactions with Brussels, the political agenda is channelled, or better said, set via/in Prague. Hence, these bottom-up effects are rather procedural and although they might play a role in the pluralisation of interests they do not determine deconcentration and denationalisation of governance in the Czech Republic.

The hypothesis that legislative regions with extensive financial autonomy participate more in supranational processes whereas administrative regions rely on the national government to act as a gatekeeper in communication with Brussels is also confirmed by the study of the behaviour of regional office

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[19] Drulák, Kratochvíl, and Königová, 'Podíl obecních a krajských samospráv na zahraniční politice ČR,': 58.

representations. Also here, we see little evidence of regional mobilisation which would signal decentralisation of domestic interest formation vis-à-vis Brussels. Increased competition for EU funding and penetration of EU regulation into the sub-national sphere of influence necessitated intensified regional involvement in EU governance. Consequently, the establishment of regional offices became a prerogative for many regional governments. Also the post-Enlargement period witnessed a proliferation of regions from CEECs although some of them were present in Brussels even before the accession. Nonetheless, the extent of the representation's political leverage depends on the political, administrative, and financial capacity of the home region. Offices representing less autonomous regions develop objectives in line with centrally outlined strategies and often pursue those objectives in tandem with other regions from the same country. The centralised administrative culture in the Czech Republic leaves little space for independent action of regional governments. Czech regional policy is formulated at the national level, causing regions to act in a uniform way and shape their preferences within the framework set by Prague. Out of fourteen Czech regional administrative units, twelve have established regional offices. The density of Czech representations is exceptional considering the unitary character of the Czech territorial structure. Nonetheless, although the extensiveness of the agenda varies depending on the financial capacity and size of a particular region, the generic rationale behind these representations is funding-driven and not policy-driven. As the region with the best access to financial instruments, the City of Prague has the strongest representation. The Prague House assumes the task of information gathering, networking, and name promotion. Acting as an intermediary between its constituency and Brussels, the representation has developed an effective early warning system based on successful networking to keep Prague familiar with EU developments. The bulk of information gathering concerns financial and funding opportunities. However, in terms of policy-driven activities, Prague opts for political initiative at the national level or joint action in cooperation with other Czech regions. Taking into account the fact that the interests of this region differ from those of other Czech regions (while the City of Prague cooperates with the EU on infrastructure development and ecological awareness building, other regions due to their economic struggles focus mainly on unemployment reduction and industry restructuring), it is striking that the Prague House aligns itself with other Czech political subjects. Even though the representation has the financial capacity to appear as a more prominent actor, it is primarily concerned with cultural diplomacy and information gathering. The lack of political involvement in EU processes stems from already mentioned institutional, rather than political, loyalty towards the national government that prevents Czech regions from conducting independent lobbying at EU institutions for interests that may contradict national ones.

Deconcentration of National Interest Formation in Foreign Policy vis-à-vis the EU

During the Czech Republic's accession negotiations, the country did not experience any difficulties with regard to closing Chapter 27 on Common Foreign and Security Policy (CFSP), nor Chapter 26 on External Relations. Due to the predominantly intergovernmental character of EU foreign policy-making, the accession negotiations concerning these two chapters firmly rested in the hands of the Czech government, without any involvement of intrastate actors. What remains to be seen, however, is whether the Czech Republic has managed to maintain its gatekeeper role regarding foreign policy-making at the EU level, or whether we can observe substantial foreign policy input of intrastate players that do not shy away from appealing directly to EU institutions, contributing to polycentrism. This part of the analysis focuses on the role of non-state actors – particularly think-tanks and non-governmental organisations (NGOs) – in both domestic foreign policy preference formation and preference promotion at the EU level.[20] The goal of this section is to establish whether these actors pursue their preferences by appealing to one decision-making centre (Prague) or to multiple decision-making centres (Prague, European Commission, individual EU Commissioners, the European Parliament (EP), or individual members of the EP) and to what extent this reflects on deconcentration of the national interest vis-à-vis the EU's foreign policy.

Czech foreign policy formation remains firmly embedded in the Ministry of Foreign Affairs (MFA). While essentially all Czech think-tanks and NGOs claim to be interested in advocacy, one certainly cannot speak of Czech foreign policy preference formation as highly institutionalised.[21] As a representative of

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[20] The most prominent Czech think-tanks concerned with foreign policy are the Association of International Affairs (AMO), EUROPEUM, Forum2000, the Institute of International Relations (IIR), and the Prague Security Studies Institute (PSSI). Amongst the NGOs, organisations such as Civic Belarus and People in Need (PiN) are the one with the greatest outreach. Besides these two NGOs, this paper also studies the impact of the NGO platform – the Association for Democracy Assistance and Human Rights (DEMAS) – on foreign policy preference formation and policy implementation, as DEMAS increasingly acts as a unitary actor on both the national and supranational level.

[21] The possibility of Czech think-tanks and NGOs concerned with foreign policy entering the process of Czech foreign policy formation and subsequent promotion of their interests directly in Brussels is not to be confused with the maturity of the legal framework within the Czech Republic that either enables or precludes their functioning as part of the Czech civil society. According to the 2008 NGO Sustainability Index, the Czech Republic's non-profit sector scored a 2.7 on a scale of 1 (the most consolidated non-profit sector) to 7 (a non-profit sector that is in its initial stage of development). In none of the seven areas assessed (legal environment; organisational capacity; financial viability; advocacy; service provision; infrastructure; public image) did the Czech NGO sector score worse than a 3.0. For more detailed information, please refer to '2008 NGO Sustainability Index for Central and Eastern Europe and Eurasia,' (USAID, June 2009): 92–99.

the IIR put it, 'Czech foreign policy-making lacks consistency, is irrational, and chaotic.'[22] In essence, until a concrete conceptual document on Czech foreign policy is produced, the space for non-governmental actors' input is limited due to the inexistence of a permanent *chair* for their representatives within the individual MFA working groups.[23] Therefore, except for the grant scheme to carry out research on topics identified by the MFA, the involvement of think-tanks and NGOs is predominantly based on ad-hoc mechanisms. However, in the period preceding the Czech EU Presidency, which claimed unprecedented deployment of human forces, one observes semi-institutionalisation of the nation-state/non-state actor relationship. The MFA's official policy-making channels were complemented by the ideas, analyses, and arguments think-tanks and NGOs brought to the table. Then Minister for European Affairs, Alexandr Vondra, created a semi-institutionalised forum that included representatives of both think-tanks and NGOs. These working groups met during *working breakfasts*, with their purpose being to brainstorm ideas that could form the substance of Czech proposals and would gain support from other EU partners. Nevertheless, these actors had no direct causal power on policy-making as their function was advisory at best.

When assessing EU foreign policy-making, non-state actors also lack formal access. While the EU recognises the role of think-tanks and NGOs (subsuming these under the heading of Civil Society Organisations – CSOs) within the policy consultation process, their participation in foreign policy-making is not institutionalised, but rather indirect.[24] Whether Czech CSOs still find ways of impacting both Czech and EU foreign policy-making, will be tested on two case studies; the Eastern Partnership initiative and external EU energy policy/ security. Each of these will first assess the role of Czech CSOs in formulating the policy on the national level and will then proceed to discuss whether these actors turned for support to the national authorities, or directly to EU institutions, or to both.

Whereas in the pre-accession phase, the Czech Republic's foreign policy goals can be subsumed under the motto 'a return to Europe,'[25] resulting in the country's intentional delimitation from the Eastern part of Europe, post-accession Czech Republic decided to re-establish its focus on the EU's Eastern neighbourhood. Czech think-tanks increasingly grew vary of the growing

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[22] 'Interview R,' (Institute of International Relations, 19 May 2010): 2.

[23] Whereas some think-tank and NGO representatives expressed interest in such a *chair* being created, others maintain that such a step would lead to excessive bureaucratisation, limiting the currently existing flexibility. Found in Ibid. and 'Interview Q,' (DEMAS Association for Democracy Assistance and Human Rights, 16 April 2010): 1.

[24] 'General Principles and Minimum Standards for Consultation of Interested Parties by the Commission,' (European Commission, 2002).

[25] Votápek, Vladimír, 'Česká východní politika,' in *Zahraniční politika České republiky 1993-2004: Úspěchy, problémy a perspektivy*, ed. Otto Pick and Vladimír Handl (Prague: Ústav mezinárodních vztahů, 2004): 100.

influence of the Russian Federation in the former Soviet republics, pointing to the urgent need to re-evaluate the Czech Republic's position to the EU's Eastern neighbours.[26] Yet, in terms of advocacy at the national administration, the impact of their policy papers and analytical outputs was indirect. However, with the approaching EU Presidency, Czech CSOs employed all viable means of influencing Czech civil servants. Therefore, they participated in the previously mentioned *working breakfasts*, jointly setting the agenda for the Eastern Partnership that would be launched in Prague on May 7, 2009. During these meetings, CSOs focused on the civilian aspect of EU cooperation with the six partner countries, and on the *problematique* surrounding the EU's visa policy. However, the greatest success of Czech think-tanks vis-à-vis the Eastern Partnership was the organisation of a large international conference, entitled *Eastern Partnership: towards Civil Society Forum*, two days before the Prague Summit, organised under the auspices of AMO in cooperation with other organisations. This conference was meant to enhance the people-to-people contacts between the signing countries, and, although the MFA first was hesitant, AMO, by employing argumentative persuasion, succeeded to gain not only the MFA's, but also the EC's and EP's support. The impact of this conference was far-reaching as it produced numerous policy-recommendations that were included in the dossiers of all the participants to the Prague Summit the next day, and were later on used by the MFA during consecutive negotiations in Brussels.[27]

Besides advocating for closer cooperation with the EU's Eastern neighbourhood at the domestic level, several Czech think-tanks joined forces with think-tanks from other member states actively lobbying in Brussels or even appealed directly to European decision-makers. Thus, EUROPEUM actively cooperates with the Centre for European Policy Studies (CEPS), located in Brussels. They also became a member of networks such as the European Policy Institutes Network (EPIN). Through these, they were dispersing their policy analyses to relevant EU decision makers.[28] Similarly, the PSSI together with several European partners carried out a three-year project entitled *Strengthening Central European Contribution to the Eastern Dimension of EU's CFSP*. Consequently, it organised a series of conferences and workshops held mainly in Brussels, meant to boost interest in such a policy among a larger number of supranational actors.[29]

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[26] Král, David, 'The Czech Republic and the Eastern Partnership - From a By-Product to a Beloved Child?,' in *The Eastern Partnership in the Context of the European Neighbourhood Policy*, ed. Izabela Albrycht (Krakov and Brussels: The Kosciuszko Institute): 8–9.
Kratochvíl, Petr and Elsa Tulmets, 'Úloha České republiky v evropském sousedství,' (Prague: Ústav mezinárodních vztahů, February 2007).

[27] 'Interview N,' (AMO Association for International Affairs, 9 April 2010): 1.

[28] 'Interview M,' (EUROPEUM Institute for European Policy, 7 April 2010): 3.

[29] 'Interview J,' (Prague Security Studies Institute, 29 March 2010): 4.

Although few (semi-)institutionalised possibilities existed for Czech non-state actors to actively shape the Czech Republic's foreign policy towards the EU's Eastern neighbourhood, these actors employed numerous ad-hoc mechanisms at hand to communicate their interests to relevant parties. Thus, they activated their personal connections with relevant decision-makers, distributed their analyses among these, and organised conferences and workshops to familiarise the broader public with their agenda. Although they did so predominantly at the domestic level, first turning to the MFA, they eventually also ventured into appealing directly to Brussels. However, due to the existing broad consensus among CSOs and the national administration as to the character of the policy towards the EU's Eastern neighbourhood, the direct appeal to supranational institutions was both fully supported by and coordinated with the MFA, and therefore one can argue that the plea to Brussels was nothing but a non-governmental track for pursuing the same policy as via the national government, hence acting as partners.

Similar argumentation can be made about energy policy. After decades of dependence on Soviet energy resources, the Czech Republic, as the only former Soviet satellite country, already in 1996 connected its pipeline grid to the German one, allowing for oil deliveries from the West. Nevertheless this, both the EU and the Czech Republic have realised the potential threat of being highly dependant on, particularly, Russian gas.[30] Hence, the Czech Republic, together with its European partners, wants to further diversify not only in terms of energy resources, but also in terms of energy routes. Therefore, the Czech Republic actively promotes the Nabucco pipeline project, the Southern Gas Corridor, and is one of the strongest supporters of increased utilisation of nuclear energy in the EU's energy mix. Czech CSOs have long advocated a greater diversification of Czech energy resources, calling for a more nuanced approach towards the Russian Federation and a new debate on the benefits of more nuclear energy, which they see as a way towards energy independence.[31] Their analytical outputs and recommendations are being distributed among relevant MFA officials and as one of them testified, 'I do not know of anyone who would not read their outputs and would not consider these when

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[30] As former Czech Minister for European Affairs, Vondra, expressed it, '[u]njust manipulation or interruption of energy supplies is as much a security threat as is military action. Post-soviet countries have been experiencing that on a daily basis, as Russia's appetite for using energy as a political tool is growing.' Found in Vondra, Alexandr, 'Solidarity As a Cornerstone of the EU Energy Policy,' in *Vilnius Energy Security Conference 2007* (Vilnius: 11 Oct 2007): 1.

[31] Lang, Petr, Andrej Nosko, and Jiří Schneider, 'Energetická bezpečnost a Státní energetická koncepce,' (Prague: Prague Security Studies Institute, 30 August 2009).
Řiháčková, Věra, 'Czech Republic: The EU New Member States as Agenda Setters in the Enlarged European Union,' in *Not Your Grandfather's Eastern Bloc: The EU New Member States as Agenda Setters in the Enlarged European Union*, ed. Marin Lessenski (Sofia: Open Society Institute, April 2009): 21.

making a decision.'[32] At the national level, Czech non-state actors indirectly, but strongly, affected the energy agenda of the Czech Republic with the *Energy and Security: Global Challenges – Regional Perspectives* conference, held in Prague between October 19-21, 2004, organised jointly by PSSI and AMO. The conference was organised by Alexandr Vondra, then active in the PSSI, with its goal being to set the agenda for discussion in the area of foreign policy-making vis-à-vis Czech (and European) energy security. The conference produced the *Prague Principles for Energy Security*, which was a list of steps and recommendations that were later directly translated into the MFA's energy agenda under Vondra, this time in his capacity as Minister for European Affairs.[33] Among others, the conference called '… nuclear power […] an important source of energy [that] could contribute further to alleviating energy security and environmental problems.'[34] This was subsequently reflected in the new *Energy Conception of the Czech Republic*, which, at the time of writing, is under review by the Office of the Government. Finally, the embrace of nuclear energy led to the establishment of the European Nuclear Energy Forum (co-hosted with Slovakia), which is meant to foster debate on the feasibility of nuclear energy in the European energy mix, providing an arena for discussion for representatives of national, supranational, and non-state actors. Furthermore, the conference's call for 'leadership at the highest level of government'[35] was met with the appointment of Václav Bartuška as Special Envoy for Energy Security. Besides advocacy at the national level, Czech think-tanks and NGOs concerned with energy security have been actively searching for venues at the EU level to disseminate their preferences. Therefore, organisations such as PSSI have been applying for EC-funded projects, and have organised several international conferences with both speakers and guests from EU institutions.[36]

Czech non-state actors are using various channels to get their interests reflected in the Czech Republic's energy policy. Whereas the majority of these channels is not institutionalised (besides the semi-institutionalised working group on energy security established before the Czech EU Presidency), through activating ad-hoc mechanisms, such as personal contacts, organising workshops, seminars, and conferences, CSOs play a role in both Czech and EU foreign policy preference formation and its subsequent promotion. Nonetheless, the view on Czech energy security is rather uniform, i.e. ruptures between representatives of public administration and non-state actors are almost nonexistent, which is reflected in a certain society-wide consensus on the required

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[32] 'Interview D,' (Ministry of Foreign Affairs, 24 March 2010): 6.
[33] 'Interview J,': 2–3.
[34] 'Conference Conclusions,' in *Energy and Security: Global Challenges - Regional Perspectives* (Prague: Program of Atlantic Security Studies, Prague Security Studies Institute, 2004): 1.
[35] 'Conference Conclusions,': 2.
[36] 'Interview J,': 5.

policies, which they then promote in tandem at both the national and supranational level.

Conclusion

In the above-presented analysis of participation of Czech intrastate actors in EU multi-level processes, we examine the extent to which EU-integration contributes to an alteration of governance in the Czech Republic. Although the nature of the analysis is empirical, it has broader implications on how we should look at consolidation of pluralism in former communist states vis-à-vis the EU and what this means for the overall complexity of the Union's governance. By providing a new platform for the articulation of interests, the EU encroaches upon the traditional monopoly of a state over national decision-making. This is ever more relevant when focusing on countries from Central and Eastern Europe, where pluralism is a rather novel phenomenon. Hence, while analysing trends in deconcentration and denationalisation of interests in the Czech Republic vis-à-vis the EU, we aim to contribute to the debate on whether Enlargement adds to the diversity within the EU and consequently creates a multi-tracked rather than two-tracked Europe. We opt for two diverse policy areas; regional policy, which implies vertical decentralisation and foreign policy, which implies horizontal decentralisation. This provides us with an opportunity to compare and contrast actors with a diverse standing in domestic politics, but also actors for whom Brussels is differently accessible. Whereas regions have rather easy access to decision-making processes in the EU, CSOs face a lack of institutionalised representation and thus resort to informal networking and lobbying. On the other hand, both territorial organisation and foreign policy go into the core of the notion of statehood. This means that even though competences of regions and their participation in national decision-making is constitutionally/legislatively protected, they have to fight the same barriers caused by centralised traditions and a unitary political culture as non-state actors whose ties are strictly informal.

Hence, going back to Kohler-Koch's argument that changes in domestic governance in response to EU integration are conditioned by the quality of EU access points on the one hand and domestic politics on the other, our empirical findings point to the domestic political culture and institutional setting as a greater variable. Both sub-national and non-state actors face the same barrier of the government wanting to protect its gate-keeping role in dealings with Brussels. Yet, a diverse standing in domestic and supranational politics explains a divergence in *usage* of the EU by sub-state and non-state actors in domestic politics. Whereas for regions the EU and the EU's favourable stance on regionalisation serves as a platform and a bargaining chip in positioning themselves vis-à-vis Prague, CSOs approach the government as a strategic partner in domestic and international relations. Despite, or because, of their only

informal connections, the non-state/state relationship vis-à-vis the EU is more harmonious in comparison to the sub-state/state relationship. Whereas regions would like to achieve greater presence in Brussels independently from the government but fail to do so as they are constrained by the domestic political framework, CSOs' activities are largely developed and implemented in unison with the Ministry of Foreign Affairs.

Hence, this study has confirmed the following. First, EU governance, by offering decision-making access points to Czech intrastate actors in the post-accession context, has contributed to the pluralisation of domestic interests. However, this impact is conditioned by domestic institutions and political culture and hence varies across policy areas. Second, although we observe decentralisation of opinions and interests along vertical and horizontal lines, when it comes down to decision-making, the Czech Republic remains *a winner takes it all* country. The lack of a consensus-based approach to governance is well reflected in the top-down and highly hierarchical ties between the central government and the intrastate actors. Democratic culture has not yet matured to an extent that would allow for a polycentric organisation of governance. In the post-accession period, the EU has served as a legitimising factor in decen-tralisation of interests along domestic lines. On the one hand, the Commis-sion's positive stance on regionalisation helped regions to profile themselves within domestic politics. On the other hand, this support had a modest impact on regional activities in Brussels. Despite of proliferation of diverse interests within regional and foreign policy formation, Czech communication with Brus-sels is mainly uniform and centrally coordinated. Third, the limited ability of Czech intrastate actors to articulate interests in the EU independently from the central government has implications on EU governance overall. The hypothesis that connects Europeanisation to denationalisation of domestic governance and consequently to furthering of the EU's heterarchical structure only partly grasps policy formation processes in the Czech Republic. The analysis outlines both successes and inadequacies. Although roots to Brussels were established rather quickly, what is missing is consolidation of polycentrism, which would highlight the presence of the Czech intrastate sector in the Union. While we agree that social learning and networking opportunities in Brussels may foster denationalisation of interests, we also must point to the decisive role of the domestic setting; institutional memory and political culture in particular.

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The Polish Missile Defence Decision: Reviewing the 'Scrapping' of the Bush-Era Missile Defence Plan

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Abstract: *Although the decisions of the Polish government to deploy the US missile defence base in 2008 and 2010 was regarded by many commentators as taken against the domestic majority opinion, this article presents some arguments to support the assumption that those decisions were compatible both with the improvement of Polish security, and with the attitudes of Polish society. This line of argument is based on the theory of double survival.*

Key-words: missile defence, Poland, security dilemma, theory of double survival

Introduction

The official negotiations over the possible hosting of a US anti-ballistic missile defence base in Poland commenced in May 2007, under the government of Jarosław Kaczyński (2005–2007), with the deadline for concluding negotiations scheduled for the end of the same year. However, following the October 2007 election victory of Donald Tusk, Poland dramatically altered its foreign policy course. Unlike its more conservative predecessor, the new government no longer regarded the deployment of the base as being a vital Polish security interest, but rather concentrated on negotiation outcomes and what may be gleaned from them on the broader scale. While both, the Kaczyński and the Tusk governments deployed the language of increasing Poland's security as the main argument in the Polish-American negotiations, their attitudes clearly differed in the interpretation of which outcome would best contribute to strengthening state security. The Kaczyński government envisioned that the construction of the US military base would, on its own, increase Polish security, while the Tusk government concluded that the military base could generally undermine Polish security, which would then need to be reinforced by additional US guarantees and equipment transfers.

Tusk's interpretation was communicated during the visit of Polish Defence Minister Klich to the US in February 2008 as the second stage of negotiations began. Shortly before his trip to Washington, Klich was interviewed by a Polish newspaper where he outlined Poland's requirements for hosting of the proposed US base. According to this interview, Poland was to demand that the US deliver mobile air defence systems: the Patriot Advanced Capability-3 [PAC-3] (Patriot 3) or the Terminal High Altitude Area Defence system (THAAD), with the aim of strengthening Polish air defences. The rationale behind such a demand was, firstly, that Tusk knew the difficulties he would face in convincing the Polish public to accept the US installation on Polish soil – which heightened public anxiety – without further strengthening Poland's air defence capabilities since Poland does not, currently, possess an efficient short and middle ranged missile defence system, and such investments are not financially viable for Poland alone, said Klich. Secondly, the necessity to modernise Poland's armed forces, with US help, was based on the fact that the capabilities of the Polish air defence system have been fully exploited while the deployment of the US missile system would inevitably expose Poland to greater dangers, especially from terrorist organisations.[1]

Although Washington repeatedly indicated that Polish expectations were too high and, because of the closed budget for 2010, could no longer be taken into account, Poland was adamant on additional guaranties, and a permanent placement of the PAC-3 system on Polish territory. In fact, Poland had good reason to believe that the Bush administration had a strong interest in successfully concluding the negotiations, and was therefore prone to offer concessions. There was no certainty though as to whether the US would finally accept Polish demands. Furthermore, it was not clear if and when the missile defence issue would reach the political agenda of the next US government, or how the next US administration would evaluate Poland's requirements. That is why, already in July 2008, Warsaw indicated its readiness to accept only one Patriot missile battery but under the condition that it should be placed on permanently, rather than temporarily, on Polish territory as Washington had initially proposed. Consequently, at the end of negotiations the contest for gaining sufficient air defences was replaced by a struggle for a permanent, rather than temporary, deployment of a PAC-3 battery in Poland.

In August 2008, Warsaw and Washington signed an agreement on locating 10 ground-based missile interceptors in the north of the country as well as a declaration on increased strategic cooperation. The latter pledge affirms, among other things, the intentions of Poland and the US to enhance their mutual security by cooperating in the industrial, research and technology areas of defence and, above all, through sharing information regarding political-military concerns. In this regard, foreign policy analysts stressed a particular article of

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[1]   Interview with Bogdan Klich, *Dziennik*, 'Klich: tarcza za patrioty,' 12 January 2008.

the declaration in which, in addition to cooperating on missile defence, both countries declared their intention to work together to counter military as well as non-military threats posed by third parties. The relevance of this statement is that the non-military dangers could be interpreted as a guarantee of US assistance to Poland in the event of political pressure or blackmail from Russia. This part of the declaration also includes a commitment by Washington to assist Warsaw with the modernisation of its defence capabilities and, primarily, an agreement on the deployment of a US Army PAC-3 battery in Poland, which was the key Polish demand.

Russia's 2008 invasion of its former Soviet neighbour, Georgia, offered an opportunity for Tusk to justify Poland's decision. Shortly after Moscow's demonstration of force, the Tusk government exploited the situation to gain additional support for the deployment of US military facilities in Poland arguing that the benefits of having a permanent US troop presence on Polish territory could enhance Polish security and compensate for hosting only one PAC-3 battery. This expectation turned out to be accurate. The first polls conducted by GfK Polonia (17 August 2008), after reaching the initial agreement revealed that support for the US missile defence shield was, for the first time, greater than opposition to the plan (55% in favour and 38% opposed). Nonetheless, the events in Georgia cannot be interpreted as a direct reason for Poland's agreement on the missile defence shield. Rather, Russia's military operations in its so-called 'near abroad' region gave the Bush administration a plausible justification for the permanent deployment of the PAC-3 system in Poland. Since Washington agreed to concede to the Polish demand, and the Polish public also seemed to be satisfied with negotiations result, the Tusk government could no longer delay final negotiations.

This is not to say that without the war in Georgia the Polish public would have *punished* the Polish government for the final missile defence decision. In the following sections a range of arguments are provided demonstrate how the Polish government's decision took both the security interests of Poland and the attitudes of the Polish public into account. The theory of *double-survival* provides an analytical framework for explaining the Polish missile decision and will be deployed accordingly.

The Theory of Double-Survival

The theory of double-survival is based on the hybrid economic theory of *democracy and the balance of threat theory*, and assumes that political elites, in order to retain their positions (internal survival), attempt to make foreign policy decisions that will advance state security (external survival). This behaviour stems from their expectations of voter maximisation in exchange for efficient foreign and security policy.

Accordingly, the starting point is that decision-makers aim primarily at maximising voters in order to keep their positions of power.[2] The main objective of political actors, and thus the main reason for undertaking a particular decision, results from the structure of the electoral competition, which emerges, in turn, from the institution of democratic elections.[3]

Moreover, it is assumed that voters are prone to cast the ballot to the candidate or political party that they expect to be more effective than others in striving for the territorial security and political autonomy – for the external survival of the state. From this perspective, it should be presumed that the more effective political actors are in safeguarding state security, the more votes they will be awarded. Certainly, publics do not always, and in fact – at least in societies with a low level of threat perception – rarely focus on foreign policy issues when casting ballots. However, given the great uncertainty surrounding the basis on which people make their electoral choices, politicians must consider the foreign policy preferences of society at large. In short, they have to consider public opinion consequences as they shape their foreign policies.

Consequently, given the objective of internal survival, individual decision-makers have to convince the public that they have chosen the optimal option for improving state survival. Anticipating the rewards for the security-seeking decisions, politicians aim in the decision-making process not only to safeguard internal, but also external, security.

Whilst keeping the relevance of the efficiency of a foreign policy decision in mind, political actors also have to be conscious of its consequences regarding the states' position in the international system, particularly the reaction of other states to the acting state. In order to assess such consequences, decision-makers must gain an understanding of the various interconnections in international politics, the challenges and main tendencies resulting from the anarchic structure of the international system, and the international distribution of power. But they also have to be aware of the necessary conditions for state survival, given certain threats, in a system defined by anarchy. At this point, the relevance of an analysis of the external environment from the perspective of the economic theory of democracy becomes evident. Specifically, its significance results from the fact that a comprehensive knowledge of the most efficient survival strategies cannot be acquired without an abstract assimilation of external circumstances at the system level. To be sure, there is no direct transfer of knowledge from the exploration of inducements and pressures of the international system to the

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[2]   Anthony Downs, *An Economic Theory of Democracy,* New York: Harper, 1957.

[3]   As with all rational choice theories, the economic theory of democracy rests upon two premises: methodological individualism and the rationality assumption. Accordingly, each decision is seen as arising from individual goal-oriented behaviour (Ordeshook 1968: 1, Lupia, McCubbins & Popkin 2000: 8). One of the main assumptions of the economic theory of democracy is that decision-makers aim primarily at maximising voters in order to maintain their survival (see Downs 1957).

choice of certain foreign policy decisions. However, it is undoubtedly rational for political actors to rank the most efficient alternatives on the basis of an analysis at the system level when looking to eschew those options that do not ensure state survival.

In order to deal with external threats, the economic theory of democracy is enhanced by the balance of threat theory.

Whereas the neorealism of Waltz asserts that states focus their efforts against the most powerful states, the balance of threat by Walt[4] assumes that these efforts are taken primarily against those states that pose the most serious threat, which is why they are perceived as aggressive. Walt depicts the core assumption of his balance of threat theory as follows:

> (S)tates balance against the states that pose the greatest threat, and the latter need not be the most powerful states in the system. (…) Whereas balance of power theory predicts that states will react to imbalances of power, balance of threat theory predicts that when there is an imbalance of threat (i.e., when one state or coalition appears especially dangerous), states will form alliances or increase their internal efforts in order to reduce their vulnerability.[5]

Drawing on the balance of threat theory, I argue that the perception of threats has a crucial impact on a state's foreign policy behaviour. Unlike Walt however, the theory of double-survival does not assume any direct effects from a threat analysis on the choice of certain foreign policy options. Rather, the threat analysis offers decision-makers a basis on which to rank their preferences for available alternatives. In fact, the choice of a certain foreign policy option depends on the ability of politicians to persuade society that this option is an optimal answer from the perspective of a given threat. The imperative of voter maximisation therefore plays a double role in the theory of double-survival: it is the point of departure for political actor behaviour as well as the very last filter for choosing certain foreign policy options. It means the greater causal weight is attributed to unit-level dynamics.

Overall, the impact of systemic factors on the choice of foreign policy options can be summed up as follows: the structure of the international system offers foreign policy makers certain alternatives, which are then filtered through the perception of threats as well as the imperative of voter maximisation. As a consequence, the foreign policy alternative finally chosen belongs to the set of available options, and it is also a result of the threat perception of politicians, but above all, it reflects an outcome of the cost-benefit calculation of political leaders regarding their best chance of preserving internal and external survival. This view is entirely consistent with Waltz's idea that the structure does not determine the choice of foreign policy alternatives, though once a state ignores

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[4]   Stephen W. Walt, *The Origins of Alliances,* Ithaca: Cornell UP, 1987.
[5]   Ibid. p. 263.

inducements and pressures of the system conditions it has to anticipate costs. However, the costs concern not only external survival, as with Waltz, but also the prospects for internal self-preservation.

The Polish Missile Decision and the External Threat

In order to specify current, or potentially dangerous states, the balance of threat theory points out three determinants: the aggregate power, the geographic proximity of powerful states and the assessment of others' intentions. In this section these three parameters of the threat perception shall be applied to the Polish missile defence decision.

In taking into account two of the three determinants of threat analysis – aggregate power and geographic proximity – it can be seen that there are three states that are located near to, and which are much more powerful than, Poland: Germany, Russia, and the United States (see Table 1 below).

The assumption of the proximity of the US stems from the deployment of US soldiers in Europe, and from the large political influence that the US has on Europe. In this context, the US could be regarded as a 'penetrating external power.'[6] The power resources, depicted in Table 1, clearly demonstrate the enormous power asymmetry between Poland and the other, proximate states. Although not shown in the table, Poland's dependence on Russia, which opens up possibilities for blackmail, should also be considered in this context.

The third determinant of the threat analysis, the perception of intentions of neighbouring states, is, as already emphasised, composed of three elements. The first element constitutes conflicts in the past (history). In this context, from the Polish perspective Germany and Russia must be viewed as potential threats. The security experiences of Poland involve first, the partition of Prussia, Russia and Austria in the 18th and 19th centuries, as well as their absence from the map of Europe for 123 years. It also incorporates the military attacks of Germany and Russia respectively, including Soviet aggression during World War I and the execution of thousands of Polish military officers by the Soviet secret service NKWD during World War II, as well as Nazi concentration camps. The second element in determining the source of threat is hostile rhetoric toward Poland, which nowadays occurs only from Russia. Even if the verbal attacks against Poland are made in the context of the potential missile defence shield, it cannot be overlooked that the threats come only from Russia and not from other neighbours of Poland.

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6   Barry Buzan and Ole Wæver, *Regions and Powers, The Structure of International Security*, Cambridge: Cambridge UP, 2003. p. 47 and p. 372.

Table 1: The Aggregate Power of Russia, the US, Germany and Poland

Power capabilities	Operationalisation	Poland	Germany	Russia	USA
Military resources	Military expenditures *Source:* SIPRI, 2005	1,9%	1,4%	4,1%	4,1%
	Military expenditures *Source:* SIPRI, 2006	$6.330	$36.984	$34.700	$528.692
	aggregated numbers of holdings of heavy weapons *Source:* SIPRI, 2005	3.270	7.300	44.980	35.730
	Nuclear warheads	-	-	3.113 *Source:* BAS 2008b	3.775 *Source:* BAS 2008a
Economic resources	GDP per capita *Source:* CIA Factbook, 2007	$16.300	$34.200	$14.700	$45.800
	Market value of publicly traded *Source:* CIA Factbook, 2007	$144 billion	$1.334 billion	$365 billion	$1.149 trillion
Population	Population *Source:* CIA Factbook, 2008	38.501	82.369	140.702	303.825
	Manpower available for military service *Source:* CIA Factbook, 2008	19.255	38.137	73.240	144.354

The third element that determines the intentions of other states is the calculation of costs for aggressive states. If another state attacks Poland militarily or in other ways (for instance through political blackmail), the following results could be expected:

An attack on Poland's territory or political autonomy from the US or Germany would imply exceedingly large domestic costs for both of them. In contrast, the domestic costs for Russia's leaders should be estimated as much lower, since any opposition within Russian society would be confronted with state repression. Accordingly, international sanctions are likely to be imposed on Washington and Berlin in the event of an attack on Poland, which would mean, not least, a loss of credibility, legitimacy and recognition on the international level. In turn, since Russia's gas-blackmailing of Ukraine (2006 and 2008), its rhetorical and cyber conflict with NATO-member Estonia (2007), and its threat of cyber attacks against another NATO member, Lithuania (2008),

caused no significant reaction from West European countries or the US, Russia can expect, at most, rhetorical responses if it deployed similar tactics against Poland. Certainly, since Poland, in contrast to Georgia, *is* a NATO member, a military attack by Russia on Poland seems at first glance to be exceedingly unlikely. It is however plausible to assume that European states in this case would use all possible means to avoid a conflict with one of their most important trading partners.

Furthermore, there is also a possibility for Russia to attack Poland without inciting the indignation of the European public. That would succeed if Moscow could convince the European public that an attack was not intended. An example of such reasoning was offered in July 2008 by a Russian officer who stated that a missile fired from Polish territory could mistakenly be viewed as an offensive weapon by Russia's automatic defence system, therefore inducing an immediate response. In this case, it would be appropriate to speak about a very sad mistake, rather than Russia being at fault. The launching of a Russian missile from Belarusian territory should also be taken into account.

Regardless of the prevalence of its power, the US is, from the Polish perspective, not regarded as a threat because its intentions are not viewed as aggressive. Of course, because of its proximity to Poland, which is, as mentioned above, a result of US influence as a balancing power on the European continent, Washington constrains Poland's room to manoeuvre. However, Warsaw takes this into account because Russia's and Germany's room to manoeuvre is constrained as well. Due to its dual role as a balancing power, first within Europe and second between Germany and Russia, the US is viewed in Poland as the ultimate guarantor of European security and, therefore, also of Polish territorial integrity. Consequently, the Polish decision for closer ties with Washington – seen, for instance, through its participation in Operation Iraqi Freedom in 2003, and the missile defence decision in 2009 – has to be regarded as reflecting the 'desire for American protection (...) against some sort of regional threat.'[7] It is worth remembering that the sort of behaviour that many analysts of foreign policy view as 'bandwagoning' may also be seen as a form of regional balancing.

Drawing on the above analysis, the presence of US military facilities in Europe, and the expansion of the defence relationship between Warsaw and Washington, has to be seen as being of great importance from the Polish perspective. Therefore, the dwindling importance of the NATO for Washington, and the shift in its geostrategic interests away from Europe and towards the Middle East and Southeast Asia, may be a cause of concern in Poland. In turn, the approval of the missile defence base would imply the restitution of a hegemonic relation between Europe and the US. In this case, the US military facility may be seen in Poland as an absolute necessity to deepen the US's political anchor on the European continent.

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[7]   Stephen Walt, 2005. p. 187.

Drawing on neorealist assumptions, a European rejection of the US missile defence shield would imply: a loss of interest in Washington for maintaining strong security cooperation with Europe, and a decision to construct the missile defence shield on its own territory instead, which is technically possible but with greater costs involved. As a logical consequence of this step, the US may fully withdraw its soldiers from Europe leading possibly to the dissolution of NATO because Europe's non-cooperation would be interpreted as a confirmation of incompatible threat perceptions between the US and Europe, undermining the last reason for the alliance's existence. In this case, i.e., without US protection, Europe would remain largely insecure because of its insufficient security capabilities. Since Europe would have to carry the negative security balance itself, after the withdrawal of US soldiers, this would lead to attempts at major rearmament across Europe. Furthermore, if the US function as an external balancing power in Europe disappeared, the great European powers would become unbalanced, and the question would be raised of how they would behave towards each other? Would Germany strive to acquire nuclear weapons? Worries about the security and defence capabilities of the EU, and a sense of responsibility for boosting these capabilities, could provide Berlin with a plausible justification for such a decision. In turn, an unbalanced Russia would enhance the threat perception in the post-communist states as well as in Sweden, Norway and Finland. Ultimately, because of the absence of US protection, Poland, with its sandwiched position between Germany and Russia, would fall again into an insecure, grey zone.

Drawing on this line of arguments, the following assumptions can be made: First, if Poland's external survival depends on the continuous presence of the US in Europe as a stabilising power, and second, if the refusal of the US missile shield would cause the withdrawal of US soldiers from Europe, then the decision of the Polish government to host the US missile defence shield should be seen as an optimal position for Poland.

According to this argumentation, the acceptance of the missile defence system should be regarded as the best option the Polish government has in order to safeguard external survival. The following section argues why this decision should also be deemed a contribution to the maintenance of internal survival, namely of office holding.

The Polish Missile Decision and the Internal Threat

The positive image of the US in Poland, which was partially based on a mix of gratitude and fascination,[8] has become far less amicable in the last few

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[8]   See, for instance, Ronald D. Asmus and Alexandr Vondra, 'The Origins of Atlanticism in Central and Eastern Europe,' *Cambridge Review of International Affairs* 18: 2, 2005.

years. There are several reasons for this, not least of which is the remarkable disappointment regarding the current status of the Polish-US relations. Contrary to expectations, after the 2003 Iraq conflict, Poland did not become a 'special partner' of the US. Rather, it became a player of the third league of US allies.[9] Consequently, according to a *BBC* survey from January 2007, there was no other country in which the US had lost its prestigious standing to such an extent. In 2006, the majority of Polish respondents (62 %) still had a positive image of the US; in 2007 only 38 %.[10] Consequently, the sympathy of the Polish public towards the US also decreased: In 1993 62 % of the Polish public assessed the American people as sympathetic; in summer 2007 only 44 %.[11] According to the *Transatlantic Study* published in 2008, in 2007 the exerting of a strong leadership in world affairs by the US was favoured by less than the half of the Polish respondents (35 %); while 47 % said it was not desirable (see table 2).

Table 2: Transatlantic Trends 2008

How desirable is it that the United States exerts strong leadership in world affairs?						
	2002	2003	2004	2005	2006	2007
Desirable	64 %	43 %	39 %	42 %	39 %	40 %
Undesirable	22 %	34 %	47 %	42 %	44 %	43 %

Source: <http://www.transatlantictrends.org>

In order to convince the Polish people to accept the US missile defence shield, the Polish government had to present tangible benefits for the public, while avoiding rhetoric of an unconditional support, such was the case shortly before the 2003 Iraq invasion. The scepticism of Polish society toward the US explains the negotiation tactics of the Polish government, which were first based on a new tone in Polish-US politics regarding expectations about mutual benefits, and second, on the demand for upgrading Poland's armed forces.

The first tactical element, that is to say, the more pragmatic and interest-based foreign policy course conducted by Tusk's government, rather than ideal-ism or opportunism, were widely recorded by commentators of Polish politics as well as Polish society at large.

Already in March 2008, 58 % of Poles evaluated Tusk's foreign policy out-comes as better that those of Kaczyński. Two-thirds (66 %) said that Tusk well represents Polish interests, while only 16 % disapproved.[12] Also, the majority of Poles accepted decisions made during missile defence negotiations. For

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[9]   Interview with Zbigniew Brzeziński, *Polityka*, 19 August 2006.
[10] For the survey, see: <http://www.worldpublicopinion.org/pipa/articles/home_page/306. php?nid=&id=&pnt=306&lb=hmpg1>.
[11] CBOS, 03 August–06 August 2007.
[12] CBOS, 07 March-10 March 2008.

instance, two out of three respondents signalled their satisfaction with Tusk's refusal of the offer Washington made Poland in early July 2008, while only one-fifth backed the position of the Polish president, who pleaded for a quick end to the talks.[13]

At the same time, an overwhelming majority (84%) of respondents admitted that Poland should give the US 'hard' demands, while assessing the US-oriented politics of Tusk as being 'too mild' (see Table 3 below).

Table 3: The Assessment of Polish-America Politics by Polish Society[14]

How do you assess the US-politics of the Tusk government?	
Too hard	8%
Too mild	84%
Exactly right	29%

Due to the insistence of the Polish government on the demand of upgrading Poland's armed forces with a modern PAC-3 missile defence system (the second tactical element) the negotiations took about 18 months to conclude. According to the RAND Corporation, Poland initially asked the US for 12-15 PAC-3 batteries. Finally, as mentioned above, Poland had to accept only one battery. Because the one PAC-3 battery Poland at least 'won' cannot be seen as a decisive increase of Polish security, the purpose behind the hard negotiations over the PAC-3 was to overcome the stigma of the shield representing Poland as an unconditional ally, and to demonstrate the Poland's sovereignty by making decisions with impacts on the regional political order.

In analysing surveys, the rationality of this tactic could be confirmed. First, a majority of Poles were initially opposed to having the missile defence shield based on Polish territory, however, since the Polish Defence Minister demanded additional security guarantees in February 2008 – primarily to bolster Poland's air defence capacity – support for the US facility has risen by 8 %.[15] Second, during negotiations, more Poles were in favour of continuing talks rather than suspending or breaking them off.[16] This clearly shows that the Polish public was not definitively against the US base. Third, when instead of the two standard 'for or against' questions, the Polish people had to consider another option for the base – installation in exchange for PAC-3 missiles – this turned out to be the most preferred choice (see Table 4 below).

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[13] GFK Polonia, 07 July 2008.
[14] GFK Polonia, 07 March 2008, cit. in: *Rzeczpospolita*, 'Chcemy twardych rozmów z USA,' 08 March 2008.
[15] CBOS, 11 April-14 April 2008.
[16] TNS OBOP, 09 February 2008.

Table 4: Polish Civilian Approval of Deploying the US Missile Defence Base on Polish Territory under the Requirement of US Rewards

Poland should unconditionally agree to deploy the US missile defence shield on Polish soil.	3 %
Poland should agree to deploy the US missile defence shield only if the US would contribute to increasing Polish security, for instance with air defence systems, the modernisation of the Polish armed forces or other security guarantees.	47 %
Poland should refuse the proposal of deploying the US missile defence shield on Polish soil.	37 %
Non opinion	13 %

Source: CBOS 11 April–14 April 2008

Drawing on these results, it can be argued that the Polish public's evaluation of the missile defence talks depended on whether the US also agreed to meet Polish demands, rather than just on the costs and benefits of hosting the base itself. Surely, the US missile plan was not enthusiastically embraced in Poland, but Tusk might have been aware that evaluations of his government's performance in the negotiations would be positive if the Polish public could be convinced of the benefits of locating the missile defence base on Polish territory.

As a consequence, both the hard and long negotiations, and the final agreement for the missile defence shield seem to be in alignment with the expectations of the Polish public.

Conclusion

In this article, a multitude of arguments have been presented to support the assumption that the decision of the Polish government to deploy the US missile defence base was compatible with both the enhancement of Polish security, and with the attitudes of Polish society at large. In doing so, it has been emphasised that taking into account only some survey questions without considering other crucial factors, for instance, the power position, and the geopolitical position of a state, does not allow for a more comprehensive picture of the needs of Polish society and leads instead to an incorrect conclusion about the Polish attitudes toward establishing a US military facility on Polish territory.

It is also worth mentioning that the decision of the Obama administration in September 2009 to redesign the missile defensive system does not change the line of argumentation used to explain the Polish missile defence decision concerning external survival. Undoubtedly, from the perspective of Polish security, it is not essential, whether the parts of the missile defence system will ultimately be deployed in Poland. Rather, the fact that the government in Warsaw accepted Washington's proposal and thus, did not question the US's

overwhelming impact on, and its position in, Europe or the necessity of leaving transatlantic relations untouched, is more important. Moreover, according to Polish Foreign Minister Sikorski, after announcing the modification of the missile defence plans, the Obama administration assured Poland it would honour the commitment to deploy PAC-3 missiles on Polish territory, made as part of the deal to host the shield.[17] This means that the additional gain Tusk strived for in order to improve the prospects of internal survival, will not be lost with the scrapping of the Bush-era missile plan either.

Additionally, according to Sikorski, Poland can expect an increasing number of US soldiers deployed on its territory. Furthermore, as the US Defence Secretary Gates noted, it is taken into consideration that in the second stage of the new missile plan, missiles could be placed on land in Central Europe.[18] Instead of setting up a base with 10 ground-based interceptors on Polish territory, as stated in the agreement from August 2008, improved versions of the US Navy's Standard Missile-3 (SM-3) could be placed there.

In short, in contrast to the beliefs of several commentators, scrapping the Bush-era missile plans should not be regarded as a dilemma of either repairing relations with Russia or disappointing the Czech Republic or Poland,[19] with 'the potential to undermine perceived American leadership in Eastern Europe.'[20] Neither should it be seen as disappointing to Poland[21] or leading to the betrayal of 'the trust of our allies in Warsaw and Prague, leaving Europe defenceless against Iranian missiles, enhancing the Kremlin's stature and diminishing U.S. credibility.'[22] As the new missile plan seems to satisfy Moscow, for Polish society it could even be regarded as more desirable, because Poland will still maintain the possibility to upgrade its armed forces without being compelled to endure the hostile rhetoric from Russia anymore.

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[17] Interview with Sikorski for the Polish ITI Group's *TVN24* news channel, broadcasting: 'Kropka nad I', available at: <http://www.tvn24.pl/12690,1619930,0,1,sikorski-to--na-czym-nam-zalezalo--ma-byc,wiadomosc.html>.

[18] 'Dismay in Europe as Obama ditches missile defence,' *TIMES*, 17 September 2009.

[19] Anne Gearan and Desmond Butler, 'Obama scraps Bush's European missile defence plan,' *Associated Press,* 17 September 2009.

[20] John McCain, [cit.] in Kevin Connolly, 'Will missile defence shift benefit US?' *BBC News*, 17 September 2009.

[21] Anne Gearan and Desmond Butler, 'Obama scraps Bush's European missile defence plan,' *Associated Press,* 17 September 2009; Judy Dempsey, 'Obama Ends a 'Special Relationship,'' *New York Times*, 16 February 2009.

[22] 'Obama jilts Poland and the Czech Republic,' *Washington Post: Editorial*, 28 August 2009.

The Shanghai Cooperation Organisation and Security in Post-Soviet Central Asia

Askhat Safiullin

Abstract: *Tracing the debate on the importance and influence of the Shanghai Cooperation Organisation (SCO) on regional security integration in Central Asia, this work assesses the degree of its integration. It mainly addresses the interplay between individual state security needs, norms and identities. My proposed perspective is based on constructivism, informed by the English school. The paper concludes that security cooperation between SCO member states in the security environment is impacted by three factors: 1) security, influenced by 2) identities and norms, inducing states to utilise 3) the functions of organisation to their needs. The work explores the implications of such security cooperation in the context of perceptions and the conduct of cooperation research.*

Introduction

Opinions about the Shanghai Cooperation Organisation's (SCO)[1] purpose vary tremendously despite the organisation's explicit statement of providing its members security against non-traditional threats.[2] Questions of whether

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1 'The Shanghai Cooperation Organisation (SCO) is a permanent intergovernmental international organisation which was proclaimed on 15 June 2001 in Shanghai (China) by the Republic of Kazakhstan, the People's Republic of China, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan and the Republic of Uzbekistan.' From *Shanghai Cooperation Organisation*, 07 June 2002, available at: <http://www.sectsco.org/EN/brief.asp> (accessed 05 May 2010).

2 Some of the main goals are: 'to consolidate multidisciplinary cooperation in the maintenance and strengthening of peace, security and stability in the region and promotion of a new democratic, fair and rational political and economic international order; to jointly counteract terrorism, separatism and extremism in all their manifestations, to fight against illicit narcotics

the SCO should be considered a counter-balance against NATO,[3] or whether it was created to counter China's influence in Central Asia, have been vigorously debated. One argument holds that the SCO successfully binds its members against undertaking any threatening action against the peace and security in the broad Central Asian region; in other words, its stated mission is to provide a working, regional collective security mechanism. Alternativly, Ambrosio argued that the SCO strengthens autocracy in Central Asian republics under the façade of promoting security.[4] Additionally, the relative scarcity of research on the Central Asian region has also produced an ill-suited theoretical divide in its treatment of how the states in the region interact with global superpowers. One perspective of this debate is best represented by Ros-Lehtinen who regards the region as being 'vulnerable to variable whims of superpower self-interest,'[5] while at the other end of the spectrum Smith claims that Central Asia is not part of a 'great game' between superpowers[6] but rather experiencing a regional power struggle for dominance. This polarisation has kept the focus of research limited to two main camps, resulting in a general ignorance over other important issues and associated problematics.

The central claim of this work concerns the process of security regionalisation in Central Asia, represented by the SCO, which is best understood through a theoretical framework that combines three perspectives: the English School[7],

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and arms trafficking and other types of criminal activity of a transnational character, and also illegal migration', 'Charter of the Shanghai Cooperation Organisation,' *Shanghai Cooperation Organisation*, 07 June 2002, available at: <http://www.sectsco.org/EN/show.asp?id=69> (accessed 06 April 2010).

[3] Blank, Stephen, 'US Interest in Central Asia and Their Challenges,' *Demokratizatsiya*, (April 2007), p. 318; US Congress, 'United States Commission on Security and Cooperation in Europe (Helsinki Commission)', Hearing: 'The Shanghai Cooperation Organisation: Is it Undermining US Interests in Central Asia?,' 26 September 2006; Nanay, Julie, 'Inside Track: SCO Gaining Importance,' *The National Interest online*, 08 August 2007.

[4] Ambrosio, Thomas 'Catching the 'Shanghai Spirit:' How the Shanghai Cooperation Organisation Promotes Authoritarian Norms in Central Asia,' *Europe-Asia Studies*, 60: 8, October 2008. p. 1321–1344.

[5] Ros-Lehtinen, Ileana, 'Assessing Energy and Security Issues in Central Asia,' *Testimony to the House of Representatives Committee n International Relations, Subcommittee on the Middle East and Central Asia*, 25 July 2006. p. 4.

[6] Smith, Dianne, L., 'Central Asia: A New Great Game?' *Asian Affairs*, Vol. 23, No. 3 (Fall 1996). pp. 147–175.

[7] There are multiple definitions, but according to Robert Jackson (1992:271), the English School is 'a variety of theoretical inquiries which conceive of international relations as a world not merely of power and prudence or wealth or capability or domination but also one of recognition, association, membership, equality, equity, legitimate interests, rights, customs and conventions, agreements and disagreements, disputes, offences, inquiries, damages, reparations, and the rest: the normative vocabulary of human conduct.'

constructivism[8] and functionalism/neofunctionalism.[9] In other words, the degree of regional security integration, in the context of the SCO, is impacted by three factors: 1) the transitional nature of security, 2) identities and norms that are at work in the region, and 3) the organisational functionality of the SCO.

According to an English school perspective, there are multiple layers of security, which are produced as a result of security regionalisation, and are at work in order to manage different types of security through those that were created and are managed by the SCO and other regional security mechanisms. These are the drivers that have an incremental impact on regional integration. In the social aspect of the English school explanation, a set of drivers that have a diverse (incremental or detrimental) effect on the process of integration is a *complex of identities* (ethnic, ideological, group and class identities). One example of the explanation for various setbacks in regional integration is reducible to the specific *ambitions* a state might maintain in its pursuit of cooperation.

The functionalist/neofunctionalist perspective explains that the process of integration begins in a limited, functional area. This partial cooperation gains momentum for further rounds of integration into other areas. This 'spill-over' also helps explain current developments in the SCO. Political spill-over is expressed in the creation of a supranational governance model, namely the SCO. Functional spill-over would explain the interconnection in e*conomic* sectors or issue-specific areas, which may result in one policy-area spilling over into another. In other words, integration is an inevitable process rather than a desirable state of affairs that could be introduced by the political or technocratic elites of the involved states' societies.

Regionalisation, Regionalism and Security in Central Asia

Regions are examined through multiple lenses and using multiple approaches though there is wide agreement that the process of defining and theoretically shaping a region is referred to as *regionalisation*. According to Hurrell the notion of regionalisation is 'the growth of societal integration within a region and the often undirected processes of social and economic interaction,'[10]

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[8] The view of Wendt (1992:395) that 'anarchy is what states make of it' where, despite some splits and divisions among the member states in addressing territorial and water issues, in cooperating in the SCO, members were the main actors; influencing cooperation in their own ways.

[9] The neofunctionalist perspective, according to Haas (1960:10), influences regional cooperation thanks to 'the creative work' which 'aims at general good that normally tends to be obscured.

[10] Hurrell, Andrew, 'Regionalism in Theoretical Perspective,' in *Regionalism in World Politics*, by Louise Fawcett and Andrew Hurrell (eds) 1995, Oxford: Oxford University Press. p. 39.

whereas Ravenhill refers to it as 'the growth of economic interdependence within a given geographical area.'[11]

To answer the question of what security regionalism is for Central Asia we must look at security in its regional context; as a set of ideas, norms, institutions and identities that are created and recreated by states. When applied to Central Asia, the term 'region,' as it is constructed by the states, *only* includes Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. International relations theories tend to view regional structures in two ways, 1) unchangeable, and 2) changeable, by the members of the structure. In other words, it is represented in the discourse between *voluntarism* and *determinism* and is controlled by whether statesmen have power to change events or not.[12] Central Asia has its own complexities and to some extent have rejected regionalisation consistent to Allison's evaluation in which '*regionalisation* – understood as an active process of change towards increased cooperation, integration, convergence, coherence and identity – has not been an obvious feature of security (or other) policy interactions in Central Asia.'[13]

A broadened definition of security includes freedom from military, political, societal, economic and environmental threats. As Buzan (et al) posits, 'all [security] threats … are … defined politically,'[14] the influence of the other sectors of what constitutes security, therefore, is perceived in relation to the relevant sector. For example as Allison points out, 'there appear to be better prospects for a security consensus among the Central Asian states about clear functional issues, particularly when it is not necessary to coordinate military asset,'[15] emphasising the multi-facetedness and functionality of the concept.

A *region* is understood in two terms, security – as Buzan describes 'a prominent subsystem of economic political and security relations that exist among a set of states whose fate is that they have been locked into geographical proximity with each other'[16] and social constructivist (identity-based), applied to Central Asia, a 'subjective feeling has also taken hold of opposition movements and many Central Asian transnational actors.'[17] This implies that, though the states in Central Asian are in geographical proximity to each other does

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[11] Ravenhill, John, 'Regionalism,' in John Ravenhill (ed.), *Global Political Economy*, 2nd edition (Oxford: Oxford University Press, 2007). p. 174.

[12] Viotti, Paul, R., and Mark V. Kauppi, *International Relations Theory: Realism, Pluralism, Globalism, and Beyond*, Boston: Allyn and Bacon, 1999. pp. 72–73.

[13] Allison, Roy, 'Regionalism, Regional Structures and Security Management in Central Asia,' *International Affairs* (Royal Institute of International Affairs 1944-), 80:3 (may 2004). p. 465.

[14] Buzan, Barry, Ole Waever, and Jaap de Wilde, *Security: A New Framework for Analysis*, (Boulder, CO: Lynne Rienner Publishers), 1998.

[15] Allison, pp. 463-483.

[16] Buzan, Barry, *People, States and Fear: An Agenda for International Security Studies in the Post-Cold War Era*, (Harlow: Longman), 1991. p. 188.

[17] Kubicek, Paul, 'Regionalism, Nationalism and Realpolitik in Central Asia,' *Europe-Asia Studies*, 49: 4 (June 1997). p. 640.

not reveal everything as the dynamics in the region that help to understand regionalism in Central Asia, are also influenced by 'shared a common material culture, social structure, cultural value-system and historical memory; and, not least, they were bound by both the Soviet legacy, and the need to find a way of collectively managing the region's trans-boundary natural resources.'[18]

The uniqueness of Central Asian regionalism lies in its historical origins. Whereas other regions (East Asia, Africa, Latin America, etc), were influenced by, and experienced the impact of the end of the Cold War indirectly, Central Asia was *directly* influenced and has undergone dramatic transitions primarily due to its past being a part of the larger Cold War structure that suddenly ceased to exist.

Allison distinguishes Central Asian regionalism as going *beyond* the region, as he sees 'various regional and macro-regional entities have been developed with a core group of Central Asian states. Some of these regional frameworks, structures and processes have had a clearly pronounced security agenda; in other cases the security function is only incipient.'[19]

Another important aspect of Central Asian regionalism is in regards to its multiplicity, i.e. one should see it as different types of regionalisms fused into one. First, this regionalism is defined by its geography, topology and geology. For instance, there is a degree of interdependence regarding the management and distribution of water resources, which demonstrates a degree of consensus over a vital issue. This aspect of regionalism defines the postures and political steps that states may take. On the other hand, regionalism, as a states-led endeavour – driven primarily by China, and represented by the SCO – is distinct because it satisfies the self-interests of its largest, and increasingly most powerful, member. Therefore, the SCO may be understood as a reflection of Central Asian regionalism and as a tool that reinforces certain power relationships between regional states and induces them into further economic cooperation. In other words, China has significantly added to settling the boundaries of where Central Asia begins and ends as a means of extending its influence into a now defined region in pursuit of narrow national interests.

According to Sajjadpour, the most critical security challenges found in Central Asia have internal characteristics.[20] The Central Asian states inherited a set of institutions that, according to Shatz, dictate conditions of state building.

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[18] Bohr, Annette, 'Regionalism in Central Asia: New Geopolitics, Old Regional Order,' *International Affairs*, 80:3 (May 2004). p. 486.

[19] Allison. pp. 463-483.

[20] Sajjadpour, Seyed Kazem, 'Iran, the Caucasus and Central Asia,' in Ali Vanauzizia and Myron Weiner (eds.), *The New Geopolitics of Central Asia* (Bloomington: Indiana University Press, 1994). p. 197.

He notes that

the parameters for political manoeuvre in regime transitions may be set by previous decisions intended to address entirely different political problems. In moments of institutional upheaval, such as those that confronted post-Soviet elites, framing choices can have lasting and profound consequences because they set the terms of debate. When leaders are strongly hemmed in by previous choices, rationality is not as useful an analytic tool as when they have a broad range of choices available.[21]

Despite such common security concerns, obstacles to security cooperation were exacerbated by regional governments insecure in their post-Soviet identities and sovereignty.[22] As these issues were being addressed, there was much internal political turbulence which threatened the legitimacy and longevity of many states in the region. At the time it was important to ensure that the 'non-interference' clause inherent to the Westphalian system was upheld and that China was discouraged from interventions. Indeed, as a means of protecting its energy-related interests and avoid being drawn into the (then) unfolding Central Asian conflicts, China expended its political energies to construct a viable institutional framework, the so-called 'Shanghai Five' organisation that included the neighbouring Central Asian states and Russia, which later (2001) transformed into the SCO.

Since its initial baby-steps, the nearly decade-old organisation has split its focus into two identifiable spheres: first, the sphere of Russo-Chinese relations, and secondly, the sphere of Sino-Central Asian relations. The second part of this formula is of particular interest since traditionally, despite geographic proximity, China had very limited relations to Central Asia and probably views the SCO as the most effective instrument to successfully penetrate the region in defence of its material interests. This sentiment is explored by Sheives who argues that

the PRC has done little to influence Central Asia, partly due to its own instability along its periphery, and internal problems in the Chinese heartland. However, since the collapse of the Soviet Union, China has instituted warm relations with each of these five [sic.] newly independent Central Asian states.[23]

A portion of this work will reveal ways in which China has used the SCO as a tool of engagement with the Central Asian states.

[21] Schatz, Edward, 'Access by Accident: Legitimacy Claims and Democracy Promotion in Authoritarian Central Asia,' *International Political Science Review / Revue internationale de science politique*, 27:3 (July 2006). pp. 263–284.

[22] Swanström, Niklas, 'The Prospects for Multilateral Conflict Prevention and Regional Cooperation in Central Asia,' *Central Asian Survey*, 23:1 (March 2004). p. 42.

[23] Sheives, Kevin, 'China Turns West: Beijing's Contemporary Strategy towards Central Asia,' *Pacific Affairs* 79:2 (Summer 2006). pp. 205-224.

Theoretical Considerations

Debunking (Neo)Realism and (Neo) Liberal Institutionalism

In order to fully comprehend the dynamics of the SCO and properly gauge its functions, raison d'être and prospects, it is important to provide the theoretical perspectives most in-tune with the organisation. Prior to doing so, it is important to debunk those theories which attempt, inaccurately, to capture the nuances of the SCO. This section is therefore devoted to revealing some shortcomings of (neo)realism and (neo)liberal institutionalism, as applied to the SCO, to pave the way for the English school-constructivist-(neo)functionalist theoretical marriage.

According to neorealism, the international environment is anarchic and the intentions of others too uncertain for states to cooperate for any enduring period of time. The fear that others will attempt to maximise relative gains is enough to discourage states from long-term cooperation, even for mutually beneficial rewards. In short, relations between states are always competitive. Waltz best described this concern:

> When faced with the possibility of cooperating for mutual gain, states that feel insecure must ask how the gain will be divided. They are compelled to ask not, 'Will both of us gain?' but 'Who will gain more?' If an expected gain is to be divided, say, in the ratio of two to one, one state may use its disproportionate gain to implement a policy intended to destroy the other. Even the prospect of large absolute gains for both parties does not elicit their cooperation so long as each fears how the other will use its increased capabilities ... The condition of insecurity … the uncertainty of each about the other's future intentions and actions … works against their cooperation.[24]

Neorealists believe that international politics is in a state of continuous conflict and competition, and suggest that regionalism may be advanced *only* to enhance national security in combined efforts of combating perceived threats and to maintain a balance of power; the only reprieve states have from conflict.

During the Cold War, Central Asia – being a part of the Soviet Union – lacked any specific threat other than the common threat posed by the West. In the post-Cold War period however, the security environment has undergone drastic changes and, at times, the perceptions and exogenous states' behaviour have significantly influenced the region. Despite such changes, the Central Asian states undertook to turn the 'Shanghai Five' into the SCO to improve regional security and better respond to shifting international dynamics. During

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[24]   Waltz, Kenneth, *Theory of International Politics* (United States: McGraw-Hill, 1979). p. 105.

this period, while neorealists anticipated instability due to the US-led involvement in Afghanistan and the wider Central Asian region, SCO members attempted to renew their shared interests by pushing for an increase in multilateral activities rooted in the organisation which has been self-reinforcing in the sense that regional security cooperation has led to the institutionalisation of regional relations.

In neorealism, conventional wisdom favours uni- or bipolarity which are perceived as inherently more stabilising than multipolarity. This logic is deeply flawed when explaining the SCO and Central Asian regionalism: the Central Asian members of the SCO hope, in security matters, to limit Russia's military presence, to counter China's influence, and balance the US's military presence in the area, whereas in its economic security dimension, opts for the widening and deepening of SCO integration into an Central Asian economic system. This may assist the individual states resist US pressures, and preserve the states' economic and national independence and 'China's geo-political, geo-economic and geo-strategic importance in the region.[25] Regarding Russia, Bhatty argues that 'Russia's interests in the fields of security, economy, and energy require a rapid reciprocal response from the Central Asian governments...'[26] In other words, all the parties involved are reliant on a degree of enduring political and diplomatic engagement.

Alternatively, neoliberal institutionalism, emphasise cooperation among states. Indeed, the SCO has attempted to enhance regional security cooperation through increasing the level of self-restraint. For example, the SCO sought to promote regional confidence and security-building measures (CSBMs) by reinforcing transparency and openness. As the primary interest of the states is in 'cooperation' between national states, neoliberal institutionalism seems to have relevance for the SCO in explaining the mechanisms of security, but it is limited in the context of SCO security regionalism. Unlike neoliberal institutionalists' argument of limiting sovereignty for increased cooperation, the SCO states are more interested in state-building by *strengthening* their sovereignty instead of limiting it. Indeed, the process of limiting sovereignty is better seen in the Collective Security Treaty Organisation (CSTO),[27] and not the SCO.

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[25] Chien-peng, Chung, 'The Shanghai Co-operation Organisation: China's Changing Influence in Central Asia,' *The China Quarterly*, no. 180 (December 2004). p. 992.

[26] Bhatty, Roj Sultan Khan, 'Russia: The Traditional Hegemon in Central Asia,' *Perceptions, Ministry of Foreign Affairs*, Istanbul, 2008 available at: <http://www.sam.gov.tr/perceptions/volume13/autumn/RojSultanKhanBhatty.pdf>

[27] Collective Security Treaty Organisation (from original Russian), available at: <http://odkb.gov.ru/start/index.htm> (Accessed 08 May 2010). The members of the CSTO are Armenia, Belorussia, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan. Uzbekistan was a signing party of CSTO in 1992, but in 1999 ended its participation in the activities of organisation, at the same it time expressing its desire to maintain membership. Georgia and Azerbaijan joined in 1993, but withdrew in 1999.

This claim, however, is also debatable as Essenov notes that 'the first clause prohibits all member states from forming military alliances with other non-CST countries and from taking any joint aggressive action (with any other group of states) against any CST signatory. In accordance with clause four, if any CST member state is threatened by another state or group of states, this will be seen as an act of aggression against all CST members.'[28] In other words, we may see that both institutions encourage the members to adhere to the basic principle of non-intervention and respect for each other's sovereignty. Neoliberal institutionalism's interest is rooted in building legal norms, coercive rules and material interests, but the SCO states are inclined to retain informal and non-legalistic norm-based rules. The framework of cooperation in the SCO represents a mixture between formal and informal (non-legalistic) methods of the 'Shanghai Spirit' and members do not necessarily push the organisation towards a legally binding security architecture.

Although the above section provided only a brief snap-shot of (neo)realism and (neo)liberal instituationalism's shortcomings, these are enough to debunk the central premises of such theories in an attempt to move beyond them and forge ahead with a new theoretical framework to understand the SCO.

Bringing in Constructivism

In criticising more traditional neorealist concepts as they apply to the security of Central Asia, Menon and Spruyt argue that 'the consequences of preponderance depend on the nature of the regime in the stronger power and the level of domestic stability in the weaker state.'[29] In other words, they argue that the traditional concept of security bears at least two serious deficiencies in capturing the transitory characteristic of security. First, it lacks perspective as it neglects the aspects of security that are rooted in the internal situation of a state. Second, with its focus primarily on material factors of security it pays only limited attention to the effects and role of such ideational factors (ideas, norms, and culture). With its tendency to bind all states within the structure of the international system, all other dynamics are left unexplainable as it sees the system as 'static.'

Contrarily, the constructivist perspective argues that it is very likely that the Central Asian regional identity, while the states are entangled in divisions across ethnic, linguistic and national identities, 'will remain a chimera and regionalisation in the narrowly defined the Central Asian region is unlikely to

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[28] Essenov, Murad, 'The Anti-Terrorist Campaign and the Regional Security System,' *The IISS Russian Regional Perspectives Journal for Foreign and Security Policy,* Issue 2. pp. 26–28.

[29] Rajan, Menon and Hendrik Spruyt, 'The Limits of Neorealism: Understanding Security in Central Asia,' *Review of International Studies*, 25:1 (January 1999). pp. 87–105.

move,'[30] but at least a regional 'collective identity' has been conceived of, with the SCO, as a process through which its members counter their fears.

In order for the SCO to construct a regional identity, it had to follow a path of multiple trials through interaction between Russia, China and the Central Asian states. Here we may see that a constructivist perspective of international relations opens up the possibilities of actors to consider international structures as historically evolved and flexible.

Security regionalism, focusing on the scope and extent of the English School's function explains the SCO mechanisms in the context of Central Asian security regionalisation. Emphasising the conceptualisation of security in a geopolitical context is difficult. It requires the development of specific theoretical approaches to regionalism in transitional terms. Here, the function of the English School helps in defining the effects and roles of ideational concepts and structures (ideological, ethnic and collective identities) where security regionalisation is constantly constructed and reconstructed. The post-Cold War Central Asian security complex,[31] represents a triple-layered system of three distinguished security mechanisms: first, the Commonwealth of Independent States (CIS)[32] – a loose agreement built on the vague notion of the members' intention to cooperate; second, the CSTO, which is a highly institutionalised form of cooperation between many states of the former USSR; and third, the SCO, which is primarily designed to manage security threats of new character.

Arguing for Cooperation

From the English school perspective there are multiple layers of security, which are produced as the result of security regionalisation and are at work in order to manage different types of security through the SCO. These are the drivers that have an incremental effect on regional integration. In the social aspect of the English school explanation, a set of drivers that has a diverse (incremental or detrimental) effect on the process of integration is a *complex of identities* (ethnic, ideological, group identities). One example of the explanations for setbacks is the *ambitions* that states might have in its pursuit of cooperation.

Constructivism helps identify aspects which other perspectives omit. The SCO, as an institution represents regional integration, which is expressed through states' membership in the organisation. Regional integration is

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[30] Bohr, p. 502.

[31] The security complex theory, explanations and definitions are drawn from multiple sources. See: Buzan, Barry, *People, States and Fear*, 2007 (ed), also Buzan, Barry, 'The Logic of Regional Security in the Post–Cold War World,' in Bjorn Hettne (et al) *The New Regionalism and the Future of Security and Development* (London, Macmillan, 1999-2000). pp. 1–5, 12.

[32] For the Commonwealth of Independent States website see: <http://cis.minsk.by/> (accessed 10 May 2010).

perceived as a process, it is not fixed. In other words it is constantly being transformed and retransformed by the member states. This is in sharp contrast to the fixed structural rigidity of realism and of institutional normativity (function) of an organisation.

Even constructivism, however, does not completely explain the complexity of identities. As Zehfuss explains, 'excluding the process of construction of the state as a bearer of the identity and of domestic processes of articulating state identity are part of the problem. This reduces identity to something negotiable between the states.'[33]

The functionalist approach explains that the process of integration starts in a limited functional area, security for the SCO. This *partial* cooperation gains momentum for integration into other areas called 'spill-over' by the neo-functionalist school. Political spillover is expressed in the creation of supranational governance structures; which for Central Asia, is found in the SCO. This integration becomes an inevitable process, rather than a desirable state of affairs, that could be introduced by the political or technocratic elites of the involved states' and on societal levels.

A Pivotal Point of Regionalisation – Sovereignty

On what theoretical ground may the 1) transitional nature of security, 2) identities and norms, and 3) the organisational function of the SCO, be bound together? The answer is simply sovereignty.

In the search for the connection between security and sovereignty in Central Asia, Kubichek argues that

> Ties between the states are along narrow functional lines, and any political spillover remains elusive. Perhaps, as some predict, if Central Asian states all become democratic, a consensus on basic questions can be found, leading to something akin to the European Union. This, however, remains a big 'if,' since there is little sign that democratic movements have much strength in most of these states. Moreover, this assumes that Central Asian states will be able to work out these problems on their own, in conditions of complete sovereignty. This, however, is not the case, since Russia casts a very long shadow over the region.[34]

Kubichek also points out that the security predicament of the Central Asian states has 'domestic, regional, and global dimensions.' Nonetheless, he argues that the primary dimension of security in the developing world is a 'domestic' one. That is, the security problematic of Central Asian states is much more

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[33] Zehfuss, Maja, *Constructivism in International Relations*, (Cambridge University Press, 2002). p. 89.
[34] Kubicek, pp. 637–655.

complex and 'is dependent upon outcomes on four different levels: domestic politics within Russia, relations between Russia and the other states, relations among the states themselves, and relations within the states between current elites and their challengers.'[35]

Security in post-Soviet Central Asia has been categorised in its functionality (politics, military, social) that may be identified with a wide range and dimensions on an internal (domestic), regional and extra-regional scopes.[36] Kubicek provides a useful insight by noting 'there are inherent tensions between the internal and external demands on Central Asian states.'[37] Allison defines dimensions of security which can be applied to the SCO's security mechanisms by stressing

> The weakness of security-related regionalism in Central Asia, except in forms relying on hegemonic sponsorship, reflects factors largely beyond the control of the local states: first, the legacy or presence of Russian regional hegemonic influence, which may or may not be displaced over time by the projection of US global hegemonic power into this theatre; second, the related phenomenon of the varied effects of the competitive engagement of major powers in the region; third, the exhausting demands on local states of seeking to consolidate national sovereignty in a peripheral zone in the world system. State capacity has been a crucial influence on the sustainability of regional projects. And aside from all these factors, a great deal still depends on the political commitment of state leaders to regional frameworks which rely on top-down security planning[38].

This analysis allows us to identify several levels: first, strong external influences define, and set security priorities on the regional and extra-regional levels; secondly, the strictly regional level, focusing on overlapping ethnic and territorial claims as well as natural resource management; and third, the domestic level, defined by internal issues such as clan and ethnic tensions, social arrangements between religious and civil groups and governments, demography and mass migration of more educated parts of the populace, the so-called 'brain-drain.'

Security in Central Asia should be understood in the context of interactions between the states of the region indicating that the member states of the SCO may considered as the primary actors in addressing any regional security problems, but since security concerns on the domestic, regional and extra-regional levels are highly interlinked, the interface of these connections is particularly important for understanding security practices of certain countries.

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[35] Ibid., p. 652.
[36] Bohr, p. 486.
[37] Kubicek, p. 653.
[38] Allison, p. 481.

Sajjadpour, for instance, suggests that

the greatest threats to Central Asian security are seen to be more internal … the painstaking process of nation building, the legitimacy crisis, rapid social and economic transformation, decolonisation, ethnic diversity, border disputes, and a catalogue of other issues are all sources of instability in the post-Soviet republics.[39]

In this context Allison notes that

regional structures in Central Asia have come to offer the role of 'protective integration' – a form of collective political solidarity with Russia against international political processes or agendas that are interpreted as challenging politically incumbent regimes and their leaders. This type of political 'bandwagoning' on the international stage is accompanied by an emphasis in domestic politics on the statist principle of 'constitutional order' and ideologies of national sovereignty.[40]

This notion is emphasised in the SCO Charter where member states, chose to confirm their sovereignty by committing themselves to the principles of the modern Westphalian state system, including 'mutual respect of sovereignty, independence, territorial integrity of States and inviolability of State borders, non-aggression, non-interference in internal affairs, non-use of force or threat of its use in international relations, seeking no unilateral military superiority in adjacent areas.'[41]

For the Central Asian regional leaders sovereignty

is not merely a feature of the search for national identity. It also characterizes their approach to political power more generally, which helps explain their disinclination to cooperate deeply on a regional basis, except as a form of mutual reinforcement of the political status quo. In essence these leaderships maintain centralized state institutions and focus on political control rather than political negotiation.[42]

Therefore, it is possible to conclude that regional arrangements, like the SCO, are sought by regional states to allow governments to increase their level of domestic and international legitimacy by pursuing and defending national sovereignty. Sovereignty must therefore be seen as an integral part of state security with a distinguishable 'legitimacy enhancement' function to stem 'three

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[39] Sajjadpour, p. 197.

[40] Allison, Roy, 'Virtual Regionalism, Regional Structures and Regime Security in Central Asia', *Central Asian Survey*, 27:2 (June 2008). p. 186.

[41] SCO Charter, Article 2, <http://www.sectsco.org/EN/show.asp?id=69> (accessed 10 May 2010).

[42] Allison, 'Virtual Regionalism,' pp. 185–202.

principal domestic challenges: creating a national identity, building effective political institutions, and coping with late economic development.'[43]

Although the state may be an insufficient promoter of security in Central Asia, it still remains the primary agent of security attributed to the choices consciously made by central decision-makers which creates the underlying conditions for defining regional cooperation.

It is important to note that with the hierarchy of the levels and their importance in regional security can vary from issue to issue, but it is critical to remember the domestic roots of the security issues that sprout up on the domestic level that may eventually play a crucial role in explaining the security mechanisms in Central Asia more broadly. These levels will be helpful in developing an analytical framework for thinking about security and regionalism together when addressing sources and solutions to the challenges facing Central Asia.

Conclusion

While states and interstate relations in Central Asia are important, the role of non-state actors should not be understated. This study has been limited to *modernist* type of constructivism that focuses on the state as the major actor which is shaped by inter- and intra-state. Noting the growing influence of new political actors such as non-governmental organisations (NGOs), religious groups and communities which fall outside of state-centric approaches, a group of new non-state actors, such as ethnic diasporas and tribes, business communities and criminal groups do add to the constant shaping and re-shaping of regional security and eventual security integration in Central Asia.

This article argued that the security structure in Central Asia may be studied through three levels (social, state and inter-state) and be explained in terms of the configurations between state capabilities, perceptions and institutions. For example, bringing the trade of natural resources under the umbrella of security in the SCO reflects the regional dynamics of economic relations among member states. Examples of this are seen in a combination of economic relations be it Russia and China, China and Uzbekistan, China and Kazakhstan (etc). This may help find a link between social forces – for example, Tajikistan's migrant labour force and the flows of Uzbekistan's or Kazakhstan's financial capital – in the region and the prevailing international order world order.

The argument of this work is based on Wendt's assertion that states 'structures shape actor's identities and interests, rather than their behaviour.'[44] Therefore, while evaluating the SCO (as a structure) in the context of security

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[43] Menon and Spruyt, p. 91.
[44] Wendt, Alexander, 'Constructing International Politics,' *International Security*, 20:1 (Summer 1995). pp. 71–81.

regionalism, it must be treated as having the capacity to affect and transform not only domestic, but also the regional and extra-regional environment through social interactions which are not fixed to the actors' rationality. The key positions in defining the organisational character of the SCO are given to non-material factors of the transitional nature of security; actors' identities and norms and not simply focusing on the organisation's charter.

To some extent the SCO is attempting to project itself as a new regional security community in Central Asia. The SCO seems to prefer the method of diplomatic consultations and negotiations as its main tools in resolving intra- and inter-state disputes. The challenges currently facing the region suggest a need to commit additional energies to reinforcing the SCO since intraregional and international socialisation have been minimal. Through promoting socialisation, such as UN engagement, regional groupings may find some advantages in addressing regional security problems, specifically in the cases of civil war (Tajikistan), Andizhan (Uzbekistan) or Osh (Kyrgyzstan).

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EU-Russian Economic Integration: Gridlocked by the Partnership and Cooperation Agreement?

Irina Valko

Abstract: *EU-Russian economic integration and the growing institutionalisation of bilateral relations is, partially, the way out of global recession. Due to political obstacles the pace of economic integration is rather slow. Unable to overcome the 'lowest common denominator' attitude towards each other, the EU and Russia are gridlocked by existing agreements. In times of global economic recession a new cooperation agreement is crucial for intensifying trade, which positively affects national welfare in both the EU and Russia. Probably the most significant factor promoting further deepening of economic integration is the position of business community for which further institutionalisation of the relationship is vital. There is no consensus on either the timeliness or the shape of a future agreement. However, research should continue to identify the potential of new forms of economic relations.*

Introduction

2010 seems to end under unfavourable economic conditions. The global economic crisis – so carefully denied by many political leaders in 2007 – is, at the end of 2010, still an unfortunate reality. Neither Russia nor the enlarged European Union (EU) is able to adequately cope with this truly global phenomenon. On one hand, after two consecutive quarters of contraction in 2008 the Eurozone, together with the United Kingdom, had fallen into a technical recession for the first time ever (EurActiv 2008). Even though in the end of 2009 Eurostat[1] reported that the GDPs for the 16 countries of the Eurozone grew by 0.4 percent from the second quarter, it was still 4.1 percent lower

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[1] The European Union's statistical agency.

than a year earlier (NY Times 2009). During the second quarter of 2010, GDPs increased by 1 percent in both the Euro Area (Eurozone[2]) and the EU27 (TradingEconomics 2010), however unemployment rate still hovers at around 10 percent (Eurostat 2010). On the other hand, the World Bank estimated that the fall in Russia's GDP growth rate from 6.5 percent in 2008 to just 3 percent in 2009, was due to a rapid deterioration in nearly every sector: the banking system, the real estate market, construction, the metallurgical sector and, of course, the price of oil (Business Week 2008). According to the annual report by the Organisation for Economic Cooperation and Development (OECD), the recovery is gaining momentum due to the rise in oil price since early 2009: the real growth of GDP is 5.5 percent in 2010 and it is estimated to be 5.1 percent in 2011 (OECD 2010).

The economies of EU members and Russia are interdependent: as of 2009 Russia is the EU's third main trading partner with the total turnover of almost €180 billion, while for Russia the EU is *the* main trading partner with €150 billion turnover (European Commission DG Trade 2010). Over the past decade two tendencies have emerged: first is an overall intensification of trade and the second is a growing trade deficit on the side of the EU. Such economic relations are framed by the Partnership and Cooperation Agreement (1997) which is, according to numerous scholars from both the EU and Russia, out of date. There is no consensus about the need for a new cooperation framework and the possible shape of a future agreement remains unclear. The spectrum of opinions is rather broad; while some scholars impugn the need for a new framework claiming that neither part is prepared for it (Barysch 2008, Blockmans 2008), others advocate its crucial importance for stimulating trade in times of global crises, and discuss the appropriateness of the various forms of a new agreement (Stent 2007, Emerson et al. 2006 and Fedyashin 2008).

In autumn 2008 – after several months of idleness in EU-Russian negotiations caused by the Georgian-Russian military conflict over the fate of South Ossetia – it was concluded in the Nice Summit (November 2008) that negotiations on a new cooperation agreement should be continued. Driven by different approaches to foreign trade, mercantilist (neorealist) Russia and liberal EU cannot reach consensus on the future shape of the agreement (see Balaam and Veseth 2008; Donaldson and Nogee 2005).

The main thesis of this work is that *in times of global economic recession a new cooperation agreement is crucial for further intensification of trade and positive development of the EU-Russian economic relations.* This idea is based on two assumptions. First, according to the classical Business Cycles Theory, depressions (or recessions) occur when there is not enough demand for all the

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[2]   A monetary union among 16 European Union member states that have adopted the euro as their sole official currency: Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia and Spain.

goods and services that an economy produces. Such falling demand is a normal part of so-called 'business cycle' (Caldwell and O'Driscoll 2007: 1). Mid-2007 was a 'peak' of the cycle after which the phase of actual recession started (Barrell and Davis 2008: 2). Second, classical reading of theories of foreign trade assumes positive outcomes of trade intensification on a national economy – welfare creation effect.[3] Consequently, trade intensification should be used to compensate for low demand caused by a global crisis. In order to justify the central claim of this work, the following questions should be answered:

1. Is EU-Russian integration gridlocked by the existing Partnership and Cooperation Agreement?

2. Is a new agreement inevitable in times of global economic recession?

3. Are there many realistic options on the future shape of the agreement?

Due to the complexity of the issue, the analysis of this work focuses exclusively on the economic side of EU-Russia relations. There are other limitations. First, this research treats EU members not as bilateral trading partners of Russia, but as a single trading actor: the EU.

The work is organised as follows. The first section explores the evolution of EU-Russian economic cooperation while the second section presents the latest bilateral trade results as influenced by the global economic recession. This is followed by the third section which deals with an integration gridlock created by the Partnership and Cooperation Agreement. The forth section justifies the idea that an integration *upgrade* is the way out of global recession and the fifth section examines the shape of a future agreement. Finally, section six summarises the key findings and offers direction for further research.

The Roots of EU-Russian Economic Cooperation

Even though the potential positive welfare effects of deepening economic integration between the EC/EU and the (then) USSR were known long before the 1990s (Viner and Meade's customs union theory, gravity models of international trade, etc.), political obstacles prevented such steps for more than half a century. This situation led to a lack of institutionalisation between the EC/EU and Soviet Council for Mutual Economic Assistance.[4]

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[3] Ricardo's theory of comparative advantage; Heckscher-Ohlin's general equilibrium model of international trade; Viner and Meade's models of custom union; Mundell's theory of optimal currency area; Baldwin's domino theory, gravity models of international trade by Ivanenko (2007) and Papanikos (2005) .

[4] Council for Mutual Economic Assistance, 1949-1991, the system of trade between Eastern Bloc participants: USSR (Azerbaijan, Armenia, Georgia, Estonia, Latvia, Lithuania, Russia, Belarus, Ukraine, Moldova, Kazakhstan, Uzbekistan, Turkmenistan, Kyrgyzstan, Tajikistan), its Socialist allies in CEE (Bulgaria, Czechoslovakia, East Germany (until 1990), Hungary, Poland, Romania), Mongolia and overseas allies (Cuba and Vietnam).

Indeed, official relations between the EC/EU and the Russian Soviet Federal Socialist Republic (RSFSR) could not emerge until Soviet leader, Mikhail Gorbachev, launched *perestroika* and *glasnost* – broad economic restructuring and the promotion of openness, transparency and freedom of information. It not only upgraded bilateral trade in quantitative terms, but also promised the USSR, and its allies, the ability to achieve the ambitious goal of integration into the global economy. The EC/EU, on the other hand, got the chance to ease the rigid bipolar international system and 'normalise' relations with the Soviets. A Joint Declaration on future cooperation between the EC/EU and USSR was signed in June 1988. According to the *Baltic Course* magazine, it was initiated by CMEA (Eteris 2004: 2). The following year a Trade and Cooperation Agreement between the EC/Euratom and the USSR was concluded for a 10-year period, a 'modest and prudent first step' in developing an economic and political relationship (Dinan 2005: 535). These arrangements did not last long, since both the USSR and CMEA ceased to exist in 1991.

Partnership and Cooperation Agreement (PCA)

In 1994, soon-after the beginning of its transformation process, Russia signed a ten-year Partnership and Cooperation Agreement with the EU. It entered into force in 1997 and established a legally-binding relationship between the counterparts. Practically, the PCA covered trade in goods and services; contained provisions on the movement of workers; prescribed the approximation of legislation; and encouraged parties to cooperate in several other policy areas (Blockmans (2008): 169). The main economic aims at the moment have been stated in the Article 1 of the agreement:

1. to provide an appropriate framework for the trustful dialogue and effective cooperation;
2. to foster sustainable development by promoting trade, investment and harmonious economic relations based on the principles of market economy;
3. to strengthen economic freedom;
4. to support Russia in transition to a market economy;
5. to create the necessary conditions for the future Free Trade Area (PCA 1997).

The existing agreement does not reach the level of a FTA so it should be treated as a preferential cooperation agreement (Cihelková 2007: 243). In order to realise the economic goals of cooperation, Russia was granted Most Favoured Nation (MFN) status as it was a WTO member (Hnát and Cihelková 2007: 53). Practically, it meant the conclusion of an interim agreement that removed some duties imposed by the EU on imports from Russia and granted better protection of intellectual property rights. At the same time, both parties

could use an 'emergency' clause in case of either quantitative or other kinds of *dumping* against domestic producers. It was especially relevant to sectors under competence of ESCS and Euratom. Therefore the main economic benefit from the PCA was the elimination of quantitative restrictions on imports originating from the former USSR (used, in fact, even before the collapse of the Soviet Union), and in establishing cooperative frameworks in specific areas – business and investments, services, capital, intellectual property, legislative and economic cooperation, research and development, technologies, education, energy, environment, transport, telecommunications etc. Even though the PCA is (relatively) highly prioritised in the system of external economic relations of the EU, it does not lead to a total elimination of tariffs, as it is in the case of Stabilisation and Association Agreements between the EU and Balkan countries (Cihelková 2003: 620). The PCA, in this sense, does not contain provisions about the liberalisation of the movement of goods, persons, services and capital (Arbatova 2006: 106). Besides, 'MNF status in recent years has almost become the lowest common denominator of preferences available from trading partners' (Brabant 1998: 1).

The PCA established the initial institutionalised framework of EU-Russian economic cooperation. First, the Summits of Heads of State/Heads of Government (twice a year) define the strategic direction for the development of EU-Russia relations. Second, the Cooperation Council allows ministers-in-charge to meet as often as necessary to discuss specific issues.[5] Councils are usually held with the participation of Foreign Ministers and Ministers of Justice and Home Affairs, Energy, Transport and the Environment. Third, a Parliamentary Cooperation Committee – consisting of representatives of both the European Parliament and the Russian Parliament (State Duma and the Council of the Federation) – allows members of both Parliaments to meet on a regular basis to exchange views on the actual economic situation. Fourth, senior officials and experts meet as often as needed to discuss technical aspects of cooperation (EC/EU 2007: 4-5). There are also regular meetings of Foreign Ministers, senior officials, Ambassadors and consultations on broader social issues, such as human rights protection. However, these frameworks are of a political agenda and rarely deal with economic issues.

Since the Council can only produce recommendations (that are legally non-binding), the development of the PCA regime was subject to additional agreements between the EU and Russia (Blockmans 2008: 169). These were sector agreements based on treaties of the EC and EURATOM. They first covered trade in textiles, but later extended to other areas such as steel, science and technology, nuclear safety and nuclear fusion, visa facilitation and readmission. Steel and textiles are the main sectors covered by bilateral trade agreements. They should end the day Russia becomes a member of the WTO.

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[5]   During the EU-Russia Summit (May 2003), it was decided to transform the Cooperation Council into the Permanent Partnership Council in order to create a stronger, more efficient and more transparent tool of cooperation management.

Another cooperation instrument was tested – a four-year Common Strategy of the EU on Russia, signed in Cologne in 1999. It aimed at consolidating democracy; promoting the rule of law, institutional reforms and integration of Russia into regional and global institutions; creating a secure and stable Europe; protecting environment and fighting criminality and illegal migration (Cihelková 2003: 626). However, this approach was treated by Russia as unilateral, and so Russia replied with a medium-term regional strategy.

Common Economic Space

At the St. Petersburg Summit in 2003, the parties agreed to reinforce economic cooperation by creating four Common Spaces on the basis of common values and shared interests.[6] This framework did not contradict the existing PCA, however it overtook the 1999 Common Strategy, the application of which was extended only once, until June 2004 (Blockmans 2008: 171). The Moscow Summit in May 2005 adopted Road Maps to act as short- and medium-term instruments for the implementation of the Common Spaces. Particularly, they aimed at expanding the ongoing cooperation; setting out further objectives; and determining the concrete realisation steps. The Common Spaces are, in fact, very similar to Action Plans of the European Neighborhood Policy[7] except for exclusion of Common Space of human rights and democracy.

The Common economic space was designed to establish an open and integrated market between the EU and Russia which would be based on the principles of non-discrimination, transparency and good governance, and which would reflect the ongoing business dialogue at EU-Russian Round Table of Industrialists.[8] The framework was intended to remove trade and investment barriers and, therefore, to promote competitiveness. Fourteen dialogues were launched on the issues that have been covered partially: regulatory policy (i.e. promoting the gradual approximation of legislation), financial services, telecommunications, transport, energy, space, nuclear safety, environment (implementation of Kyoto protocol), etc.

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[6] The EU-Russia Common Spaces are: Common Economic Space; Common Space of Freedom, Security and Justice; Common Space of External Security (including crisis management and non-proliferation); and Common Space of Research and Education (including cultural aspects).

[7] European Neighbourhood Policy (since 2004) is a cooperation framework by the EU dealing with the Middle East (Israel, The Palestinian Territories, Jordan, Syria, Lebanon, Libya), North Africa (Algeria, Egypt, Tunisia, Morocco) and former USSR (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine).

[8] The EU-Russia Industrialists' Round Table (since 1997) is a permanent international forum of the Russian and European business communities. It operates under the auspices of the European Commission (DG Enterprise and Industry) and the Russian Government (Governmental Commission of the Russian Federation on Economic Integration, Ministry of Industry and Energy – Minpromenergo; and Ministry of Economic Development - Mineconomrazvitiya).

Financial and Technical Assistance

It should not be omitted that the EU also provided regular financial and technical assistance to transitional Russia. It mainly aimed at implementing important reforms (legal system, nuclear security, financial sector, etc.). Financial aid was included as a part of the PCA (Title X, Articles 86-89). The main framework was Technical Assistance to the Commonwealth of Independent States (TACIS). It was realised through national action, regional, cross-border cooperation, and small projects programmes. Between 1991 and 1999 the EU granted Russia almost €1.3 billion (Cihelková 2003: 625). It functioned until 2006, and then it was incorporated into the European Neighbourhood and Partnership Instrument (ENPI). Surprisingly, 'Russia did not object to being included in an aid instrument otherwise solely geared towards ENP countries, despite its aversion to that policy' (Blockmans 2008: 178). According to the UK Permanent Representation to the EU, under this instrument Russia should receive almost €120 million between 2007 and 2013 (UKREP 2008). Since the beginning of transformation process, Russia had also been entitled to other sources of international aid such as, for example, the European Community Humanitarian Aid Office and European Initiative for Democracy and Human Rights.

Latest Trade Results

Despite of a rather slow pace of institutionalisation and until the beginning of global financial crisis in 2008, EU-Russian trade had been intensifying each year (see Table 1).

Table 1: The EU-27 – Russia Bilateral Trade (in billion EUR)

	2005	2006	2007	2008	2009
The EU-27: Trade with Russia					
Imports	112.591	140.890	144.527	173.617	115.392
Exports	56.696	72.308	89.106	105.153	65.598
Balance[9]	-55.895	-68.582	-55.421	-68.464	-49.794
Russia: Trade with the EU-27					
Imports	35.525	48.622	63.183	79.323	54.828
Exports	111.942	141.061	142.690	178.475	95.848
Balance	76.418	92.439	79.506	99.153	41.021

Source: European Commission, DG Trade, July 2010

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[9]   Total Trade Balance = Total Exports – Total Imports.

As of 2009, Russia became the EU's third major trading partner (after China and the US), with the amount of total bilateral trade[10] growing from €108 billion in 2003 to almost €280 billion in 2008, and falling to €180 billion in 2009. Between 2003 and 2009, the EU's imports from Russia grew from €70.6 to €115.4 billion, representing 7.9 percent share of total EU-27 imports. Except for the year 2009, the annual increase in imports was steady with the average growth rate of 19.4 percent. The EU's exports to Russia also grew constantly, from €37.2 billion in 2003 to €105.1 billion in 2008 with average annual rate of 24.4 percent, but in 2009 they fell to €65.6 billion. Russia is the EU's fourth largest export partner (after the United States, Switzerland, and China). Exports to Russia represent 6 percent of the total EU exports. As of the trade balance, it is significantly negative on the side of the EU. In 2003 it amounted to -€33.4 billion, while in 2006 it reached its minimum at -€68.6 billion, improved slightly in 2007 (-€55.9 billion), in 2008 it fell again to -€68.4 billion, and in 2009 it was -€49.8 billion (DG Trade, 2010).

The EU is the main trading partner of Russia. Its share in Russia's imports is as high as 47 percent, while trade with the EU constitutes 48 percent of Russia's exports. It should be noted here that in November 2002 the EU recognised Russian transformational efforts on the way to a functioning market economy by granting 'market economy status' to Russian exporters. Consequently, the EU's antidumping measures started to decrease and today they are not a major aspect in bilateral trade, as only 10 antidumping measures are currently in force. They represent less than half a percent of EU imports from Russia (EC/EU 2007: 5). Russian imports from the EU grew from €23.1 billion in 2003 to €79.3 billion in 2008 with the average annual growth of 40.4 percent; while in 2009, as a reflection to the crisis, they shrank to €54.8 billion. Russian exports to the EU grew from €61 billion in 2003 to €178.4 billion in 2008 (an average annual growth equal to 21 percent) and fell to €95.8 billion in 2009. Consequently, Russia has a strong positive trade balance with the EU, which grew from €37.8 billion in 2003 to €99 billion in 2008 and to €41 billion in 2009 (Ibid.).

In contrast, in 1993 the EU's imports from Russia accounted for 17.4 billion (ECU) (3.7 percent of total EU imports), making Russia the 6th largest import partner. Exports, on the other hand, reached 12.6 billion (ECU) (2.7 percent of total EU exports) – which placed Russia as the EU's 12th largest export partner (FiFo Ost 2008: 1). Therefore, before the conclusion of the PCA, trade between the parties was much less.

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10   Total Trade = Total Exports + Total Imports.

Table 2: The EU-27 Merchandise Trade with Russia, by product, 2009 (in billion EUR)

	Agri-cultural goods	Energy	Machinery and transport equipment	Iron and steel	Chemicals	Textiles and cloth
Import	2.047	89.228	1.160	2.995	3.075	0.57
Export	6.740	1.005	28.168	0.88	10.933	2.978
Balance	4.693	-88.223	27.008	-2.907	7.858	2.921

Source: European Commission, DG Trade, July 2010

Table 2 represents the commodity structure of bilateral trade. It seems that EU-27's imports are significantly dominated by energy products. As of 2009, they accounted for 77 percent of all EU's imports from Russia (€89.2 billion) and 21 percent of total EU imports. Other goods from Russia (agricultural, machinery and transport equipment including automotive products, chemicals, and textiles and cloth) are imported more than fifteen times less than energy. This is a primary cause of the significant negative trade balance on the side of the EU. At the same time, the EU exports a wide range of products to Russia. In 2009 the list was dominated by machinery items (43 percent of all exports to Russia), chemicals (16.7 percent), and agricultural products (10.3 percent). Sales grow on almost all merchandise products, but most rapidly in transport equipment, the automotive sector and chemicals. For example, exports of auto-mobiles to Russia grew more than three-fold between 2003 and 2008 (EC/EU 2009: 7). Even such heterogeneous structure of the EU's exports to Russia is not able to compensate for a significant negative balance of trade, which tends to expand over time.

The data on the EU's trade in services with Russia (excluding governmental services) indicates that European exports to Russia grows faster than imports: imports of services grew from €7.3 billion in 2004 to €10.8 billion in 2009, but exports grew from €9.3 billion in 2004 to €18.3 billion in 2009. Consequently, the balance of trade in services is positive at €7.5 billion (as of 2009). However, Russia's share of total EU imports accounts for only 2.6 percent and the EU's exports to Russia are just 3.9 percent of all foreign trade done by the EU. As of the EU-27 Foreign Direct Investments with Russia, the inflow is rather modest, since it was only €300 million in 2004, grew to €2.8 billion in 2005, fell to -€500 million in 2006, and grew to €3.1 billion in 2009. Simultaneously, the outflows increased from €6 billion in 2004 to €10.4 billion in 2006, but fell to -€1 billion in 2009, so the balance is negative on the side of the EU at -€4 billion (Ibid.).

It can be concluded that EU-Russian trade is dominated by several ten-dencies. First, there is a significant negative balance of trade in merchandise products on the side of the EU, dominated by energy products. Despite constant

growth, exports of EU-originated goods cannot compensate for such perform-ance. Trade in services is rather insignificant with a positive balance of the side of the EU. The same is true for the FDIs: the EU invests more into Russian economy than vice versa.

Partnership and Cooperation Agreement – Gridlock

Even though the original agreement was signed for a period of ten years, it did not cease to exist in 2007; it renews on an annual basis. Article 106 of the PCA reads

This Agreement is concluded for an initial period of 10 years. The Agree-ment shall be automatically renewed year by year provided that neither Party gives the other Party written notice of denunciation of the Agreement at least six months before it expires (PCA 1997).

Both sides understand the need for change, but the visions differ. Brussels wants a new agreement to provide a legal basis for developments in certain policy areas over the past decade (including such sensitive areas such as the energy sector) – a detailed, comprehensive text with wide-ranging legal obliga-tions, similar to the old PCA, or even going beyond it (Barysch 2008: 1). In contrast, Moscow claims that the existing framework was negotiated at the time when Russia was weak and confused, so the new agreement should reflect the reality of Russia's reemergence in the global economy. A simple agreement on tariff-free trade would require greater concessions on the Russian side, as EU tariff levels vis-à-vis Russia are much lower than Russian tariffs on imports from the EU (Ibid). Consequently, it wants a broad, basic agreement, primarily aimed at creating 'real equality' between the partners. The divergence of posi-tions between the EU and Russia was expressed by Bordachev, the head of the Center for European Research at the Higher School of Economics (Moscow) who noted that

Russia wants a short, businesslike document, which would spell out the economic rules of the game between Russia and the EU businesses and government bodies… Meanwhile, the EU wants a long and binding docu-ment, which would include chapters on values, human rights and various political obligations, which Russia should undertake if it wants to be a part of Europe (Babich 2008: 2).

Additionally, both parties understand the need to respond to the global recession. In July 2008 European and Russian officials held a first round of negotiations on the new agreement, but the military conflict between Georgia, South Ossetia and Russia in August of the same year resulted in a postponement

of the second round of negotiations by the EU. Even though the Nice Summit concluded that talks should be resumed and even appointed a chief negotiators (the Commission's Director General for external relations, Eneku Landaburu, and ambassador Chizhov on the Russian side), the dialog remained fragile (Cameron and Matta 2008: 13). By May 2010, nine full negotiating rounds took place (EU 2010: 1). The process is further prolonged by the fact that Russia has to implement a number of systemic legislative changes: it has to bring its regulatory system in line with WTO rules by the end of 2010,[11] and since January 1st 2010, the Customs Union between Russia, Kazakhstan and Belarus is enforced. Consequently, 'a lot of work still rests with Russia but the EU is ready to continue working closely together to this end' (EC/EU 2010: 1-2).

The Logic Behind Resuming the Status Quo

While Russia is clearly motivated about the need for a new cooperation framework, the EU member states do not share consensus on this issue. Moreover, there is a debate raging on the timeliness of a new agreement. Given the complex nature of EU-Russian relations, one can assume that it is better to continue using the existing framework. Among advocates of this approach belongs, for example, Barysch, a deputy director of the Centre for Economic Reform (London). The following logic can be applied: firstly, even though the initial agreement was concluded for a ten-year period (1997-2007), there is no legal requirement to conclude a new agreement. Under Article 106 the existing PCA continues automatically in the absence of any agreement to the contrary (Emerson et al. 2006: 3). Secondly, the 2004 and 2007 enlargements of the EU had been reflected in the existing PCA though the conclusion of two specific protocols that extended the application of the agreement to the new member states of the EU, in 2006 and 2007 respectively (Blockmans 2008: 170). Consequently, the agreement covers the EU-27, so none of trade participants is discriminated. Thirdly, even though PCA is out of date in some areas, it did not prevent the parties from moving into new dimensions of integration (for example, cooperation on justice and home affairs), launching new initiatives (Common Spaces), or setting up new institutions in order to make minister-level meetings more flexible (Barysch 2008: 1). This means the existing framework is flexible enough to accommodate the adjustments and so there is no immediate need to conclude any other agreement, given the complexity of the ratification process.

The realisation of a new agreement is particularly difficult for the EU. According to a Centre for European Policy Studies policy brief, the

> legal issues are particularly complex for comprehensive agreements that
> mix issues where the European Community has exclusive competence such

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[11] The EU strongly supports this timetable.

as for trade policy, other areas such as energy where the competences are shared between the European Community and member states, and other areas such as foreign and security policy where the formal competence lies mainly with the Union as such and the member states (Emerson et al. (2006): 4).

In other words**,** the institutional architecture of the EU is based on the principle of attributed competence; therefore every international agreement concluded by the EU must be grounded in one or more of the legal bases offered by the EU Treaties. Consequently, a future agreement must directly refer to the division of competences within the EU (EU-Russia Centre (2007): 6). Also, this could open a Pandora's Box on the debate on the foundation and scope of Community competences. The conclusion of a comprehensive agreement that would cover issues of four Common Spaces would require a multi-pillar approach by the EU, which would be the first example of its kind – clearly unrealistic to the proponents of this position, since the EU Treaties provide no clear guidance as to how such a multi-pillar agreement should be concluded (Ibid.). Russia, in contrast, tends to show a more consolidated approach – a consistent willingness of a new cooperation framework. In this sense it has a stronger negotiation position, expressed, for example, by Putin's comment that it 'is difficult for us to entertain a dialogue with the EU if it has no precise, clear structures and while Europe is still in the process of taking shape' (Stent 2007: 2).

Speaking more generally, the EU should first set up a clear common position on Russia and only then start negotiations on a new agreement. Since a common position seems unrealistic, even in the medium term (due to the heterogeneity of economic interests within the enlarged Union and numerous disagreements between the EU and Russia), further deepening of economic cooperation is gridlocked.

Integration Upgrade – The Way Out of Crisis?

Probably the most significant factor promoting closer economic integration between the EU and Russia is the current situation facing global markets. In times of global recession the EU definitely needs Russian markets for its goods and services. Russia, on the other hand, needs to continue being Europe's most important energy supplier. The system of global economic governance has significantly changed since 1997 and, combined with crisis pressures, institutional reorganisation of relations is inevitable. Stent,[12] for example, believes that the existing cooperation mechanisms have failed to create a productive and comfortable relationship (Stent 2007: 4). A policy brief by the Centre for

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[12] Angela Stent is Director of the Centre for Eurasian, Russian and East European Studies and a professor in the School of Foreign Service at Georgetown University (USA).

European Policy Studies summarises the popular position of proponents of a new cooperation framework (both researchers and policy-makers):

> the EU and Russia need an ordered relationship because they are ever-closer neighbors … their list of common concerns and interests is extremely long … the EU wants its big neighbor to be the friendly and reliable partner, both on concrete matters of which energy supplies is the most important, and on matters of political values for both internal and external affairs … Russia wants to confirm and deepen its presence and identity in modern Europe, but without being tied to the EU's all-entangling mass of legal and normative rules and regulations (Emerson et al. 2006: 11).

Another argument of the proponents of a new agreement is that the existing PCA is unable to solve many issues, mainly energy and Common Economic Space (in the sense of a potential free trade agreement). After the 22nd EU-Russia summit in Nice it became clear that energy is probably the most significant issue 'the wind in Nice smelled mostly of gas, with minor nuances of oil, coal and electricity' (Fedyashin 2008a: 1). The reason is in significant dependence of the EU on Russian energy supplies (30 percent of oil imports and 44 percent of natural gas imports come from Russia, the dependence of the EU's new members is, in some cases, as high as 90 percent), and there is no common position within the enlarged EU on how to deal with it (Ibid.). While there is still no common energy policy, trade is performed on a bilateral basis. As a result, several EU member states have concluded legally-binding contracts with Russia. That means that status quo is to last at least into the medium-term. The most obvious example is Germany's bilateral agreement with Russia on the establishment of the Nord Stream project[13] by 2011, which seems controversial to the economic interests of several other members of the EU (particularly Poland and the Baltic States). A few days prior to the Nice Summit, the Commission published its *Energy Security and Solidarity Action Plan* to secure sustainable energy supplies in the EU and deal with challenges that Europe will face between 2020 and 2050 (EU 2008: 1). This document clearly indicates the willingness to diversify energy supplies, mainly though the promotion of the Nabucco project[14] and resuming relations with alternative suppliers of energy resources, including former Soviet republics such as Turkmenistan. According to Fedyashin, this Action Plan is an indicative move: Europe needs a new PCA with Russia above all to regulate their energy relations, in particular the amount

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[13] The Nord Stream project is a planned natural gas pipeline from Vyborg (Russia) to Greifswald (Germany) by the company Nord Stream AG; estimated to cost €7.4 billion; to be completed by 2012.

[14] The Nabucco project (Southern Gas Corridor) is a planned natural gas pipeline from Erzurum (Turkey) to Baumgarten an der March (Austria) via Bulgaria, Romania, and Hungary by the Nabucco Gas Pipeline International GmbH; estimated to cost €7.9 billion; to be completed by 2014.

and terms of buying, shipping and marketing natural gas, oil and electricity (Fedyashin 2008a: 2). Since the existing PCA does not have such provisions, the status quo is not productive for the energy trade.

As of the Common Economic Space, there are real negative effects of using current PCA:

> the lack of clear-cut goal and solution in the current concept… [leads to] half-hearted compromises and exceptions rather than real integration. Since the goal is not there, there is no real motivation for Russia, for example, to harmonize its legislation with that of the European one … the vague Common European Economic Space concept allows both sides to continue indefinitely the diplomatic game pretending that the relations are in progress (Pursiainen 2004: 4).

Various barriers to free trade, together with heterogeneous regulations and standards, hamper the further increase in mutual trade values. Moreover, the fact that Russia is still not a member of the WTO (which is a general prerequisite for EU-Russia cooperation) renders the existing economic cooperation almost useless. One of the most obvious examples of the effects of such idleness is the semi-functional customs cooperation that produces the growing lines of vehicles on the Russian-Finnish and Russian-Polish borders.

Finally, deeper cooperation between the EU and Russia should also contribute to the much wider circumstances than actually covered by the potential agreement. The document signed by Javier Solana[15] indicated that 'the resumption of the talks with Russia is vital for settling the Middle Eastern conflict, the Iranian and North Korean nuclear problems, frozen European conflicts and for tackling terrorism, nuclear security, stability and the financial crisis' (Fedyashin 2008b: 1). In other words, without strong cooperation between the EU and Russia, the goals of both regional and global stability cannot be achieved.

Position of the Business Community

In contrast to a rather vague wording on elements of a future agreement by both Brussels and Moscow, the business community has developed concrete requirements for a new cooperation agreement that could reflect the realities of modern trade. These were expressed by the Joint Statement by the confederation of European Business and the Russian Union of Industrialists and Entrepreneurs in February 2008 which noted that

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[15] Javier Solana was the High Representative for the Common Foreign and Security Policy and the Secretary-General of both the Council of the EU and the Western European Union between 1999 and 2009.

> It is in the mutual interest of the EU and Russia to move toward a more integrated EU-Russia economic relationship based on WTO membership and equal partnership … [new agreement] should be based on economic criteria, on reciprocity and it should involve the broadest product coverage possible both in goods and services, and promote cross-border investments based on national treatment … commercial questions must remain at the centre of the negotiations (Business Europe 2008: 1).

All trade in goods should be liberalised in the spirit of WTO rules and without *a priori* exclusions. Non-tariff barriers should be tackled, namely export restrictions, taxes, subsidies regarding raw materials and such sensitive category as agricultural goods, customs-related barriers, and discriminatory product regulations with a standstill for all new barriers as of the start of negotiations. All sectors and modes of services should be covered (especially telecommunications and financial, professional, business, transport and express delivery services) and should be based on national treatment. As of strengthening intellectual property rights, signing up to all major international conventions, full commitment to protection for intellectual property rights, and robust enforcement regimes are a minimum requirement. Detailed legal and procedural reforms necessary to ensure that intellectual property is effectively protected should be provided. Cross-border investments require transparency (publication of all elements of the investment regime), national treatment and non-discrimination against foreign investors in any regulatory measures. In order to stimulate a free flow of cross-border investments, mechanisms supporting foreign direct investments should be introduced (including joint research programs). They should not undermine or conflict with existing bilateral investment treaties between Russia and the EU's member states. Transparent, predictable, proportionate and fact-based regulations and international approaches to standards are critical on the course towards regulatory convergence, with relevant competition policy elements included in the agreement. Notwithstanding the WTO, as the trade rule-making body par excellence, EU-Russian bilateral negotiations should also be a tool to ensure best practices in trade facilitation and bilateral customs cooperation. Finally, a new agreement should contain a binding and effective dispute settlement and mediation mechanism that could be directly accessed by both European and Russian companies (Business Europe 2008: 2-3).

It is a natural reaction of the business community to the fact that the existing PCA does not reflect modern economic realities. At the same time it is clearly understood that the goals mentioned above are not easily agreed upon by politicians as 'each set of issues should be considered within the appropriate framework and according to an established schedule … negotiations for an agreement on economic cooperation should be dealt separately from other considerations' (Ibid). A strategy which distinguishes between the economic

dimension of cooperation and other dimensions (political, security, etc.) is similar to the asymmetrical integration approach by the EC in the 1990s, when progress on the creation of the monetary union was differentiated from the political union formation (Cihelková and Jakš 2004: 23).

Given the relative success of this method in case of the EU (today there are already 16 members of the Economic and Monetary Union, while the political union is still under formation), the same principle should also apply to EU-Russian relations, since they are of a very complex nature and, therefore, cooperation is extremely volatile to political circumstances – the result of the political conflict between Russia and Georgia in August 2008 – the frozen negotiations on a new cooperation agreement. Following this reasoning it becomes clear why the negative list approach[16] is advocated for such areas as service and cross-border investments. It facilitates further integration through avoidance of conflicts over the classification of new service/investment sectors. Reduction of excluded areas is a matter of removing them from the schedule, which indisputably eases the cooperation.

Summarising the requirements of the new agreement by the *actual* actors of EU-Russian trade, it seems clear that relations are to be governed by WTO rules, so the accession of Russia into this organisation is crucial for business entities on both sides. At the same time, the bilateral nature of EU-Russian relations should not be underestimated, since the conclusion of such agreements proved to be less time consuming in comparison to multilateral ones. There is a clear need for a more flexible cooperation framework accompanied by enforceable regulations. The position of the business community is too idealistic, since it is driven exclusively by economic motivation. Politically, not all the ideas can survive (for example, a full liberalisation of the agricultural sector seems very problematic). Still, the position of the factual actors of international trade (i.e. transnational corporations) continues to be crucial, since any institutionalised cooperation aims at stimulating actual trade flows.

The Role of German Ostpolitik

Notwithstanding obstacles, there is a factor that does – or at least has potential to – promote the conclusion of a new EU-Russia agreement, namely the continuation of German *Ostpolitik*[17] – a product of history, geopolitics, and, increasingly, economics. Germany is Russia's most important political and trading partner in Europe and is the EU's engine for the EU's policy to

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[16] In an international agreement, negative list consists of those services to which the agreement will not apply, the commitment being to apply the agreement to everything else.

[17] German Ostpolitik is a term for the 'Change Through Rapprochement' policy (as advanced by Egon Bahr, 1963) – the efforts of Chancellor Willy Brandt (since 1969) to normalise his country's relations with East European nations, with special attention given to relations with Russia

Russia. Such a 'special' relationship can be followed, for example, in the close personal ties between Schroder and Putin which lead to the concept of a new German policy towards Russia – 'Change Through Engagement' – advocating a more intense engagement with Moscow and rejecting attempts to link close bilateral ties to changes in Russia's domestic policies. After Merkel became Chancellor in 2005, the relationship became more pragmatic: 'the daughter of a West German pastor who emigrated to GDR, Merkel grew up in East Germany, speaks Russian, experienced decades of Soviet occupation there and thus has more sceptical view of Russia than did her predecessor' (Stent 2007: 2). So the political dimension of integration tended to intensify. Nevertheless there was still much more continuity than change in German Ostpolitik. Germany is a rare member of the EU, which realises Russian aspirations in the post-Socialist space: not only it intensifies economic integration in order to stimulate bilateral trade, but it actually opposes the early membership of Georgia and Ukraine in NATO – a signal of predominance of economic mode of thinking.

The economic dimension of this 'Moscow-Berlin Vector' became visible during the conclusion of the agreement on the Nord Stream undersea gas pipeline that, in some sense, contradicted the objectives of the EU; fundamentally challenging the creation of a common energy policy. Consequently, strategic relations with Russia seem to be more important for Germany than the controversies within the enlarged EU produced by this approach (main tensions with Poland, Lithuania and Sweden). Since Germany is influential within the EU (see Dinan 2005 and Gillingham 2003), its pragmatic and positive position to Russia has resulted in a constant economic integration effort. Such a strong partner is indisputably beneficial for Russia when dealing with those EU member states which oppose the deepening of EU-Russian cooperation. At the same time, the bilateral approach of Germany towards Russia slows down the consolidation of a strategy on the Community level – a requirement for a future agreement to become a reality.

The Shape of a Future Agreement

Even though much of the analysis has been devoted to questioning the appropriateness of a new agreement, the agreement itself is usually ill-defined and simply labelled a 'new PCA.' At the same time, any new agreement should definitely differ from the existing one in order to, first, bring qualitative change into the relations and, second, survive a global economic recession. In 2006, the Centre for European Policy Studies summarised the most popular scenarios of post-2007 EU-Russian relations as raised by both European and Russian scholars.

Table 3: Six Scenarios for Future EU-Russian Relations

Scenario 1	**Retire the PCA without replacement by a new treaty** The PCA would be retired because it has not been so effective and has also become increasingly obsolete, and overtaken by subsequent initiatives. But it would not be replaced by a new treaty
Scenario 2	**Extend the status quo** The PCA would continue to live on, as provided automatically by Art. 106, alongside the continuing negotiation of operational sectoral agreements, each of which would follow its own timetable
Scenario 3	**Extend the status quo, adding a Political Declaration on Strategic Partnership** The previous scenario is retained, with the only difference that there is a Political Declaration adopted at summit level providing an updating of de facto system as it has emerged and continues to develop
Scenario 4	**Replace the PCA with a short Treaty of Strategic Partnership** A simple variant of the preceding scenario would turn the Political Declaration into a legally-binding Treaty and the PCA would be repealed
Scenario 5	**Replace the PCA with a comprehensive Treaty of Strategic Partnership** A comprehensive new treaty, replacing the PCA, would give binding form to the subject matter of the Four Common Spaces, including annexed protocols with various sector-specific agreements, and updated institutional provisions
Scenario 6	**A Treaty of Strategic Union** A short, but a very ambitious treaty, raising the level of mutual commitment to deep cooperation in the affairs of Europe to the highest possible level. This is signalled by the name – Treaty of Strategic Union

Source: Emerson et al. 2006, pp. 8–10.

Table 3 represents six possible solutions to the current gridlock in EU-Russian economic integration. Emerson, Tassinari, and Vahl (2006) evaluated each scenario in terms of the content and timing; and concluded that four of them are, in fact, unrealistic.

First, scrapping of the existing PCA without replacement is nonsense. Since Russia is still not a member of the WTO, the removal of the present legal basis is inefficient: that would risk signalling or being interpreted as a political rupture, especially taking into account the current uneasy atmosphere between the two parties. '[If] the agreement remains unchanged while relations are increasingly built on new parallel rules and regulations, it will become a burden on bilateral relations, causing irritation and disagreement, while pushing the sides back into the past' (Emerson et al. 2006: 8). Second, even if retaining the PCA as the political framework (according to Scenario 2) provides a common denominator to uphold a kind of 'peaceful coexistence' between the parties, the business agenda should be substantial, therefore it should be minimally politicised – that is not very realistic. The third scenario adds a Political Declaration to the strategic partnership of the EU-Russian relationship in the spirit

of the Declaration between the EU and India of 2003. However, the cases are too politically different: 'the EU and India seem to have got closer and faster to a viable and unambiguous model for formalizing their cooperation than has been the case between the EU and Russia' (Ibid.). The fourth scenario supposes identical substance to the previous one, but gives the top document the form of a treaty, rather than a political declaration. In legal terms it means the highest level of obligation and ratification process, which, keeping in mind the extension of the existing PCA to the 12 new EU member states was seriously influenced by pure political obstacles – is, again, not realistic.

The fifth scenario deserves more attention, because it is a more realistic attempt to upgrade the relationship in both qualitative and quantitative terms. Its main proponent, Arbatova[18] calls it an 'Advanced Partnership/Association Agreement' – a comprehensive treaty. As of the Common Economic Space, the following particular objectives should be established: the free movement of goods, services, persons, and capital; the development of compatible standards and regulations ensuring the implementation of the four freedoms and the equality of competitive conditions; the harmonisation of relevant legislation and close cooperation in other spheres of economic policy to the extent necessary for the effective functioning of the Common Economic Space. The section on the Common Economic Space should include a provision on the establishment of a timeframe for the full liberalisation of trade in goods within 10 to 12 years (Arbatova 2006: 108-109). However, such a comprehensive treaty would again involve lengthy negotiations to progress beyond the content of the PCA and the newer Four Common Spaces: 'The process has the hazard of having to bring so many sectoral negotiations to a point of maturity at the same time' (Emerson et al. 2006: 9).

Another Russian scholar, Bordachev, proposed a final scenario termed the 'Strategic Union Treaty' that would represent the creation of pan-European integration (to include the EU and Russia) and that is, according to Emerson, Tassinari and Vahl (2006), analogous to a certain extent with the French-German reconciliation (Emerson et al. 2006: 16). On the other hand, Russia's desires for a kind of transatlantic relationship,[19] in which relations would be based on reciprocal recognition without any bilateral, legally binding framework. However, both models, although interesting in the future, are not acceptable to the EU at present due to Brussels' perception that Russia does not fulfil economic (WTO membership and functioning market economy) and political (full democracy, rule of law, protection of human rights) standards to embrace such type of relationship (Ibid).

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[19] Transatlantic relationship refers to the historic, cultural, political, economic and social relations between countries on both side of the Atlantic Ocean – usually between the United States, Canada and the countries in Europe.

Conclusion

In times of global economic recession theories advocating the importance of international economic integration in stimulating trade (and, therefore, improving national welfare) become very relevant. Understanding the circumstances of economic cooperation between the EU and Russia is significant for understanding the rationale for new forms of economic relations. The topic should be further researched on the potential effects of various types of integration schemes on the amount of trade flows, whereas assumption that foreign trade creates national welfare should be supported by testing appropriate gravity models. The research of the effects of Russia's WTO accession on EU-Russian trade also deserves more attention.

Comparing the arguments of opponents and proponents of the next step in further economic integration between the EU and Russia, it can be concluded that even though negotiations would not be easy, they are inevitable. The weaknesses of the existing framework are numerous, while bilateral trade increases each year, even in times of a low aggregate demand. If the status quo resumes in the medium-term, the existing cooperation framework risks becoming a real obstacle to the development of harmonious economic relations between the enlarged EU and Russia – that is, according to classical theories of international trade, beneficial for neither side, especially in times of global economic recession.

Keeping in mind the strengths and weaknesses of each integration scenario offered by academics, it seems that the only possible or realistic model is based on negotiating multiple pragmatic and tangible sector-specific agreements, each adapted to the most appropriate timing and format. Even though a model Treaty of Strategic Union is an alluring option, geopolitical and economic attitudes of the EU and Russia are too divergent to make that happen in the short- or medium-term.

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ESDP Operations in the Democratic Republic of Congo:
A Realist Analysis

Adrien Jahier

Abstract: *Whereas most interpretations of European Security and Defence Policy (ESDP) operations are either normative or functionalist, this article argues that what motivated the European Union member-states to launch military operations in the Democratic Republic of the Congo is nothing less than a classic struggle for power in order to project power in Africa and counterbalance the United States. Therefore, realism and its theoretical offspring are relevant for analysing ESDP operations as they provide a convincing framework for understanding the motivations of the European Union to intervene in the Democratic Republic of the Congo.*

Introduction

The Democratic Republic of Congo (DRC) experienced one of the most terrible conflicts of recent memory, with the First and Second Congo Wars (1996–1997, 1998–2003). The International Rescue Committee (IRC) estimated that around 3.9 million Congolese have died since 1998, making the Second Congo War the world's deadliest conflict since the Second World War.[1] Such a dramatic situation in the DRC illustrates a Hobbesian world where, in the absence of a sovereign or central authority, the life of individual is 'solitary,

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[1] Simon Robinson, 'The Deadliest War in the World', *Time*, 28 May 2006, available at: <http://www.time.com/time/magazine/article/0,9171,1198921,00.html?iid=sphere-inline-sidebar>

poor, nasty, brutish, and short'[2] and 'kings […] because of their independence, are in continual jealousies, and in the state and posture of gladiators,'[3] leading to 'a war of all against all.'[4]

It is precisely into this Hobbesian world that the European Union (EU) launched two military operations, in 2003 and 2006 respectively. With regards to the first, *Operation Artemis*, the EU's joint action plan[5] stipulated the following aims:

1. to contribute to the stabilisation of the security conditions and the improvement of the humanitarian situation in Bunia,
2. to ensure the protection of the airport, the internally displaced persons in the camps in Bunia and, if the situation requires it, to contribute to the safety of the civilian population, United Nations personnel and the humanitarian presence in the town.[6]

In the second operation, *EUFOR RD Congo*, its joint action 'underlined the importance of elections as the foundation for the longer term restoration of peace and stability, national reconciliation and establishment of the rule of law in DRC.'[7] More generally, the EU 'supports the transition process in the DRC'[8] through its *EUFOR RD Congo* operation in the country.

At first sight, and as the above noted goals clearly highlight, the European Security and Defence Policy (ESDP) may be considered a 'normative' project; aiming to proliferate peaceful relations between political communities. Alternatively, the ESDP may be seen in a more functionalist light, symbolising one of the latest developments of European integration where states recognise common interests and call for collaboration in order to facilitate prosperity in regions where it is lacking. To some extent this is the common understanding

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[2] Thomas Hobbes, *Leviathan*, Chapter XIII, <http://www.leopoldwilson.info/library/authors/thomas_hobbes/leviathan/first/chapter13.html> (Accessed 24 May 2009).

[3] Ibid.

[4] Ibid.

[5] 'Joint action, which is a legal instrument under Title V of the Treaty on European Union (common foreign and security policy, CFSP), means coordinated action by the Member States where an assortment of resources (human resources, know-how, financing, equipment, etc.) are mobilised in order to attain specific objectives set by the Council, on the basis of general guidelines from the European Council.' European Glossary, Joint action (CFSP), see: <http://europa.eu/scadplus/glossary/joint_action_cfsp_en.htm>

[6] Adopted by the Council of the Joint Action on the European Union military operation in the Democratic Republic of Congo (DRC), 9957/03 (Presse 156), 05 June 2003, see: <http://ue.eu.int/>.

[7] Official Journal of the European Union, COUNCIL JOINT ACTION 2006/319/CFSP of 27 April 2006 on the European Union military operation in support of the United Nations Organisation Mission in the Democratic Republic of the Congo (MONUC) during the election process, see: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2006:116:0098:0101:EN:PDF>.

[8] Ibid.

of the ESDP operations in Africa. Being a relatively 'soft power,' the EU's ESDP missions to Africa contributed to the 'noble' project of the EU: to ensure humanitarian standards in one of the poorest and most violent parts of the world. The historical relationships between European powers and many such African states throughout the 19th and 20th centuries – during colonisation – produces a moral imperative for the EU to assist reconciliation and development efforts.

This work argues that such an understanding is largely superficial. While normative goals might motivate such projects as the ESDP, the importance given to that self-constructed paradigm is disproportionate. Indeed, what motivates the EU member-states to launch military operations in Africa is nothing else that a classical struggle for power in order to counterbalance the US. Indeed, realism and its theoretical offspring are more relevant to analysing ESDP operations as they provide a more convincing framework to answer the following question: what are the real motivations, intentions of the EU to intervene in the Democratic Republic of the Congo?

In order to answer this question, this work presents and assesses two case-studies: *Operation Artemis* (May-September 2003), the first European intervention outside its borders as well as the first mission independently conducted outside the NATO framework; and *EUFOR RD Congo* (July–November 2006). This work deploys realism as the theoretical tool most appropriate for understanding the EU's role and intentions and assumes that 1) the ESDP is a tool for the projection of EU power in Africa and 2) the ESDP is a means of counterbalancing the US, and to an extent, NATO. Finally, this work draws some conclusions about developing a theory of the ESDP.

ESDP Operations in Africa: an EU Tool to Project its Power in Africa

Realism offers a convincing analytical framework to understand the ESDP operations in Africa. Realism, and more precisely structural realism, understands military power (and its acquisition) as a key to unlocking international political relations. From this perspective, *Operation Artemis* and *EUFOR RD Congo* were operations designed to project EU (and its members') power in the DRC, through short-term cooperation, which was not, incidentally, as *deep* as it looked, and was rather based on the international relations objectives and national interests of the largest EU states, which also bore responsibility for operational management.

In a similar vein, for neorealism, states are primarily interested in their own security and should not be inclined to engage in interventions if such behaviour would not enhance their relative power and increase their relative security. But how can realism justify such an approach? Posen and Ross proposed an

interesting distinction between 'minimal' and 'maximal' realists[9]: whereas minimal realists such as Layne, Tucker, Ravenal, Buchanan, Bandow and Nordlinger argue that military intervention in any conflict in developing states should not occur at all, maximal realists Layne and Gilpin think that humanitarian military operations may offer an opportunity for the dominant state, such as the US, to demonstrate and assert its power.[10] One can draw a parallel with the EU which, while not *the* dominant power in current international relations, attempted to demonstrate its capabilities by conducting military operations in the DRC. From this perspective, the stated humanitarian ambitions were secondary to the power aggrandisement of the EU.

Furthermore, while those interventions may be analysed as a result of *deep* cooperation, this work contends that they did not produce long-term collaboration between EU members; both missions were short-lived and in line with the particular strategic and economic interests of larger EU states. For instance, France was appointed as the 'Framework Nation' and the Operational Headquarters was located at the Centre de Planification et de Conduit des Operation in Paris. Consequently, upon examination the scope, selected tools and strategic approaches to both Congo Wars were largely defined and executed by one dominant actor, France, which carved out a supervisory role for both missions with the aid of Germany and the UK. This leads one to question the particular strategic and economic interests of those EU states towards Africa in general and the DRC more specifically

Before embarking on a policy of military intervention, consensus between France and the UK towards Africa had already formed: at the St. Malo meeting between (then) French President Jacques Chirac, and (then) British Prime Minister Tony Blair, both of whom articulated the idea of promoting European values in Africa.[11] This sentiment was echoed in Cahors (France) when the UK and France agreed to cooperate to solve political crises in Africa, based on the 'profound historic link with Africa' (Chirac)[12] that France and the UK shared. At the Toucquet Summit (4 February 2003), both countries agreed on the necessity to carve out a leadership role for France and the UK in assisting the DRC develop a truly national army.[13]

Given the overwhelming French role in both operations, it is essential to explore French foreign policy and identify its strategic and economic interests so that a more in-depth understanding of the true intentions of those 'EU' missions may be seen.

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[9]   Catherine Gegout, 'Causes and Consequences of the EU's military intervention in the Democratic Republic of Congo: A Realist Explanation,' *European Foreign Affairs Review*, 10, 2005. p. 428.

[10] Ibid. p. 428.

[11] Ibid., p. 428.

[12] Ibid., p. 432.

[13] Ibid., p. 432.

It is commonly acknowledged that French foreign policy follows two main trends: on the one hand, a supranational, more normative approach to strengthen the EU; and, on the other hand, a more egoistic approach based on enhancing the role of France as a great international actor. Indeed, it seems that France used the EU as a means of pursue both European and its own national interests.

Before launching the European mission(s) to the DRC (2003), France was in the midst of preparing 'Operation Mamba.'[14] However, Chirac recognised the opportunity that a European mission may present for both France and the EU; that, following the transatlantic crisis which followed the military intervention in Iraq, *Operation Artemis* was an appropriate vehicle to show European unity (as opposed to transatlantic unity) and, in doing so, accumulate some international political gains. Thus, in a bid to reinforce a particularly 'European' approach to international crises, France was able to lead the EU to agreement over its first military intervention beyond its borders, enabling an enhanced self- and international perception. The second operation, *EUFOR RD Congo*, confirmed the EU gains achieved in *Artemis* and emerged as a new actor; moving beyond the role of fulfilling primarily economic or political functions, to accept military roles as well. As General Damay noted, that mission was a contribution to the concept of European army: 'I am very satisfied because I believe that we have a very well-functioning unit' […] 'Now we really have the beginning of a European army.'[15]

In addition to such wide EU interests, France has more specific self-interests. After the controversial French Operation Turquoise in Rwanda (1994), the country needed to restore its reputation in Africa through the implementation of a successful mission with official humanitarian goals. Furthermore, intervention under the European flag limited the risks of casualties to French troops, and reduced the possible negative repercussions in French public opinion polls. More generally, EU missions under French command is in line with France's relationship with Africa and the so-called 'Françafrique' where French interests are always represented and France has gone to great lengths; signing a multitude of economic, political and military oriented treaties with its former colonies and has therefore been able to maintain a significant role in many African states, and the conflicts they engage in, in order to assure continued influence. For instance, France continues to maintain a military presence of a few thousand soldiers in the Ivory Coast within the framework of *Operation Licorne* under the UN umbrella. While the DRC is not a former French colony but rather a Belgian one, France managed to extend its influence there. To some extent

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14   Kees Homan, 'Operation Artemis in the Democratic Republic of Congo,' in *European Commission: Faster and more united? The debate about EU's crisis response capacity*, Netherlands Institute for International Relations – Clingendael, May, 2007. p. 2. This document is available at: <http://www.clingendael.nl/publications/2007/20070531_cscp_chapter_homan.pdf>

15   Honor Mahony, 'General eyes 'European army' after Congo mission,' *EU Observer,* 01 December 2006, at: <http://euobserver.com/?aid=23005>.

both military interventions were a means for France to rekindle its traditional strategic interests with Africa, this time however, under the European flag.

France is not the only EU state to have tied its self-interests to the interests of the Union more generally. Germany, for example, has constructed an interest of building transparent and peaceful relations to its former adversaries through a common European defence policy which was designed to eliminate the unilateral use of military force. From a more realist perspective, one could argue that Germany's ambition is to undergo 'normalisation' in its international relations and may be attempting to maximise its own interests through EU institutions and security-related programmes. Indeed, the German-French alliance-in-opposition to US-led, UK-followed *Operation Iraqi Freedom* (2003) gave Germany self-confidence in the foreign policy realm, confirming that it has the capacity to publically oppose its US ally which has produced a general strengthening of its symbolic clout as an alternative to US leadership in the international political environment.

Returning to the premise of this work, it is clear that in order to project power in Africa, the EU needed to efficiently manage its material capabilities, and *Artemis* was the first occasion to do so. However, its performance was disappointing and *Artemis* revealed a gap between the rhetoric of EU intentions and the reality of EU capabilities. The EU showed poor long-distance communication skills and there were considerable shortages of vital transportation and airlift facilities required to conduct distant missions. Furthermore, *Artemis* showed the undeniable need to improve the interoperability of the European Armed forces as well as the coordination and data-sharing between operations' headquarters on the ground and Brussels.[16] The second attempt with *EUFOR RD Congo* was, by all accounts, more organised and effective. Even though the 'commanders of the mission were reluctant to give further details about the fighting, aircraft and intelligence capabilities at the disposal of EUFOR,'[17] the EU military operation seemed to have 'all means at its disposal, including helicopters and drones' to oversee the mission and respond at MONUC's request, if needed.[18] Therefore, in terms of material capabilities, an improvement characterises both missions which may be explained by the creation of the European Defence Agency (2004). Its ambition is to

> support the Member States and the Council in their effort to improve European defence capabilities in the field of crisis management and to sustain the European Security and Defence Policy as it stands now and develops in the future.[19]

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[16] Homan, p. 4.

[17] Ibid., p. 4.

[18] 'After the polls of 29 October, EUFOR resumes its patrols in Kinshasa city,' *Congo Planet*, 03 November 2006, at: <http://www.congoplanet.com/article.jsp?id=4526614>.

[19] The European Defence Agency, Background, <http://www.eda.europa.eu/genericitem. aspx?area=Background&id=122>.

While the missions to DRC allowed the EU, and some of its more egoistic members, to better gauge its material capabilities and recognise areas where improvements could be made, there was a gross exaggeration over the EU's intended goals and how its limited troop deployment could be used to achieve them. It should be remembered that the EU mission was only 3000 soldiers strong, and lasted for 4 months and may therefore been seen as negligible at best. Even though both cases are different and note that the EUFOR mission was a reinforcement of the existing MONUC (UN) mission, a quick comparison with Iraq, where over 142000 US troops were deployed is demonstrative of a more comprehensive intervention despite that, officially, both the Iraq and Congo mission focused on political stabilisation and democratisation.

Realism may again serve to explain the lack of material and military ambitions of the ESDP missions when compared to the US. Morgenthau once advised that one should '(n)ever bring yourself in a position from which cannot retreat without a loss of face and from which you cannot advance without undue risk.'[20] Both EU missions to the DRC were directed against a relatively weak (militarily) state where the chances of success were high. Indeed, in terms of its shortcomings and achievements, *EUFOR RD Congo* was relatively successful; the international community greeted the results of the first democratic elections in Congo, which elected Kabila as the new ruler of the country, with tremendous relief. The EU officially congratulated the (then) newly elected President Joseph Kabila;[21] and participation was high – 80% of the DRC's registered 25.7 million voters went to the polls.[22] To be certain, there were several violent incidents in the lead-up to, and actual election, though according to the Carter Centre delegation leader Joe Clark, 'Instances of disruption or attempted manipulation of the electoral process, while very serious in a few cases, appear at this point to be isolated and unlikely to affect the overall success of the vote … Polling stations were very well organized and electoral workers carried out their responsibilities competently and professionally.'[23]

With superficial, but satisfactory, collaboration to fulfil the self-interests of some of its members, the EU managed to project its power in the DRC. To fully comprehend why they did so entails a contextualisation of the EU, and

[20] 'Bernard Johnson's Interview with Hans J. Morgenthau,' in Kenneth Thompson and Robert J. Myers (eds.), *Truth and Tragedy: A Tribute to Hans J. Morgenthau*, New Brunswick: Transaction Books, 1984. p. 382.

[21] Helena Spongenberg, 'Solana calls Congo leaders to urge 'solidarity',' *EU Observer*, 17 November 2006, at: <http://euobserver.com/?aid=22896>.

[22] 'Landmark voter turnout in Congo elections,' *United Nations Development Programme*, (Newsroom Africa), 31 July 2006, available at: <http://content.undp.org/go/newsroom/2006/july/congo-elections-20060731.en?categoryID=349431&lang=en>.

[23] Nico Colombant, 'DRC Observers Seek Transparency in Vote Counting,' *VOA News*, *01 November 2006* available at: http://www.voanews.com/english/archive/2006-11/2006-11-01-voa38.cfm?CFID=135914824&CFTOKEN=85545413&jsessionid=de305745b9237321e322296a4a27c3a4b104.

its members,' behaviour in the post-cold war international system vis-à-vis a dominant US. Indeed, France, and to some extent Germany, had a broader vision of those missions in DRC. The following section argues that these states assessed the international system to be characteristically multipolar, where the ESDP was increasingly being utilised as a means to counterbalance the US and, in some ways, disrupt NATO.

A Means to Counterbalance the US and NATO

According to neorealism, the distribution of capabilities is fundamental to understanding the functioning of international politics. In an anarchic international system, states are units which 'are distinguished by a greater or lesser capability for performing similar tasks.'[24] Thus, the major feature of the distribution of capabilities throughout the Cold War was based on bipolarity: two blocs, one led by the US, the other led by the USSR, defined the international political system. The 1991 collapse of the USSR further empowered the US as the sole superpower, able to define the very contours of international relations. Given that balance-of-power theory argues that fundamental changes in international politics, notably the attempt by one state to dominate a region or the world, will lead to counter-balancing actions, this work claims that the ESDP operations in the DRC was a first-step for the EU, and notably France, to challenge and counterbalance US hegemony. Under French supervision, *Artemis* had been the first EU mission outside of NATO structures and EU intentions were based on demonstrating to the US its capacity of leading an independent mission of international significance.

Indeed, it is now abundantly clear that both the Clinton and George W. Bush administrations perceived ESDP initiatives with suspicion, lending further support to the claim that the EU was attempting to balance, even if softly, the US. This argument may be taken a step further and, upon reflection, it is logical that the US expressed a willingness increase the overt relationship between itself, NATO and the ESDP to streamline EU security initiatives and ensure that it maintains a dominant international position without having to explicitly oppose the construction of an EU army within the ESDP framework. Indeed, the Pentagon notes that the purpose of NATO cooperation with the EU ('Berlin Plus') is 'to prevent the creation of an EU counterpart to Supreme Headquarters Allied Powers Europe (SHAPE) and a separate 'EU' army …'[25] A US Congress report concluded that 'French officials have long argued that the EU should seek to counterbalance the United States on the

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[24] Kenneth N. Waltz, *Theory of International Politics*, New York: Random House, 1979. p. 97.
[25] Barry R. Posen, 'ESDP and the Structure of World Power,' *The International Spectator*, (1/2004). p. 11. This article is available at: <http://www.iai.it/pdf/articles/posen.pdf>.

international stage and view the ESDP as a vehicle for enhancing the EU's political credibility.'[26]

Former French Foreign Affairs Minister, Hubert Védrine (1997-2002), recognised the ambition of the EU to disentangle itself from US security structures and contends that 'Europe is the best answer to globalisation and the predominance of one single superpower – the United States.'[27] Under such conditions, both *Artemis* and *EUFOR RD Congo* were meant to challenge the US by creating a wide 'counter-coalition.' While France played a significant leadership role in both interventions it was not alone. On the contrary, many other European states, which often took their international relations preferences from long consultations with the US, contributed by sending their own soldiers. For instance, the Czech Republic, Hungary, Ireland, Poland, Slovakia and the UK materially and politically supported *EUFOR RD Congo*. Even though those states belong to the EU, their integration into an independent EU operation is highly symbolic since all, except Ireland, also belong to NATO. As a consequence, their participation undermined their common position about the importance and the utility of the US as the major power in the international system. Basically, they recognise that NATO is not the only military means to resolve problems around the world: the EU can also ensure such a role.

Such a behavior where secondary states decide to join a coalition which is weaker in comparison with a bigger one is perfectly illustrated by Waltz's analysis: 'Secondary states, if they are free to choose, flock to the weaker side; for it is the stronger side that threatens them. On the weaker side; they are both more appreciated and safer, provided, of course, that the coalition they joined achieves enough defensive or deterrent strength to dissuade adversaries from attacking.'[28]Aapplying this logic in its entirety to both ESDP operations in the DRC would be far-fetched. Indeed, the EU, the US, and their respective coalitions are not both involved in a direct or even latent conflict with each other. As mentioned previously, many European countries belong to both coalitions.

This behavior of some secondary states such as Czech Republic, Hungary, Poland or Slovakia which decided to militarily contribute to the EU mission, however, demonstrates the precision of Waltz's statement to the extent that they feel more appreciated and protected: being under the still small but growing European coalition might give them more visibility than they would have get under a US or NATO coalition. More visible, their contributions could only be more appreciated by the different members of the coalition and notably major states such as Germany and France. Thus, the fact that Central European countries like Hungary and the Czech Republic were enthusiastic for an EU

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[26] Sally McNamara, 'Executive Summary: Shaping the NATO-EU Relationship: What the U.S. Must Do,' *The Heritage Foundation*, 08 October 2008, see: <http://www.heritage.org/research/europe/bg2195es.cfm>.

[27] McNamara.

[28] Waltz. p. 127.

mission such as *Artemis* was not a coincidence at all: those countries officially became members of the EU only one year later. Their participation was somehow a rite of passage for the upcoming new EU member states. As Waltz says, 'the freedom of choice of any one state is limited by the actions of all the others'[29] and those Central European states could only join the coalition of their future regional association. Even more interesting is the case of Turkey, not a member of the EU, but one of the main contributors of *EUFOR RD CONGO*. One could easily argue that such a commitment to an intervention in the DRC illustrates Turkey's plan to get closer to the EU for future possible admission. In that context, Turkey could only put forward its good will and was constrained by its political ambitions to join the EU.

Besides, to belong to the EU coalition for such secondary states was safer than being a full member of a stronger coalition such as the US-led one. Indeed, since a weaker coalition can only have more modest military ambitions than the hegemonic one, its chances of success are higher as the relative success of the ESDP missions in the DRC demonstrates. Drawing a parallel with the involvement of the NATO and American coalitions respectively in Afghanistan and Iraq, shows that those stronger coalitions, which have more ambitious goals, led to the current situation, which put their contributors and therefore, some secondary states, in a more vulnerable situation.

More generally, once all those states integrated the EU coalition, the latter adopted balance-of-power behaviour where it contested the hegemony of the dominant power, i.e. the US, without an open military conflict between them. This may be analysed through the concept of 'soft balancing.' Vis-à-vis the absence of traditional balance-of-power state behaviours in the post-cold war period, Walt,[30] Joffe,[31] and Pape[32] articulated this concept which is defined by the latter as being 'actions that do not directly challenge preponderance but that use non-military tools to delay, frustrate, and undermine aggressive unilateral US military policies.'[33] Yet ESDP missions in general, and more particularly in the DRC, are nothing less than military missions. However, they are not openly targeted against the US. The consensus about the ESDP missions, from that perspective, is that 'soft balancing' is a consequence of structural conditions of

[29] Waltz, *Man, the State and War – A Theoretical Analysis*, New York, Columbia University Press, 1992. pp. 204, 209.

[30] Walt, 'Keeping the World 'Off Balance:' Self-Restraint and US Foreign Policy,' in Ikenberry (ed), *America Unrivaled: The Future of the Balance of Power*, Cornell University Press, Ithaca, NY (2002). pp. 121–154.

[31] Joffe, 'Defying History and Theory: The United States and the 'Last Remaining Superpower,' in Ikenberry (ed), *America Unrivalled: The Future of the Balance of Power*. pp. 155–180.

[32] Robert A. Pape, 'Soft Balancing against the United States,' *International Security* 30(1) (2005). p. 10.

[33] Ibid., pp. 7-45.

the unipolar system in which we live.[34] In addition to represent a better camp for some secondary states like Hungary or Slovakia, both *Artemis* and *EUFOR RD CONGO* resulted from the major characteristic of the international system which is, according to more recent realist scholarship, based on US unipolarity.

However, as both coalitions seem to distinguish themselves from each other, an argument could be made that the ESDP project is not so much about differentiating itself from NATO and the US in terms of their ultimate goals; it rather resembles similar struggles for power in international politics. From a neorealist perspective, this struggle –security competition – leads powers to imitate the successful projects of their opponents. Therefore, the ESDP's ambition may be nothing less than taking NATO responsibility in *its* management of international crises. NATO was a successful project which contributed, to a great extent, in preventing a direct confrontation between the USSR and US. Though it has been living an identity crisis since the end of the Cold War, it is still an efficient military tool that Europeans had to ask support from in order to effectively intervene in Operation Allied Force (Kosovo, 1999). The ESDP is still a political and military 'midget' beside NATO but the operations in Africa were a good opportunity to maximise or rather better oversee their material resources. One has to keep in mind that both France and the UK are the major military spenders in Europe, and fourth and fifth (respectively) in the world.

Thus, confident with their military victory, both missions allow the EU to adopt counterbalancing behaviour towards the US. This was made possible by the support of some secondary states, notably from Central Europe ones and Turkey, which had to demonstrate their commitment to the EU where they were obviously more appreciated and safer. Finally, the only real similarity between US and EU military operations is their common struggle for internationally recognised power.

Conclusion

Whereas realism, and its many theoretical off-spring have been frequently, and heavily criticised over the past decades – notably, for their lack of focus on state cooperation – this work examined a more nuanced understanding of realism, where the states of the EU cooperated as a single balancing entity, and sought to answer, with a degree of certainty, whether *EUFOR RD Congo* and *Artemis* were humanitarian/peace-keeping missions coordinated by a coalition of different states or if the nature of such military missions was, above all, realist in their focus and intent.

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[34] This is the position shared by Art, Posen and Jones. See Robert J. Art, (2005/6) 'Correspondence: Striking the Balance,' *International Security* 30(3). pp. 177–185; Poson (2006), 'European Union Security and Defence Policy: Response to Unipolarity?' *Security Studies*, 15(2). pp. 149–186; Jones (2007), *The Rise of European Security Cooperation*, New York: Cambridge University Press.

This article demonstrated that such superficial collaboration allowed the most powerful states of the coalition to fulfil their national interests while improving the management of their material capabilities in order to project power in Africa. Furthermore, it was also a tool of integration for the incoming EU member states, which contributed to a projection of power, easily assimilated to typical counterbalancing behaviour vis-à-vis the US; a sort of 'soft balancing' which results from the unipolar structure of the post-Cold War international system.

At present, the EU is neither a state nor an international organisation, yet this 'unidentified political object,' as depicted by Delors, may assume more realist behaviour as 'normal' states around the world often do. Beyond the official humanitarian goals, both *Artemis* and *EUFOR RD Congo* highlights that the EU pursues its member-states' interests with an open ambition to counterbalance the US. This behaviour, however, continues to be fairly infrequent as the EU does not have the military or political means to act aggressively and risk its real and functioning relationship with the US and therefore the EU tends to deploy 'soft' security tools as a rule. The danger is however, that the more politically aware the EU becomes in assuming international responsibilities the greater the chances of increasing tensions with the US and if the two operations in Congo are anything to go by, it seems that, as time goes on, the EU will emerge as a strategic rival to the US with all its consequences

National Minorities and Diasporas in Lithuania[1]

Hanna Vasilevich

Abstract: *Having evolved from a Soviet republic to an EU member-state, Lithuania is viewed as an established democracy. Officially Lithuania is considered a 'success story' in handling minority issues. This work analyses the scope of national minority rights in Lithuania and is based on the country's domestic legislation, international legal mechanisms which Lithuania is a party to as well as works of Lithuanian and international scholarship. The text reveals considerable shortcomings regarding the national minorities policies of Lithuania starting from ratification of the Charter for Minority and Regional Languages which ensures the protection of the rights of minorities on the Council of Europe level, along with bringing national legislation into conformity with the Council of Europe legal framework on this issue, and resolving the conflicts over name writing in official documentation, topographic names and education.*

Introduction

Within 13 years of gaining its independence (1991-2004), the Republic of Lithuania progressed from being a part of the totalitarian Soviet Union to a member state of the EU, which is viewed as a union of established European democracies. Lithuania declared itself an independent state from the Soviet Union when, on 11 March 1990 'members of the Supreme Council – Reconstituent Seimas (Parliament) of the Republic of Lithuania signed the Act of Restoration of Independent Lithuania.' However, Lithuania had to endure economic and military sanctions of the Soviet government, which unsuccessfully attempted to restore its control over the republic.[2] Recognition of Lithuanian independence came only in 1991; the

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[1] This research refines a previous exploration of the how Lithuania has dealt with national minority groups. For the original work see: National Minorities Policies in Lithuania: A Success Story? *Belarusian Review*, 21:4, 2009.

[2] *Eastern Europe and the Commonwealth of Independent States, 1999* , London: 1999 (annual). p. 492.

most crucial moment was 06 September 1991 when the Soviet Supreme Council 'formally acknowledged Lithuania's independence.'[3] This not only produced similar actions by of other states, it opened Lithuania doors to accession to the major international organisations such as the UN and Organisation for Security and Cooperation in Europe (OSCE).[4] On 10 September 1991 Lithuania became a party to the OSCE, and a week later joined the UN. Hence, from then on we may speak about Lithuania as a full-fledge independent player on the international level which acts in its own, sovereign and legal capacity. For further analysis it is important to note that on 14 May 1993, Lithuania joined the Council of Europe,[5] an organisation under whose auspices the major European documents on the protection of national minorities are concluded.

A Portrait of Lithuanian Society

Ethnic Division of Lithuania in Numbers

Before delving into the main arguments developed in this article, which deal with the question of national minorities, it is essential to first illustrate the ethnic division of the Lithuanian society which will be made on the base of two tables. The first one contains numerical data on the total number of Lithuania's population as well as on the sum-total of the four largest ethnic groups: Lithuanians, Poles, Russians and Belarusians.[6] The second table provides each group's percentage in Lithuanian society. The data includes the results of the Soviet censuses of 1979 and 1989, Lithuania's census of 2001 and data of the Statistics Lithuania for 2009.

Table 1: Lithuania's population distribution in numbers (in thous.)[7]

Ethnicity	1979	1989	2001	2009
Lithuanians	2 712.2	2 924.3	2 907.3	2 815.7
Poles	247.0	258.0	235.0	205.5
Russians	303.5	344.5	219.8	165.1
Belarusians	57.6	63.2	42.9	36.1
Total population	3 391.5	3 674.8	3 484.0	3 349.9

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[3]   Ibid.

[4]   At that time called the Conference on Security and Cooperation in Europe.

[5]   Council of Europe in Brief – Member states and maps, at: <http://www.coe.int/aboutCoe/index.asp?page=47pays1europe&l=en>.

[6]   Other ethnic groups which are distinguished by Statistics Lithuania are Ukrainians, Jews, Latvians, Tatars, Germans and Roma. Each of them, with the exception of Ukrainians (0.6 %), constitutes no more than 0.1% of the country's total population.

[7]   See: <http://www.stat.gov.lt/en/ > Statistics (databases), Statistical indicators, Population and social statistics, M 3010215: population by ethnicity.

Table 2: Lithuania's population ethnic distribution in per cent

Ethnicity	1979	1989	2001	2009
Lithuanians	80.0	79.6	83.5	84.0
Poles	7.3	7.0	6.7	6.1
Russians	8.9	9.4	6.3	4.9
Belarusians	1.7	1.7	1.2	1.1
All ethnic minorities together	20.0	20,4	16.5	16.0

From these two tables we may underline the following tendencies that took place in Lithuania between gaining its independence until now:

1. The total population of Lithuania decreased,
2. The population in each of the four biggest ethnic groups of Lithuania decreased,
3. The percentage of ethnic Lithuanians increased,
4. The percentage of each of the three biggest national minorities decreased.

Nevertheless, despite decreasing in absolute and relative numbers the minorities remain a significant part of the Lithuania's society.

The Uniqueness of Lithuania's Situation

Contrary to other Baltic states – Estonia and Latvia – Lithuania's society was (and still is) 'one of the more ethnically homogenous post-Soviet states.'[8] Lithuania is an example of the 'unipolar ethnic structure' in which 'one ethnicity is overwhelmingly dominant.'[9] However, this unipolarity is not the case of Vilnius County (Lithuanian: *Vilniaus apskritis*) which is home to significant numbers of Poles, Russians and Belarusians. In the Vilnius and Salcininkai district municipalities, as well as in the town of Visaginas (which has special status), Lithuanians are actually in the minority (22, 10 and 15 percent respectively).[10] Therefore, South-Eastern Lithuania was the region where 'aggravated tensions between various national groups and the majority Lithuanian population'[11] was heightened. During the struggle of Lithuania to gain

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[8] Budryte D., Pilinkaite-Sotirovic V. Lithuania: progressive legislation without popular support. pp 151–165, in Rechel B (ed.) *Minority Rights in Central and Eastern Europe* (London, 2008). p. 151.

[9] Bangura, Y. 'Ethnic Inequalities in the Public Sector: A Comparative Analysis,' *Development and Change*, 37:2, 2006. pp. 302, 306.

[10] Budryte, p. 152.

[11] Lopata, R. '*National Question in Lithuania: Acculturation, Integration or Separateness?' NATO Research Fellowship Programme, 1996–1998, June 1998, at:* <http://www.nato.int/acad/fellow/96-98/lopata.pdf>. p. 38.

its independence from the Soviet Union, and early years after this goal had been achieved, these tensions drew close attention from officials in Minsk, Moscow and Warsaw and could potentially have cost Lithuania its territorial integrity.[12] However, 'Lithuania has managed to hinder preclude the emergence of any considerable ethno-political conflict' and in Lopata's view, contrary to other Baltic states, 'Lithuania does not suffer from national problems of any considerable character.'[13]

Lopata considers Lithuania's as a success story for accommodating minorities. In further sections of this work a description of the national minorities situation facing Lithuania will be undertaken, from a legal perspective, to better account for whether Lithuania may rightly be called a success story. Additionally, this work examines the scope of rights and privileges which minorities may enjoy, as well as restrictions (if any) which are applicable to minorities.

Lithuanian Legal Framework with the Emphasises on National Minorities

Constitution of Lithuania on Minorities' Issue

The Constitution of Lithuania is the principle legal document for the country and 'any law or other act, which is contrary to the Constitution, shall be invalid' (art. 7). However, the Lithuanian Constitution does not have provisions which specifically apply to the country's national minorities.[14] Those articles which concern national minorities 'are of mostly general, however imperative character.'[15]

These general imperative provisions mean that they apply to all the citizens of Lithuanian regardless of their ethnicity. In fact, being regarded as 'an integral and directly applicable act' the Constitution guarantees equality of persons before the law (Art. 6). Human rights and freedoms are proclaimed as 'innate' (Art. 18) whereas 'freedom of thought, conscience and religion shall not be restricted' (Art. 26). Equality of every person before the law, the court, and other State institutions and officials is secured by Article 29 which also ensures that factors such as gender, race, nationality, language, origin, social status, belief, convictions, or views neither give privileges nor cause restrictions.

Article 10 of the Constitution prescribes that the territory of Lithuania 'shall be integral and shall not be divided into any State-like formation.' First, this implies that Lithuania is a unitary state where all its parts enjoy the same

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[12] See for instance: Burant, S. 'Belarus and the 'Byelorussian Irredenta,' *Lithuania, Nationalities Papers*, 25:4, 1997. p. 643.
[13] Lopata, p. 2.
[14] Ibid., p. 20.
[15] Ibid., p. 20.

rights and have the same obligations. Second, it legally excludes any possibility to establish national or territorially autonomous units within the territory of Lithuania. Therefore, areas where minorities constitute a majority are not allowed to any form of political autonomy.

There are only two articles in Lithuania's Constitution which directly refer to 'ethnic communities.' Art. 37 secures that minorities shall 'foster their language, culture and customs' as well as 'independently manage the affairs of their ethnic culture, education, charity, and mutual assistance' (art. 45) which, however, shall be supported by the State.

Despite the lack of a comprehensive definition of what constitutes an 'ethnic community' in the Constitution, three distinctions are clear: language, culture and customs. However, in order to enjoy these rights prescribed by the Constitution, Lithuanian citizenship is required. Thus, only a citizen of Lithuania may be considered a part of any national minority and accordingly national minorities in Lithuania consist only of Lithuanian citizens.

Council of Europe Minority Protection Framework and Lithuania

Lithuania participates in most international conventions related to human rights protection mechanisms in general, and national minorities' rights in particular. Three such conventions of the Council of Europe are explored vis-a-vis the role of Lithuania: 1) the Framework Convention for the Protection of National Minorities, 2) the Charter for Minority and Regional Languages, and 3) the Charter for Local Governments.

Lithuania was one of the first countries to sign the Framework Convention for the Protection of National Minorities on 01 February 1995. However, it was ratified by Lithuania only on 23 March 2000 and entered force on 01 July the same year. Lithuania did not hold any reservations, or produce any declarations or other communications which implies that this document is accepted as concerning all ethnic groups in the country. In other words, any provision of this Framework Convention shall be applicable in Lithuania as well as Lithuanian legislation shall be brought into conformity with the provisions of this document.

The situation with the Charter for Minority and Regional Languages is completely different. Lithuania 'for some reason'[16] neither signed, nor ratified this document. Lopata referred to the Recommendation of the Parliamentary Assembly of the Council of Europe which stated that in Lithuania 'the right to use national minority languages is legally secured, in accordance with the principles of the European Charter for Regional or Minority Languages.'[17]

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[16] 'National minorities in Lithuania and Estonia,' see: <http://www.mercator-research.eu/research-projects/endangered-languages/national-minorities-in-lithuania>.

[17] Lopata, p. 18.

However, since this document is not even signed, it may be assumed that it is rather for national legislator to decide whether provisions of the domestic legislation should comply with the provisions of the Charter. Therefore, there is no protection for minority languages in Lithuania at the Council of Europe level; domestic law regulates the issue.

The European Charter for Local Governments was signed by Lithuania on 27 November 1996 and was ratified on 22 June 1999.[18] One of the main provisions of this document guarantees national minorities in Lithuania the rights to use signs in their native language. On the one hand, this issue partly compensates the lack of ratification of the Charter for Regional and Minority Languages. On the other hand however, it contradicts Lithuanian Language Law which will be described below. Hence, we refer to the country's national legislation.

Lithuanian Domestic Law Regarding National Minorities

Lithuania was the first country in among Central and East European states which passed a Law on National (Ethnic) Minorities (1989, amended in 1991).[19] This document declared the right to foster their language and guarantees that their language shall be respected, including the right to establish cultural and educational organisations. Additionally, the right of national minorities to receive state support for fostering their national culture, education and access to information is guaranteed.

Lithuanian legislation, however, does not contain any definition of the concept of a national minority[20] but the country's domestic legislation does, stating that 'the number of population and their compact residence' are key factors when the group may be granted with the rights 'to protect and promote the language, religion, culture and traditions' on condition of possessing Lithuanian citizenship.[21]

In fact, Lithuanian legislation on national minorities may be described on the base of three factors:

1. Citizenship,
2. Educational policies,
3. Cultural and Language rights.

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[18] Chart of signatures and ratifications of European Charter of Local Self-Government CETS No. 122, at: <http://conventions.coe.int/Treaty/Commun/ChercheSig.asp?NT=122&CM=8&DF=8/1/2006&CL=ENG>.

[19] Cultural minorities, groups and communities in Lithuania, Council of Europe/ERICarts, 'Compendium of Cultural Policies and Trends in Europe, 10th edition,' 2009, at: <http://www.culturalpolicies.net/web/lithuania.php?aid=421>.

[20] Lithuania, the Euromosaic study, at: <http://ec.europa.eu/education/languages/archive/languages/langmin/euromosaic/lith_en.pdf.> p. 4.

[21] Lopata, p. 25.

Citizenship Factor

Questions of citizenship have existed since the early 1990s. The Law on Citizenship adopted by the Supreme Council of the Lithuanian SSR on 03 November 1989 prescribed that those persons who possessed citizenship of interwar Lithuania[22] as well as their descendants are considered 'the body of citizens.' For all other permanent citizens of the Lithuanian SSR (with the exception of personnel in the Soviet army and security services) a 'zero-option' was introduced which meant that 'all people who lived in Lithuania at that time could choose to gain Lithuanian citizenship freely, without any restrictions or additional requirements.'[23] This decision made Lithuania unique amongst the other Baltic States where citizenship issues remain unsolved, even today. The explanation of this uniqueness is best understood through different policies of the Soviet authorities towards Lithuania on the one hand and Estonia, Latvia and even Belarus on the other hand – Soviet industrialisation meant for Tallinn, Riga or Minsk massive migration of the labour force from all over the Soviet Union whereas Vilnius faced migration of predominantly ethnic Lithuanians from other parts of the Lithuanian SSR.[24] The effectiveness of the zero-option may be seen by the fact that 'about 90% of the permanent residents opted for citizenship during this time.'[25]

National Minorities and Education

As mentioned above, Art. 45 of the Constitution of Lithuania as well as the Law on National Minorities provides minorities with the right to independently manage their education. The Law of Education (1991, amended in 2003) prescribes that 'if national minorities necessitate and request, they may have pre-schools, schools and classes in the mother tongue in their densely populated districts' (Art. 12). However, the Lithuanian language is a compulsory subject, and if the language of instruction is not Lithuanian, Lithuania language and literature must be taught in Lithuanian. It is parents who decide on the language of instruction for their children in pre-school and elementary schools. As of 2000 the 'total number of schools in the Republic of Lithuania reached 2246: the number of Polish schools was 74, Russian schools 68, Belarusian schools 1, and 72 combined schools.'[26]

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[22] Interwar Lithuania (1918–1940) was independent and only became part of the Soviet Union on 03 August 1940.

[23] Volovoj, V. 'National Minorities in Lithuania,' in Ildikó Haraszti and Kálmán Petőcz (eds), *Ethnic Stability – Ethnic Changes: Participation of Minorities in the Decision-Making Process*, International Workshops Series on Effective Political, Economic, Social and Cultural Participation of Minorities, Forum Minority Research Institute, Šamorín, 2008, at: <www.foruminst.sk.>. p. 1.

[24] See: Snyder, T, *The Reconstruction of Nations: Poland, Ukraine, Belarus, 1569-1999* (New Haven and London, 2003). pp. 90–104.

[25] Lopata, p. 18.

[26] Motuzas, R, 'Education of National Minorities in Lithuania' *Lithuanian Foreign Policy Review*, 7/2001. pp. 10–11.

However, the situation is more complicated than it may seem. First, no school in Lithuania is considered Polish, Russian or Belarusian. Any school where instruction is conducted in a minority language is still considered Lithuanian. Second, no textbooks printed in Belarus, Poland or Russia are allowed to be used in Lithuanian schools. This means that only those textbooks which are approved and published under the auspices of the Lithuanian authorities may be used. In practice this means that differences between educational programmes between schools of national minorities and ordinary schools in Lithuania is reducible only to language of instruction. Moreover, schools of national minorities use the same curricula which are used by ordinary Lithuanian schools, only issues related to minorities' culture, language and traditions are added. Additionally, a lack of specialists with knowledge of minority languages leads to a situation where more and more teachers, without knowledge of respective languages, work in minorities' schools and pupils have to study in Lithuanian.[27] 'Now there is an official project accordingly to which 70% of subjects in higher classes of the schools of national minorities would have to be taught in Lithuanian' but it could hardly be considered as a convincing argument as Lithuanian is a compulsory subject at schools and 'all school-leavers of the national minorities speak Lithuanian very good anyway.'[28]

Cultural and Language Rights in Lithuania

The Constitution of Lithuania and Law on National Minorities creates favourable conditions for the development of cultures of national minorities. On the other hand, Lithuanian authorities try to integrate minorities into Lithuanian society. In 2004 for instance, the Government of Lithuania approved the *Programme of Integration of National Minorities into Society for the years 2005–2010, which is focused on three main objectives:*

1. integration of national minorities into Lithuanian social, cultural, economical life;
2. preservation of the ethnic identity of minorities; and
3. development of coherent relationships among minorities.[29]

Different state institutions, such as the Ministry of Culture, the Ministry of Education and Science State Departments and the National Radio and Television participate in the implementation of the programme. Additionally, the Lithuanian state supports cultural institutions which play important role for the minorities' culture.[30]

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[27] Volovoj, 'National Minorities in Lithuania.' p. 1.
[28] Ibid. p. 1.
[29] 'Cultural Minorities, Groups and Communities in Lithuania.'
[30] Among these institutions are, for instance, Russian Drama Theatre of Lithuania and the Vilnius Gaon Jewish State Museum of Lithuania.

Hence, if minorities may be satisfied with the development of their culture, the issue of the use of minorities' language is the most controversial. Since Lithuania did not ratified the European Charter for Minority and Regional Languages, the influence of international law in the language sphere is limited and thus language policy in Lithuania is the subject of the national law. The Constitution proclaims Lithuanian as the state language (Art. 14) and according to the Law on State Language, all personal names, names of companies and organisations; names of goods and services provided in Lithuania must be in the state language. The Law on State Language also provided that 'the Law shall not regulate unofficial communication of the population and the language of events of religious communities as well as persons, belonging to ethnic communities.' This implies that minority languages are used in public life, but official usage is strictly limited. These limits may be seen on the basis of two examples:

1. personal names, and

2. street signs in minority languages.

The Supreme Council of the Republic of Lithuania Resolution 31 January 1991 'On Writing of Names and Family Names in Passports of Citizens of the Republic of Lithuania' prescribes that 'in passports, the names and family names of citizens of the Republic of Lithuania who are of Lithuanian and non-Lithuanian nationality shall be written in Lithuanian letters.' Representatives of national minorities are not allowed to officially write their names as the grammar rules of their mother tongue require (compare: Lithuanian *Valdemar Tomaševski* vs. Polish *Waldemar Tomaszewski*). The Constitutional Court of Lithuania, in its ruling 'On the compliance of the 31 January 1991 Supreme Council of the Republic of Lithuania Resolution 'On Writing of Names and Family Names in Passports of Citizens of the Republic of Lithuania' with the Constitution of the Republic of Lithuania' of 21 October 1999 decided that this Resolution 'is in compliance with the Constitution of the Republic of Lithuania.'[31] Hence, representatives of ethnic minorities in Lithuania are deprived of the right to write their personal names according to the rights of their mother tongues, i.e. using the letters which do not exist in the Lithuanian alphabet.

The situation regarding street signs in areas with significant numbers of national minorities is similar. In February 2009 the Supreme Administrative Court of Lithuania made a decision that street signs in the Vilnius districts where Poles constitute a majority must be written only in Lithuanian. Similar to the Constitutional Court's ruling on personal names writing, this decision is final and absolute. Thus, despite the fact that the Law on National Minorities prescribes that in the regions which are densely populated by the minorities,

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[31] An unofficial English translation of this Ruling is available at: <http://www.minelres.lv/ NationalLegislation/Lithuania/Lithuania_ConstCourt_Names_English.htm>.

a language other than Lithuanian (i.e. minority language) can be used in administration and different offices, minority languages have practically been extracted from public use and remained only in the private communication of people.

Conclusion

Officially Lithuania is considered a 'success story' in handling minority issues. Nevertheless, as often occurs, some problems emerged bringing with them some issues to work out and to solve. Lithuania still has room to improve the situation, starting from the ratification of the Charter for Minority and Regional Languages, which will ensure the protection of the rights of minorities on the Council of Europe level, along with bringing national legislation in conformity with the Council of Europe legal framework on this issue, as well as resolving the conflict issues with Polish (and but also Russian and Belarusian) minorities over name writing in official documents, topographical names in the regions with other nationalities, and the educational system. It must be emphasised that the first step of Lithuania, towards such progress, will come from signing and ratifying the European Charter for Minority and Regional Languages.

Iran's Nuclear Policy: Russia's Perspective

Thowhidul Islam

Abstract: *Despite Iran's claim that its nuclear intentions are based strictly on developing the technology for peaceful purposes, the regime is constantly criticised – notably by the US and EU – and has come under immense pressure, resulting in debilitating international sanctions to prod the regime to be more transparent in its nuclear activities. Despite this, Russia continues to support Iran's nuclear goals. This work sheds some light on how Russia views Iran's nuclear ambitions and provides an in-depth exploration of how far Iran has moved to becoming the world's next nuclear power.*

Introduction

As the Iranian drive for nuclear power has shifted into fifth-gear, the international political debate concerning nuclear proliferation and appropriate means of stemming it has also gathered momentum. The Iranian public views its country's joining of the nuclear club as a means of modernising and diversifying the country's energy resources and nearly all political personalities are unified on the point that Iran should continue to develop its self-proclaimed peaceful nuclear industry. On the other hand, Western governments (particularly the US and EU) are certain that Iran's nuclear programme is meant to cover the Islamic Republic's true intensions; the production of nuclear weapons. Indeed, the international community at large has begun to view Iran's nuclear programme with suspicion. This has been confirmed by recent Iranian actions which make it impossible to conduct adequate inspections that would ensure that the technology is not being diverted for weapons manufacturing.

Under these circumstances, Russia's support for Iran's nuclear programme, or its inability to prevent Iran's nuclear drive, has emerged as an important and highly symbolic cog in Moscow's Middle East and foreign policy. At the same time, the US, together with its European allies, have expended considerable

energies in protesting Russia's nuclear and missile technologies' exports including the US application of economic sanctions against Russian firms and research institutes suspected of transferring sensitive technology to Tehran. Amid criticism Russia continues to support Iran's nuclear programme. Putin's[1] 2007 visit to Tehran intensified such criticism. However, Russia pays little heed to such criticism and insists that it has the legitimate right to establish relationships with any country maintaining its international obligations. On reflection, Russia's behaviour may be induced by its continuous quest for hydrocarbon sources, to gain a stable partner to promote Russian conventional arm exports or to construct its own alliance network to strengthen its regional and international position. Whatever the reason, Russia's support has been immeasurably valuable for Iran and therefore deserves considerable exploration. This article is devoted to doing just that and examines the genesis of Russo-Iranian relations within the framework of Iran's ensuing nuclear programme.

Background to Iran's Nuclear Programme

Iran's nuclear ambitions date back to the mid-1960s, under the leadership of Shah Mohammed Reza Pahlavi,[2] who acquired the country's first, albeit modest, nuclear capabilities from the US in the form of a small, 5-megawatt-thermal research reactor for the Amirabad Technical College in Tehran. To its credit, Iran agreed to sign the Nuclear Non-Proliferation Treaty (NPT)[3] in 1968 (ratified in 1970) and, in 1974, completed a comprehensive safeguards agreement with the International Atomic Energy Agency (IAEA).[4] Geopolitical developments in the early 1970s (i.e. the 1973 Arab-Israeli war and the subsequent oil crisis)

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[1] (Then) President of the Russian Federation, Vladimir Putin visited Tehran on 16 October 2007 to attend the 2nd Caspian Sea Summit along with the presidents of the other four countries bordering the Caspian Sea, Iran, Azerbaijan, Kazakhstan, and Turkmenistan. Putin is the first Kremlin chief to visit Iran since Soviet dictator Josef Stalin went there in 1943.

[2] The early history of Iran's Nuclear programme draws heavily from Mark D. Skootsky, 'U.S. Nuclear Policy towards Iran,' *Non-Proliferation Analysis*, 1:1 (July 1995).

[3] The Treaty on the Non-Proliferation of Nuclear Weapons, also Nuclear Non-Proliferation Treaty (NPT or NNPT) is an international treaty to limit the spread of nuclear weapons, opened for signature on 01 July 1968. There are currently 189 countries party to the treaty, five of which have nuclear weapons: the United States, the United Kingdom, France, Russia, and the People's Republic of China. Only four nations are not signatories: India, Israel, Pakistan and North Korea.

[4] The International Atomic Energy Agency (IAEA) seeks to promote the peaceful use of nuclear energy and to inhibit its use for military purposes. The media often refers to the IAEA as 'the UN's Nuclear Watchdog.' While this describes one of the Agency's roles, it is by no means the only one. The IAEA is headquartered in Vienna, Austria. It was established as an autonomous organisation on 29 July 1957. In 1953, (then) US President Dwight D. Eisenhower envisioned the creation of this international body to control and develop the use of atomic energy, in his 'Atoms for Peace' speech before the UN General Assembly. The organisation and its Director General, Mohamed El Baradei, were jointly awarded the Nobel Peace Prize announced on 07 October 2005.

impelled the Shah's government to accelerate its nuclear programme. The Atomic Energy Organisation of Iran (AEOI), founded in 1974, announced an ambitious plan to build 23 nuclear power plants to generate some 23,000 MW of nuclear energy within 20 years.[5] US authorities and the Ford Administration, together with French and German companies, were actively engaged in Iran's nuclear programme and supplied Iran with different components needed for the nuclear fuel cycle and even trained Iranian nuclear scientists. Considerable progress was achieved in constructing two nuclear reactors in Bushehr.[6] While the US, France and Germany sought to assist Iran develop nuclear energy rather than nuclear weapons, the Shah was clearly interested in procuring the later. Speaking in September 1974, the Shah remarked that the 'present world is confronted with a problem of some countries possessing nuclear weapons and some not. We are among those who do not posses nuclear weapons, so the friendship of a country such as the US with it's arsenal of nuclear weapons … is absolutely vital.'[7]

Although Iran received development assistance from the USSR and occasionally threatened to accept Soviet military assistance to force greater concessions from Washington, Tehran remained a strong US ally. As part of its obligations as a member of the Central Treaty Organisation (CENTO),[8] the Iranian programme was, at least partly, geared toward preventing Soviet intervention in the Middle East. At the time Iran shared a long northern border with the Soviet Union and feared Soviet invasion of its oilfields. In fact, following the Soviet invasion of Afghanistan in 1979, the Carter Administration feared just such a move into Iran. When a Soviet invasion appeared likely

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[5] To illustrate, a typical 1,000 MW reactor can provide enough electricity for a modern city of close to one million people. Iran's population is now almost 70 million, considerably up from the approximately 30 million in the mid-1970s.

[6] Būshehr, a city in south-western Iran, is located on the Persian Gulf. In 1975 the Iranian government began building a nuclear power plant at Būshehr. This facility was only partially completed when it was bombed by Iraq during the Iran-Iraq War (1980-1988). When Germany, the initial backer of the plant, declined to complete it after the war, in 1995, however, Russia signed an agreement to finish the plant.

[7] As quoted in Alvin J. Cottrell and James E. Dougherty, 'Iran's Quest for security: U.S. Arms Transfers and the Nuclear Option,' *Institute for Foreign Policy Analysis*, Foreign Policy, May 1977. p. 3.

[8] The Central Treaty Organisation (CENTO), was a collective defence and security organisation that functioned between 1959 and 1979. It evolved from the earlier Middle East Treaty Organisation (METO), which in turn had succeeded the Baghdād Pact of 1955. The purpose of the organisation was to provide joint defence against possible aggressors and to encourage the economic and scientific development of the member state: Iran, Pakistan, Turkey, and the United Kingdom. The name CENTO was adopted in 1959 after Iraq withdrew from the Baghdād Pact; CENTO referred to a central area between regions included in the North Atlantic Treaty Organisation, to which Turkey belongs, and the now defunct Southeast Asia Treaty Organisation, of which Pakistan was a member. Its headquarters, originally established in Baghdād, was moved to Ankara, Turkey, after the pro-Western Iraqi government was overthrown in 1958.

in August 1980, the US allegedly considered using tactical nuclear weapons in response.[9]

These nuclear activities were halted and all assistance from the West was effectively halted during and after the political turmoil in Iran in the late 1970s, which resulted in the overthrow of the Shah's regime. The new Islamic regime, led by Supreme Leader Ayatollah Ruhollah Khomeini showed little interest in their predecessors' nuclear power aspirations and many of Iran's top nuclear scientists had fled the country. As a result of the war with Iraq, which began in 1980, the constructions at Bushehr were bombed and destroyed while Israel's 1981 bombing of Iraq's Osirak nuclear facility, may have also provided disincentives for Tehran to develop its nuclear programme further.

In 1983, Iran declared a recommencement of its nuclear programme with the help of India and China.[10] The weapons research side of Iran's nuclear activities seems to have continued uninterrupted by the revolution. Tehran developed long-term cooperation agreements with Pakistan (in 1987; in mid-1990s, Iran also acquired components of P-1 centrifuges and blueprints of more advanced P-2 centrifuges from the A. Q. Kahn network) and China (several agreements between 1990 and 1992). China provided Iran with small research reactors, laser enrichment equipment, conversion technologies, and even shipped more than a tonne of natural uranium to Iran. China also reportedly trained Iranian nuclear technicians and engineers. In 1992, Beijing was persuaded by Washington to suspend its assistance to Iran.

The newfound Islamic Republic had ended the Shah's alliance with the US and actively sought to redefine its national character and international roles in opposition to the former state of affairs, declaring the US to be an enemy of Islam and Iran. This occurred at roughly the same time as Ayatollah Khomeini deemed Islam to be incompatible with communist ideals. Thus, despite Tehran's shift away from the US, it did not turn toward the USSR for international support. As a result, the possibility of superpower intervention in Iran – most likely to secure access to its oil supplies – increased significantly as both sides in the Cold War now viewed Tehran as a hostile regime. Fear of such an invasion provided ammunition to supporters of an Iranian nuclear deterrent.

During the Iran-Iraq war, the USSR supplied Saddam with conventional weapons, increasing the ability of Iraq to prolong its military efforts and increasing suspicion in Iran of the USSR's intentions. During the war Iran made repeated attacks against Iraq's Osirak reactor while Iraq struck the Iranian

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[9]   'U.S. Officials Discussed Using Tactical Nuclear Weapons,' *The Associated Press*, 26 August 1986, and 'Powell Says Carter Discussed Using Low-Yield Nuclear Weapons,' *The Associated Press*, 28 August 1986.
[10] 'Massive Investment planned to Spur Self-Sufficiency,' *Middle East Executive Reports*, Volume 6, Number 3, March 1983. p. 17.

nuclear reactor at Bushehar some seven times between 1984 and 1988.[11] None of these attacks were severe enough to actually halt Iran's attempts to develop nuclear weapons, and only served to delay them.

Following the Iran-Iraq war (1988), Tehran begun a massive military restructuring and rearmament programme. Continuing fears of Israeli and Iraqi nuclear programmes pushed Iran to seek nuclear related technology from different countries.

In the early 1990s, two significant international events affected Iranian national security. The first was the fall of the USSR that pushed the former superpower back from Iran's border and reduced the chances of an invasion into Iran. Ironically, the end of the Soviet threat increased the threat from the US since Washington would not be deterred intervening in Iran since its superpower rival's presence had faded from the region. Secondly, the Iraqi invasion of Kuwait (1990) and the subsequent Operation Desert Storm (1991), altered Iranian international perceptions. These events contributed to the new dimension of Iran's nuclear policy as well as Tehran-Moscow relations.

Russia's Perspective on Iran's Nuclear Programme

With the fall of the USSR, Tehran-Moscow relations experienced a sudden boost in diplomatic and commercial activities, and Iran soon began purchasing weaponry from Russia. By the mid-1990s, Russia had agreed to continue working on developing Iran's nuclear programme and designed to assist Iran in acquiring full nuclear fuel cycle capabilities. This is ironic since Moscow was one of the principal threats against which Iran began its nuclear weapon programme in the first place. From the beginning of the 1990s, Russia formed a joint research organisation with Iran called *Persepolis* which provided Iran with Russian nuclear experts and technical information. Iran in turn, a self-proclaimed advocate of Muslim national rights (such as in Lebanon and the Palestinian Territories) was largely silent while Russia waged two wars against Muslim Chechnya. In January 1995, Iran and Russia signed a contract to jointly construct the first unit at Bushehar to be delivered by the end of 2002. The reactor was meant to become operational in 2004.[12]

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[11]   Barry R. Schneider, 'Radical Responses to Radical Regimes: Evaluating Preemptive Counter-Proliferation,' *Institute for National Strategic Studies*, National Defence University, McNair Paper 41, May 1995. p. 15.

[12]   'First Unit of Bushehar Nuclear Power Plant to be Delivered Next Weak,' *The Tehran Times*, 15 November 2002.

Table 1: Russian Nuclear Exports to Iran[13] *(before 1999)*

Category	Status	Export	Manufacturer	Exporter	Recipient
Reactors	Ongoing	one VVER-1000 light-water power reactor	Zarubez-hatomenergo-stroy	Minatom	Bushehr Nuclear Power Plant
	Under Negotiation	three additional power reactors	Zarubez-hatomenergo-stroy	Minatom	Bushehr Nuclear Power Plant
	Under Negotiation	one 30-50 MW research reactor	Zarubez-hatomenergo-stroy	Minatom	Atomic Energy Agency of Iran
	Under Negotiation	one 40 MW heavy-water research reactor	Probably Zaru-bezhatomener-gostroy	Scientific Reseach and Design Institute of Energy Technologies (NIKIET)	Unknown
	Unknown	one APWS-40 desalinisation plant	Experimental-Machine Building Design Bureau (OKBM)	Minatom	Unknown
Enrichment, mining, and milling	Under negotiation	uranium conversion facility	unknown	NIKIET and Mendeleev University of Chemical Technology	unknown
	Cancelled	gas centrifuge plant	unknown	Minatom	Atomic Energy Agency of Iran
	Unknown	assistance to mining and milling operations	unknown	unknown	alleged facilities in Yazd province

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[13]   Fred Wehling, 'Russian Nuclear and Missile Exports to Iran,' *The Nonproliferation Review*, winter 1999, Vol. 6:2. p. 135.

Nuclear Materials	Planned	LEU fuel rods for VVER-1000 reactor	Novosibirsk Chemical Concentrate Plant	Minatom	Bushehr Nuclear Power Plant
	Unknown	2,000 tons of natural uranium	unknown	Minatom	unknown
Training and know-how	Ongoing	training for physicists and technicians	n/a	Kurchatov Institute and Novovoronezh Nuclear Power Plant	Bushehr Nuclear Power Plant

Regarding it's nuclear policy, as part of a deal brokered by Britain, France, and Germany, Iran finally yielded on 21 October 2003, to intense international pressure and agreed to sign the Additional Protocol to NPT, which allows the IAEA short-notice access to its nuclear power facilities. Tehran also consented to providing an account of all its nuclear-related activities and to suspend its highly controversial uranium enrichment programme. However, this accord, signed after intense diplomatic pressure, hardly affected Iran's drive for a nuclear fuel cycle programme. To prevent the appearance of another nuclear weapons state, it is critically important that the international community seal the external channels that provide nuclear technologies which enhance Iran's capability to acquire nuclear weapons. This requires effective policies toward Tehran's most active suppliers. In dealing with the most prominent of these, Russia, the dialogue over this issue has so far been a near fiasco for the international non-proliferation strategy.

The dramatic outcome of Operation Iraqi Freedom (2003),[14] despite continuing post-war reconstruction and reconciliation, altered approaches to key foreign policy issues, such as traditional arms control and non-proliferation. The immediate consequences also influenced the Middle Eastern political landscape due to 'New Middle East doctrine' and in particular Iran.

Even though Bush has since been replaced by Obama, the question of what will happen to the other members of the 'axis of evil?'[15] Are Iran and North Korea technically 'off the hook' due to the embarrassing turmoil in Iraq, which

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[14] In March 2003, US-led forces invaded Iraq with the goals of removing Saddam Hussein from power and destroying the country's alleged stockpiles of illicit weapons. When Baghdād fell to US forces in April, Hussein's regime crumbled and he went into hiding. Following the US invasion, no weapons of mass destruction were found. US intelligence officials concluded that Iraq had dismantled its biological, chemical, and nuclear weapons programmes.

[15] 'Axis of evil' was a term used by (then) US President George W. Bush in his State of the Union Address on 29 January 2002 to describe governments he accused of sponsoring terrorism and seeking weapons of mass destruction. Bush named Iraq, Iran, and North Korea in his speech.

revealed the hazards of regime change? Will the nuclear programmes of these states continue and will there be major international consequences for them? And how will these issues affect Russia, whose nuclear assets and expertise might be available to such countries?

After 9/11, US-Russian bilateral relations progressed remarkably well. Even though Moscow is no longer seen as a significant military threat to the US, concerns about the potential spill-over of critical weapons of mass destruction (WMD) and related technologies from Russia are still bedevilling the minds of Western strategic planners and non-proliferation experts. American anxieties are intensified in times of instability in US-Russian relations that continue to be challenged by Moscow's periodic efforts to demonstrate independence and global clout. Though generally inclined to promote good relations with the West, which is vital for its economic well-being and development, Russia still has yet to shirk off its Soviet-era policy of external arms and technology transfers and aid to rogue states and countries of proliferation concern. This policy continues despite the fact that these traditional clients are declared enemies of the US, a purported strategic partner.

It is notable that the USSR had established agreements with Western nations to limit armaments, and Russia inherited both the START I,[16] (1991), and the Conventional Forces in Europe (CFE) agreements. The START II treaty – an additional agreement between the US and Russia to significantly reduce nuclear arms – was signed in 1993 but was never ratified by Russia. In 2002 the two countries agreed to a new arms-reduction treaty requiring both to reduce their nuclear-weapons arsenals by two-thirds over a period of ten years. In the early and mid-1990s there was significant decline in the export of Russian arms and military advisers to developing countries, but arms exports had begun to rise by the late 1990s. The increase reflected a desire for commercial gain, however, rather than a strategy to gain political influence in support of a global struggle against the US, as had been the case during the Soviet era. Russia's inability to secure larger investments from the West is influenced by the country's internal problems; rampant corruption, bureaucratic mismanagement, and crumbling socio-economic infrastructure which lie behind the facade of steady growth. The economic shortfall here then provides an additional incentive for Russia to argue that they need to sell sophisticated weaponry and dual-use items to states like China, India, Syria, and Iran as legitimate trade operations. There should be no problem in doing this, Russia claims, as it pledges strict observance of non-proliferation and export control treaties. In any case, these weapons systems and technology find few eager or legal customers in the West or Western-aligned countries.

The rationale for these connections is not solely economic. Moscow is promoting its own network of alliances, ostensibly to offset US unilateralism.

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16   START refers to the Strategic Arms Reduction Treaty.

Indeed, Russia has regained much ground, even if it still falls short of the international role it enjoyed during the existence of the USSR. In this pattern, Iran is emerging as the exemplar for Russia's global positioning in the 21st century as well as in the US-Russian bilateral dialogue. This is especially true with regards to the nuclear issue, an area where Moscow has historically tried to appear as the leading protagonist, though it has often bent existing international norms.[17] While recognising that Iran is an important geopolitical ally, Russian politicians tend to carefully weigh the costs of any moves regarding ties with Tehran. Moscow's nuclear cooperation with Iran, which Russian officials pledge is exclusively confined to civilian nuclear plant construction, has emerged as the most conspicuous issue in which the Russian leadership attempts to establish its own foreign and strategic policy.[18] During a 2002 visit to Iran, Russian First Deputy Foreign Minister Vyacheslav Trubnikov said, 'Russia does not accept President George W. Bush's view that Iran is part of 'an axis of evil.''[19] There are several key reasons for this approach. First, Russia, despite the statements of its experts and politicians, has never been seriously concerned with the military threat emanating from WMD development in the Third World, aside from China. Therefore, politically correct declarations from Moscow's dignitaries should be seen more as a tribute to the international consensus on promoting non-proliferation regimes rather than an expression of actual strategic awareness or sincere concern.

The Russian military, though wary of any nascent nuclear/missile potential in contiguous countries, has realised that these build-ups are oriented against regional rivals, and the US military presence (including in Afghanistan and Iraq). This is partly explained by the fact that, similar to other client states of the former USSR such as: North Korea, Libya, Syria and Iraq, Tehran has been pragmatically regarded in Moscow as an important regional counterpart, if not potential ally, and a vast market for Russian military-related technologies. Especially due to the worldwide decline in demand on the world armaments' markets and the decline of Russia's military-industrial complex, Moscow feels compelled to develop relations with such current or prospective buyers of cost-effective Russian weapons such as Iran, China, India and Syria. Accordingly, Russia has become the largest exporter of conventional arms since 2001, responsible for some 36 percent of all global arms transfers in 2009. Most of the armaments exported are, technologically speaking, relatively unsophisticated. Thus while other countries can compete well on the open market, Russia's strategy has been to sell lower quality weapons at considerably lower prices, and to do so means selling to poorer client states, some of whom are inevitably going to be rogue regimes. Thus, the overall proliferation-prone forays of the

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[17] Stephen Blank, 'Russia: Proliferation Personified,' *Asia Times*, April 17, 2003.

[18] Ivan Safranchuk, 'The Nuclear and Missile Programs of Iran and Russian Security,' *Scientific Papers*, No. 8, PIR Center, May 1999.

[19] 'Russia, EU Oppose Inclusion of Iran on 'Axis of Evil List,' *Tehran Times*, July 21, 2002.

Russian defence and high-tech enterprises are ultimately the result of the poor state of the Russian manufacturing industry, which still lags far behind the country's booming oil and gas-pumping sector on which the national economy basically survives.

Russia, under Putin's leadership, promoted a different course of developing traditional strategic and economic ties with China and India or such former Moscow clients as Iran, Syria, and North Korea, while maintaining only conditional token cooperation with Washington. It attempted to lobby its position through a 'class-friendly' faction of KGB veterans in Putin's entourage. It seems that the members of this faction are driven not only by the desire to ensure purely economic benefits for the survival and expansion of the ailing Russian defence enterprises, but they are also driven by an inbred animosity towards the US. This group sees the US as Russia's main adversary from the Cold War era and an alleged impediment to Russia's great power revival. The defence industry, secret services, and the disgruntled military's mistrust of the goals of US foreign and military policy – perceived as being ultimately anti-Russian – leads them to conclude that Washington is attempting to impose arbitrary restraints on Russian exports of high technologies in order to stymie their country as a competitor for influence in the Commonwealth of Independent States (CIS).[20] Moreover, persistent calls by Washington to terminate Russian exports to Iran were portrayed by these circles as motivated by the desire of US corporations to save future opportunities in the Iranian market for themselves. To prove this, they cited the writings of such foreign policy gurus as Henry Kissinger, Zbigniew Brzezinski, and Brent Scowcroft that advocated closer ties with the putatively reformist Iranian political elite.[21]

Russian cooperation with Iran in developing its nuclear technology, as well as its suspected aid in developing Iranian missiles, led to one of the rare difficult moments during the Moscow-St. Petersburg summit in May 2002. Russia resolutely denied any wrongdoing and pledged that its cooperation with Iran was strictly within the limits of its international obligations and in compliance with international law to control the proliferation of both nuclear weapons and ballistic missiles.[22] Putin remarked that Western companies, not Russian entities, had furnished Iran with missile and nuclear technology. As Putin rightly pointed out, 'The United States has taken on the obligation of building a nuclear power station identical to the one in Bushehr in North Korea.'[23] At the same time, he has suggested pressuring Iran to allow further and more extensive

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[20] CIS generally refers to Commonwealth of Independent States.

[21] Brent Scowcroft, 'An Opening to Iran,' *Washington Post*, 11 May 2001.

[22] See, for example, *Interfax*, 26 September 1997, in 'Yeltsin Rejects US Nuclear, Missile Iran Transfer Charge,' *FBIS-SOV-97-269*; Mikhail Kirillin, *Rossiyskaya gazeta*, 20 May 1998; and the statement by Foreign Ministry spokesman ,Vladimir Rakhmanin, *Interfax*, 02 December 1998.

[23] Ron Hutcheson, 'Putin Offers Inspectors in Iran,' *Philadelphia Inquirer*, 27 May 2002.

international inspections of the Russian-built nuclear reactor there. The issue of enticing Iran into accepting further IAEA inspection commitments to their nuclear facilities was reiterated at the St. Petersburg 2003 festivities.[24] Moscow continued to vehemently deny all direct US accusations of government sponsored nuclear and missile technology transfers to Iran that would be in violation of its international non-proliferation obligations. These assurances by Russia have, however, been repeatedly questioned. Further arguments appeared when reports surfaced in early 1998 that the Russian FSB was in fact coordinating clandestine missile technology transfers to the Iranians; allegations denied by Russian officials. The well-developed missile industry of Iran is supposed, along with Russian-supplied aircraft to provide reliable carriers for potential nuclear warheads. Furthermore, the mere existence of the Shihab-3 missile program, with its 1300 kilometre range and relatively poor accuracy (Circle of Error Probable 1-3km), implies that it is most likely meant to carry a strictly WMD payload. Moscow has always declared that no infringements of the MTCR have been committed, but did admit the existence of 'individual contacts' between Iranian and Russian entities. Through it all, Russia refuse to be shut out of the lucrative market of missile technologies.

Regarding Russia's nuclear cooperation with Iran, Putin is, perhaps, quite correct when he underscored that 'As far as energy is concerned, it focuses exclusively on economic issues.'[25] Russia generated up to $10 billion (USD) from its Bushehr deal and arms sales to Iran, even if it is currently building the reactor on credit to be paid by Iran only after the completion of the project. Sanctions and admonitions will not change Russia's relationship with one of the most demonised states in the US's 'axis of evil' if no substitute is provided by the US.

In the meantime, Moscow and Tehran have worked hard in recent months to successfully resolve their squabble over the construction schedule of the Bushehr nuclear power plant. The first consignment of nuclear fuel for Bushehr from Russia under the IAEA safeguards arrived in Tehran on 17 December 2007 (re: it was meant to go online in 2004). So, no doubt the door was open for deeper Russian involvement in Iran's ambitious programme for civil nuclear energy. But nuclear energy is not the be-all and end-all of Russo-Iranian cooperation. Iran is a crucially important interlocutor for Russia in the field of energy. The Bushehr settlement was a necessary prerequisite for the trust and mutual confidence essential for fuller Russo-Iranian cooperation was to become a reality. Evidently, Moscow is hastily positioning itself for an important event on the energy scene in the coming years; Iran's entry as a gas-exporting country. In this context, Moscow was expected to make robust efforts to coordinate with Iran

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[24] Sabrina Tavernise, 'Russia Presses Iran to Accept Scrutiny on Nuclear Sites,' *New York Times*, 30 June 2003.

[25] Ron Hutcheson, 'Putin Offers Inspectors in Iran,' *Philadelphia Inquirer*, May 27, 2002.

over its oil and gas output and exports. Hence, Putin's historic visit to Tehran – the first-ever bilateral visit by a Russian leader – Tsarist or Bolshevik – falls into perspective as a landmark event in the geopolitics of energy.

Iran's Current Nuclear Capacities

Iran has progressed remarkably quickly in achieving nuclear power and most likely will be the world's next nuclear state. Iran does not currently have nuclear weapons, and would appear to be about two years away from acquiring them. The current nuclear programme is headed by the president, the commander of the Iranian Revolutionary Guard Corps (IRGC), the head of the Defence Industries Organisation, and the head of Iran's Atomic Energy Organisation (IAEO). These leaders continue the pursuit of WMD's and support Chemical, Biological, and Nuclear programmes against all pressures from the US and its allies. By some accounts by 2006, Iran may have been producing fissile material for atomic bombs using both uranium enriched at Natanz and plutonium produced at Arak. The Natanz facility might produce enough uranium for about five bombs every year, and the Arak facility might produce enough plutonium for as many as three bombs every year. Iran's first nuclear power plant, Bushehr 1, was inaugurated on 25 February 2009 was attended by Iranian and Russian nuclear officials, including the head of Moscow's nuclear agency, Sergei Kiriyenko. Russia insists that the Bushehr plant is purely civilian and cannot be used to make bombs. The 1000-megawatt reactor is not expected to come into proper operation until later this year (2010).

There are no current plans to complete the Bushehr II reactor, although the construction of 19 nuclear power plants is envisaged.[26] Currently, the Iranian nuclear power plants are scattered at 16 locations throughout the country. These are: Arak, Anarak, Ardakan, Bonab, Bushehr, Chalus, Darkhovin, Isfahan, Karaj, Lashkar Abad, Lavizan, Natanz, Parchin, Savand, Tehran, and Yazd. Iran has announced that it is working on a new 360 MW nuclear power plant to be located in Darkhovin. Iran has also indicated it that it will seek more medium-sized nuclear power plants and uranium mines for the future. Iran is continuing work on a fuel manufacturing plant that, when complete, is to produce fuel for the Arak and Darkhovin reactors.[27] The plant has produced fuel rods and appears to be nearly complete.[28]

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[26] 'Iran Plans 19 Nuclear Power Plants,' *FOX News*, 24 December 2007.

[27] 'Aqazadeh: Iran Heralds Peaceful Nuclear Program,' *Islamic Republic News Agency*, 08 April 2008.

[28] Implementation of the NPT Safeguards Agreement and Relevant Provisions of Security Council Resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1835 (2008) in the Islamic Republic of Iran, Report by the Director General, GOV/2009/35, June 5, 2009.

Uranium Enrichment

Iran has a pilot centrifuge facility and a larger commercial facility, both located at Natanz. The latter is eventually to hold more than 47,000 centrifuges.[29] Former Vice President Gholamreza Aghazadeh, who also headed IAEO until July 2009, explained in February 2009 that Iran's goal is to install all of them by 2015.[30] Iran began enriching uranium in the facility after mid-April 2007; as of 30 October 2009, Tehran had produced an estimated total of 1,763 kilograms of low-enriched uranium hexafluoride containing less than 5% uranium-235.[31] This quantity of LEU, if further enriched, could theoretically produce enough HEU for a nuclear weapon.[32] However, an Iranian attempt to enrich this LEU would likely be detected by the IAEA. According to El Baradei's November 2009 report, Iran was, as of 02 November, feeding uranium hexafluoride into 24 cascades (3,936 centrifuges) of first generation (IR-1) centrifuges and is operating at least another 12 cascades (1,968 centrifuges) without feedstock. Tehran is also installing and testing additional IR-1 centrifuges in the facility.[33]

The head of IAEO, Ali Akbar Salehi, suggested during a 22 September 2009, press conference that Iran would slow down its installation of centrifuges at Natanz and 'focus on research and development dimension in order to improve the quality of our productions.'[34] Iran is testing two other types of more advanced centrifuges in a pilot facility, which could increase the commercial facility's enrichment capacity.[35] In addition to its centrifuge work, Iran produced approximately 541 metric tons of uranium hexafluoride between March 2004 and 10 August 2009.[36] Prior to 2009, Tehran apparently improved its ability to produce centrifuge feedstock of sufficient purity for light-water

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[29] GOV/2008/15. According to this report, Iran is planning to install 16 cascade units, each containing 18 164- centrifuge cascades. Tehran has previously told the agency that it intends to install over 50,000 centrifuges. See: *Implementation of the NPT Safeguards Agreement in the Islamic Republic of Iran*, Report by the Director-General, GOV/2004/83. *Gholamreza Aghazadeh*, who headed Iran's Atomic Energy Organisation, also said in February 2009 that Iran would install 50,000 centrifuges ('Iran to Follow Nuclear Timetable Regardless of IAEA Reports – Official,' *Islamic Republic of Iran News Network*, 25 February 2009).

[30] *Islamic Republic of Iran News Network*, 25 February 2009.

[31] GOV/2009/74.

[32] The IAEA term for this amount of uranium is 'significant quantity,' defined as the 'approximate amount of nuclear material for which the possibility of manufacturing a nuclear explosive device cannot be excluded.' That amount is 25 kilograms of uranium-235. Some types of weapons could be developed using less uranium-235.

[33] GOV/2009/74.

[34] 'Iran Scientists Build New Generation of Centrifuges - Nuclear Official,' *Islamic Republic News Agency*, 22 September 2009.

[35] GOV/2009/74. A June 2009 report from El Baradei stated that Iran was testing four other more-advanced centrifuges.

[36] Based on data from GOV/2009/74.

reactor fuel.[37] However, Iran's ability to operate its centrifuges appears to have improved, although, as of June 2009, its IR-1 centrifuges continued to run below design capacity.[38] A report to Congress submitted by the Deputy Director for National Intelligence described the amount of LEU that Iran produced in 2008 as a 'significant improvement' over the amount it had produced in 2007.[39]

Moreover, a June 2009 ISIS report points out that, based on data from El Baradei's report issued that month, Iran has improved its daily rate of LEU production by 20%.[40] It is also worth noting that Iran's ability to produce additional feedstock for centrifuges may be hindered by its dwindling supply of uranium oxide; Tehran is apparently running out of foreign supplied uranium oxide and, although Iran is producing more of the material from indigenously mined uranium,[41] it had not yet transferred any indigenously produced uranium oxide to its uranium conversion facility as of June 2009.[42] The 2007 NIE Stated that 'centrifuge enrichment is how Iran probably could first produce enough fissile material for a weapon, the earliest possible date Iran would be technically capable of producing enough HEU for a weapon is late 2009.'[43] This date, however, 'is very unlikely,' the estimate says, adding that 'Iran probably would be technically capable of producing enough HEU for a weapon sometime during the 2010-2015 timeframe.' Some independent experts have published estimates for the amount of time necessary for the Natanz facility to produce enough HEU for a weapon.[44] However, the 2007 NIE states that Iran 'probably would

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[37] IISS Strategic Comments, 'Nuclear Iran: How Close Is It?,' September 2007, available at <http://www.iiss.org/ publications/strategic-comments/past-issues/volume-13-2007/volume-13-issue-7 / nuclear-iran/>; Paul Kerr, 'Iran Continues Security Council Defiance,' *Arms Control Today*, June 2007; analyst interview with State Department official 28 October 2008.

[38] Analyst interview with US official, 25 June 2009.

[39] Unclassified Report to Congress on the Acquisition of Technology Relating to Weapons of Mass Destruction and Advanced Conventional Munitions, Covering 1 January to 31 December 2008. Available at <http://www.dni.gov/ reports/ Unclassified%20Report%20to% 20Congress%20WMD%20Covering%201January%20to%2031%20December%202008. pdf>.

[40] David Albright and Jacqueline Shire, *IAEA Report on Iran: Centrifuge and LEU Increases; Access To Arak Reactor Denied; No Progress on Outstanding Issues*, June 5, 2009. Available at: <http://isis-online.org/publications/iran/Iran_IAEA_Report_Analysis_5June 2009.pdf>.

[41] David Albright, Jacqueline Shire and Paul Brannan, 'Is Iran Running Out of Yellowcake?' *Institute for Science and International Security*, 11 February 2009, available at: <http:// isis-online. org/publications/iran/Iran_Yellowcake.pdf>; Barak Ravid, 'Israel Slams Clinton Statement on Nuclear Iran,' *Haaretz*, 22 July 2009; Mark Fitzpatrick, Statement before the Senate Committee on Foreign Relations, 03 March 2009.

[42] Analyst interview with US official, 25 June 2009.

[43] This time-frame describes the point at which Iran could have enough HEU for a weapon, rather than when Iran could start producing HEU.

[44] See, for example, R. Scott Kemp and Alexander Glaser, 'Statement on Iran's Ability to Make a Nuclear Weapon and the Significance of the 19 February 2009 IAEA Report on Iran's Uranium-Enrichment Program,' March 2, 2009, available at: <http://www.princeton. edu/ ~rskemp/can-iran-make-a-bomb.pdf>; R. Scott Kemp, 'Update On Iran's Ability to Make a Nuclear Weapon and the Significance of the 5 June 2009 IAEA Report on Iran's

use covert facilities – rather than its declared nuclear sites – for the production of highly enriched uranium for a weapon.' Indeed, it is very difficult to divert without detection significant amounts of nuclear material from centrifuge facilities under IAEA safeguards. Although Tehran could end its cooperation with the IAEA and use its declared centrifuge facilities to develop fissile material, such an action would be virtually unprecedented.[45]

Figure 1: Iran's Planned Reactor Construction and Uranium Resource Constraints[46]
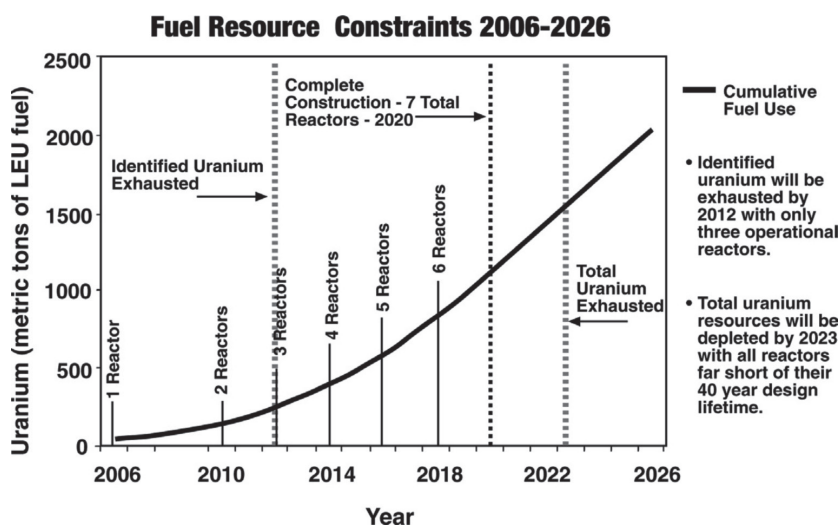
Plutonium

In 2003, Iran acknowledged to the IAEA that it had conducted plutonium-separation experiments – an admission which aroused suspicions that Iran could have a programme to produce plutonium for nuclear weapons. The IAEA, however, continued to investigate the matter, and El Baradei reported in August 2007 that the agency has resolved its questions about Iran's plutonium

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Uranium-Enrichment Program,' 17 June 2009; Albright and Shire, 05 June 2009; and David Albright, Paul Brannan, and Jacqueline Shire, *Nuclear Weapon Breakout Scenarios: Correcting the Record*, 18 March 2009, available at: <http://www.isisnucleariran. org/assets/pdf/ Correcting_ the_Record.pdf>.

[45] No state in good standing with the IAEA has ever used this tactic. North Korea restarted its nuclear weapons programme after announcing its withdrawal from the NPT in 2003, but the IAEA has never completed an assessment of that country's nuclear activities.

[46] Thomas W. Wood, Matthew D. Milazzo, Barbara A. Reichmuth, and Jeffrey Bedell, 'The Economics of Energy Independence for Iran,' *The Nonproliferation Review*, 14:1, March 2007. p. 95.

activities.[47] The 2007 NIE stated that 'Iran will not be technically capable of producing and reprocessing enough plutonium for a weapon before about 2015.' But, as noted above, Iran says that it does not plan to engage in reprocessing, and reports from El Baradei have noted that the IAEA has found no evidence that Iran is engaging in any such activities.

The Qom Facility[48]

Despite the intelligence assessment, in September 2009, Iran revealed that it was constructing a new gas-centrifuge-based enrichment facility. Tehran provided some details about the facility to the IAEA in a 21 September 2009, letter. Four days after the IAEA received the letter officials from the US, Britain, and France revealed that they had previously developed intelligence on the facility and the three governments promptly provided a detailed intelligence briefing to the IAEA. According to the 25 September 2009, Obama Administration Talking Points, there was an accumulation of evidence earlier in 2009 that the facility was intended for enriching uranium. Some of this evidence apparently indicated that Iran was installing the infrastructure required for centrifuges earlier that year. US officials have not said exactly when Iran began work on the facility, which is 'located in an underground tunnel complex on the grounds of an Islamic Revolutionary Guard Corps' base near the Iranian city of Qom.[49] According to El Baradei's November 2009 report, Iran had informed the IAEA that construction on the site began in the second half of 2007. Iranian officials have said that the facility is for peaceful purposes and that Tehran has acted in accordance with its international obligations. The letter to the IAEA described the facility as a 'new pilot fuel enrichment plant' that would produce uranium enriched to no higher than 5% uranium-235.[50] Tehran plans to install approximately 3,000 IR-1 centrifuges and is constructing support buildings at the facility. According to the US, Tehran will not be able to begin enriching uranium in the facility before 2011 which is confirmed by Iranian officials who told the IAEA that the plant 'is planned to be operational in 2011.'[51] Iranian officials have denied that they have other undisclosed enrichment-related

[47] Iran, Report by the Director General, GOV/2007/48, 30 August 2007.

[48] Unless otherwise noted, this section is based on Iran's 21 September 2009 letter to the IAEA and 25 September background briefings from US officials, along with associated talking points.

[49] Despite its location, the US assesses that Iran's Atomic Energy Organisation is responsible for the facility's 'development.'

[50] For more information, see: Paul K. Kerr, CRS Report R40094, *Iran's Nuclear Program: Tehran's Compliance with International Obligations*.

[51] GOV/2009/74.

facilities[52] and no British, French, or US officials have disclosed evidence of such Iranian facilities.

The Arak Reactor

Iran says that its heavy-water reactor, which is under constructed at Arak, is intended for the production of medical isotopes. According to a 05 May 2008, presentation by Ambassador Ali Asghar Soltanieh, Iran's Permanent Representative to the IAEA, the reactor is to substitute for an 'outdated' LEU-fuelled research reactor in Tehran that has been in operation since 1967.[53] In addition, Iran will be able to operate the reactor with natural uranium, which means that it will not be dependent on supplies of enriched uranium. Salehi stated on 26 September 2009, that the reactor would be operational within the next three or four years.[54] Iran also has a plant for producing heavy water. According to El Baradei's June 2009 report, satellite imagery indicates that the plant has been 'operating intermittently' since February 2009. El Baradei's report from that month stated that the plant was 'in operational condition,' but his two more recent reports stated that the plant appears not to be operating. El Baradei's November 2009 report states that IAEA inspectors 'observed 600 50-litre drums said by Iran to contain heavy water.' The agency has asked Tehran to 'confirm the number of drums and their contents, and to provide information on the origin of the heavy water reactor at Arak.'

The Bushehr Reactor

Iran constructed a 1,000 MW nuclear power reactor moderated by light water near the city of Bushehr. The original German contractor, which began constructing the reactor in 1975, abandoned the project following Iran's 1979 revolution. Russia agreed in 1995 to complete the reactor, but the project has since encountered repeated delays. In February 2005, Moscow and Tehran concluded an agreement stating that Russia would supply fuel for the reactor for 10 years. Atomstroyexport sent the first shipment of LEU fuel to Iran on 16 December 2007, and the reactor received the last shipment near the end of January 2008. The fuel, which is under IAEA seal, will contain no more than

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[52] See, for example, 'Press Conference with Manouchehr Mottaki, Minister for Foreign Affairs of The Islamic Republic of Iran,' *Federal News Service*, 01 October 2009.

[53] 'Iran's Exclusively Peaceful Nuclear Programs and Activities,' *Briefing for NGOs*, 05 May 2008, available at: <http://www.reachingcriticalwill.org/legal/npt/prepcom08/WP/ iran_briefing. pdf>. Despite this claim, Iranian officials stated in September 2009 that Iran needs to obtain more LEU fuel for the reactor. See 'Iran Scientists Build New Generation of Centrifuges,' 22 September 2009.

[54] *Vision of the Islamic Republic of Iran Network 2*, 26 September 2009.

3.62% uranium-235, according to an Atomstroyexport spokesperson.[55] Iranian and Russian officials had said that the reactor would begin operating by the end of 2009,[56] but Russian Minister of Energy Sergei Shmatko stated on 16 November 2009, that the reactor would not start up this year.[57] It is widely believed that Moscow may be delaying the project in order to increase political pressure on Iran to comply with the Security Council resolutions, although both Russian and Iranian officials have attributed the current delay to technical issues.

The US had previously urged Moscow to end work on the project, citing that it could aid an Iranian nuclear weapons programme by providing the country with access to nuclear technology and expertise.[58] Moscow also argues that the reactor will not pose a proliferation risk because it will operate under IAEA safeguards. It is worth noting that light-water reactors are generally regarded as more proliferation-resistant than other types of reactors. Although the UN Security Council resolutions restrict the supply of nuclear-related goods to Iran, Russia paid little heed to it.

The Iranian Perspective

From the Iranian perspective, Iran's relationship to Russia is important in at least five ways:

1. Russia is willing to openly cooperate with Iran in the latter's nuclear programme. For all Iran's claims of self-sufficiency and indigenous know-how, Iran still depends on overt and covert foreign assistance. Tehran has expressed an interest in having Russia build more reactors.

2. Russia serves as a counterbalance to the US which Iran regards as an enemy. Tehran depends on Moscow's vote in international forums like the UN Security Council and the International Atomic Energy Agency Board of Governors.

3. Tehran sees itself and Russia as the two major Caspian Sea powers.

[55] 'Atomstroyexport Completes Latest Shipment of Fuel to Bushehr Nuclear Plant,' *Interfax*, 28 December 2007.

[56] 'Envoy: Bushehr N. Plant to Go on Stream in Winter,' *Fars News Agency*, 21 July 2009; 'Russia Confirms Launch of Iranian Nuclear Reactor by Year End,' *RIA Novosti*, 22 July 2009.

[57] 'Bushehr NPP Won't be Launched in 2009 – Energy Minister,' *Interfax*, 16 November 2009.

[58] For example, (then) Deputy Assistant Secretary of Defence, Marshall Billingslea, testified before the Senate 29 July 2002, that the United States was 'concerned that the Bushehr nuclear power project is, in reality, a pretext for the creation of an infrastructure designed to help Tehran acquire atomic weapons.' Similar concerns are expressed in a 2005 State Department report 'Adherence to and Compliance with Arms Control, Nonproliferation, and Disarmament Agreements and Commitments,' US Department of State, August 2005. p. 77. (Then) Undersecretary of State for International Security and Arms Control, John Bolton, told the House International Relations Committee in June 2003 that Iran could build 'over 80 nuclear weapons' if it had access to sufficient fuel, operated the reactor for five to six years, and chose to withdraw from the NPT. This estimate assumes that Iran possesses a reprocessing facility.

4. Russia is a vibrant market for Iranian goods and a reliable trading partner. This is particularly important for the Iranian military, which is equipped with Russia aircraft, submarines, and tanks (etc.). Russian firms are involved in the Iranian energy sector as well.

5. Russia is a source of expertise in other, more exotic areas, including Iran's satellite technologies. The two sides signed a $132 million (USD) contract for the design, testing, and launch of the Zohreh satellite.

Tehran is finding itself further pushed into an alliance with Beijing and Moscow. And Iran, like Russia, views Turkey's regional ambitions and the possible spread of some form of pan-Turkic ideology with suspicion. In addition, Iran runs up near the Caucasus region, where Russia has had difficulties in the past decade maintaining control over the Muslim separatists of Chechnya. Nevertheless, 'the Chechen rebels are primarily Sunni while Iran is dominated by Shi'ites, so it is unlikely that Iran would threaten the balance, even if they were to develop nuclear weapons.'[59]

Concluding Remarks

Based on the above discussion, it can be said that the Islamic government of Iran has embarked on an ambitious nuclear energy development programme. Even though Iran has seen radical changes to its leadership over the past three decades, its nuclear policy has remained relatively consistent, at least in general terms and for the same basic reasons:

1. To deter, and if deterrence fails, defeat regional adversaries;

2. To establish a regional leadership position in the Middle East; and

3. To deter the intervention of a global power in Iranian or Middle Eastern affairs.

The desire to deter regional adversaries has principally focused on Israel and Iraq. It has also been motivated by the desire of regional leadership with the claim of Islamic leadership. Related to the drive for a regional leadership role is the need to prevent the intervention of an outside power in Iranian and Middle Eastern affairs such as the US. It is important to remember that all three of these rationales are interrelated and each supports the other two. Therefore, it can be assumed that Iran will continue to pursue the acquisition of enrichment and fuel fabrication equipment in the future. Such equipment would allow Iran to exploit its reserves of natural uranium and thus secure a reliable source of fissile material unaffected by external political factors. Iran's future nuclear infrastructure would provide adequate cover for the acquisition of sensitive nuclear fuel cycle capabilities. It could also present a potential training ground for a nuclear weapons programme. Moreover, the development of an indigenous

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59 Dan Wollrich, 'Russia-Iran Relations,' *International Affairs Journal*, 24 January 2006.

enrichment and fuel fabrication capability could enable Iran to produce its own weapons-grade fissile material.

Russian officials have repeatedly insisted that Russia is fulfilling its obligations under the Missile Technology Control Regime (MTCR) and NPT, and denied US allegations of supplying Iran with nuclear and missile components and technologies.[60] The problem was that the Russians insisted that they were not doing anything improper, that the Bushehr deal was very important to them economically, that Iran was a signatory to the NPT, and so there was nothing wrong in working with Iran. Moreover, the deleterious effects of the continuing economic crisis on Russia's defence industry raise further concerns about the possibility of Russian government involvement at some level as well as about lax enforcement of export controls to Iran. Therefore, the Russians defied the US and continued to be involved in the nuclear programme of Iran.

What has not really come to light in any significant way is the fact that the Russians had officially followed secrecy in nuclear cooperation agreements with Iran. The reason for secrecy was because the Russians had full knowledge that they were assisting Iran in its military programmes, as well. Some of the issues negotiated secretly involved exactly how to make things appear differently than they really are. This demonstrates a very complex game between Russia and the US and between Russia and Iran. The result of years of extensive cooperation between Russia and Iran in the nuclear and missile domains is an Iran that is within a short distance of having a first-generation, nuclear military capability coupled with a delivery capability and Russia knowingly assisted this development. Many of the recent revelations have begun to make some Russian experts worry about Iran's facilities and end goals.[61] According to some sources, Russian diplomacy has been tirelessly engaged in persuading Tehran to accede to the IAEA demands demonstrating its good will and full compliance with the NPT.

In such a context, the Iranian nuclear connection to Moscow's ruling elite stands out as a telling symbol of a new Russian external policy. It would require a lot of inventiveness, vision and audacity from Washington to drastically change the course of events in what might become a symbolic shift of the two countries' dialogue and interaction on a global level while simultaneously enhancing stability in the Middle East.

It can be said, from a diplomatic view, that Iran is still considered in Moscow as the major eventual supporter of a revived Russian role in the region. Iran's

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60 Mikhail Kirillin, *Rossiyskaya gazeta*, 20 May 1998. p. 7, in 'Dual-Purpose Exports to Iran Denied,' *FBIS-TAC-98-140*; 'Utverzhdeniya o peredache Rossiyei Iranu raket i raketnykh tekhnologiy ne imeyut dostatochnykh osnovaniy,' *Voprosy bezopasnosti*, no. 14, 20 September 1997; *Interfax* in 'Yeltsin Rejects US Nuclear, Missile Iran Transfer Charge.'

61 David Holley, 'Iran Nuclear Threat Worries Russians,' *Los Angeles Times*, 27 February 2003; Rebecca Santana, 'Iran Deal Makes Russia Uneasy,' *The Atlanta Journal-Constitution*, 15 June 2003 available at: <http://www.ajc.com/news/content/news/0603/15 russiairan.html>.

importance as a prospective recipient of the newest Russian arms and dual-use technologies will only grow with vigorous US military-political activity in the Middle East and Persian Gulf areas.

Last but not the least; the Middle East once again seems to be reviving as an important strategic chessboard for the competing national security interests of the US and Russia. Russia seems to be in a better position by polishing up its image as 'Arab and Muslim Friendly.' With US influence waning in the Middle East, as a result of Iraq and Afghanistan, and perceptions that the US is an anti-Muslim power, the strategic influence of Russia is likely to grow in the region especially in Iran.

Unpacking Pandora's Box: Defining Transnational Crime and Outlining Emerging Criminal Trends

Yuliya Zabyelina

Abstract: *Transnational crime has been accepted as a working concept in most related disciplines. Yet, regardless of its wide recognition by academic and policy making communities, the term has remained amorphous. In order to provide greater precision, this article engages in a bold effort to conceptualise transnational crime by gauging its extent and diversity. It explores the conceptual richness of the term transnational crime by establishing the spatial relationship between its transnational, international, and domestic forms. It also clarifies the structural specificity of transnational crime by drawing a line between transnational organised crime and solo-crimes. Linkages between criminal actors as well as criminal-legal symbiosis are elaborated. As well as, an important distinction between illegal and illicit criminal activities is made. Conceptual issues covered in the article have overall indicated how important it is to relativise and theorise what we know about transnational crime and its spatial, organisational, and operational specificities.*

> *The key is to commit crimes so confusing that police feel
> too stupid to even write a crime report about them.*
> *Randy K. Milholland*

Conceptualising Transnational Crime

The term *transnational crime* is surrounded by various conceptual and empirical hurdles. It encompasses everything from trafficking in drugs to money laundering, from terrorism to pornography. Transnational crime is different from international crime, since *illegal* is not the same as *illicit* activities. Transnational crime should not be always understood as transnational organised

crime. To study transnational crime and its impact on states becomes virtually impossible if the concept is used without careful consideration of some critical conceptual nuances.

Transnational crime is a catchy umbrella term that provides a superset or grouping of related sub-categories of concepts representing various criminal activities. Due to these terminological qualities, definitions of *transnational crime* tend to be general and all-inclusive. Reuter and Rubinstein (1978) articulated that the conceptually empty concept of transnational crime is the *Achilles Heel* of this transnaitonal phenomenon. They wrote, not without some irony, that 'most discussions [on transnational crime] end up sounding like detbates about UFOs: those who have seen one are arrayed on one side, and all of those who have never seen one but dispute the validity or interpretation of the observations are on the other.'[1] There is no unanimity about the countours, nature, and dangerousness of transnaitonal crime that has been increasingly been perceived as a global threat in official discourses – a non-conventional threat. Transnational criminal activities are typically hybrid and rarely exist as an ideal type. Rather they represent a combination of different types and forms, and overcoming ambiguities is an impossible task.

In light of the multi-faceted nature of transnational criminal activities that can include anything among an array of criminalised activities and those left out of criminal codes, only the abstract term of *transnational crime* properly reflects the diversity. As vague as the term transnational crime is, only its conceptual richness can relate to a variety of transnational phenomena. Some might think that the term is misleading[2] and does no justice to the multiplicity of this type of crime and to its local and/or national dimension. This work argues that only by incorporating different forms of transnational criminal activities under a general title of *transnational crime*, can there be an integrated analysis of criminal phenomena.

Although any definition of transnational crime would be too abstract and too general, it is an absolute prerequisite from a legal perspective. The United Nations Crime Prevention and Criminal Justice Branch first coined the term itself in 1975 in an attempt to identify criminal acts that transcend national boundaries, transgress national legislations, or have an impact on another country.[3] Later efforts to arrive to an internationally agreed definition began in November 1994 under the auspices of the Naples Political Declaration and Global Plan of Action against Transnational Crime at the World Ministerial

1   Reuter, Peter, and Jonathan B. Rubinstein. 1978. Fact, Fancy, and Organized Crime. *The Public Interest*, pp. 45–67, p. 59.
2   Fijnaut, Cyrille. 2000. Transnational Crime and the Role of the United Nations. *European Journal of Crime*, *Criminal Law and Criminal Justice*, Volume 8, Number 2, 2000, pp. 119–127, p. 120.
3   Liddick, Donald R. 2004. *The Global Underworld: Transnational Crime and the United States*. Praeger.

Conference on Organised Transnational Crime, during which 140 states committed themselves to joining forces against organised transnational crime. 'Alarmed by the rapid growth and geographical extension of organized crime in its various forms, both nationally and internationally, undermining the development process, impairing the quality of life and threatening human rights and fundamental freedoms,' the UN General Assembly recognised the growing threat and corrupting influence on fundamental social, economic, and political institutions exercised by transnational crime that was defined as 'offences whose inception, prevention, and/or direct or indirect effects involved more than one country.'[4]

Efforts to mobilise against transnational crime continued for more than five years until the international community finally arrived at a common definition of transnational crime (2000). In September 2000, the US sponsored a meeting of the G8 Senior Law Enforcement Experts on Transnational Crime (Lyon Group) to discuss international crimes. In November the same year, the UN Convention against Transnational Organised Crime was adopted by General Assembly resolution 55/25 (15 November 2000).

The Convention is the main international instrument in the fight against transnational organised crime. It opened for signature by Member States at a high-level political conference convened for that purpose in Palermo, Italy, on 12–15 December 2000 and entered into force on 29 September 2003. The Convention is further supplemented by three Protocols, which target specific areas and manifestations of organised crime: the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children; the Protocol against the Smuggling of Migrants by Land, Sea and Air; and the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, their Parts and Components and Ammunition. The Ad Hoc Committee established by the United Nations General Assembly became responsible for dealing with the problem of transnational crime by taking a series of measures against transnational organised crime that they defined as an offence committed by an *organised criminal group* that shall mean 'a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences'[5] that are transnational if they: a) committed in more than one State; b) committed in one State but a substantial part of its preparation, planning, direction or control takes place in another State; c) committed in one State but involves an organised criminal group that engages in criminal activities in more than one State; or d) commit-

[4] United Nations. 1995. Results of the supplement to the Fourth United Nations Survey of Crime Trends and operations of Criminal Justice Systems, on Transnational Crime: Interim report by the Secretariat. A/CONF.169/ 15/Add.1. Para 9.

[5] United Nations Convention against Transnational Organised Crime and its Protocols. Article 2. Retrieved on-line at: <http://www.unodc.org/unodc/en/treaties/CTOC/index.html> (accessed 13 May 2010).

ted in one State but has substantial effects in another State.[6] The Convention also identified that transnational crime is characterised by (a) systematic or occasional corruption and violence; (b) investment and manipulation of illicit goods and services (tangible and intangible); (c) high rates of economic or socio-political benefit.

Creating Safe-Havens: Organisational Developments

Criminal organisations, like their civilian counterparts, are assemblages of individuals whose relationships are structured according to certain principles. These principles facilitate and maintain the coordination of criminal actors in time, space, as well as prioritise activities and establish goals. By and large, the general trend in the 1960s was to see organised crime as a *mafia crime*. At that time, the combined efforts of Senator Kefauver, the McClellan Committee, and Attorney General Robert Kennedy raised American awareness of organised Mafia-type crime and generated the perception that it was a phenomenon which threatened the American way of life.[7]

US domestic security concerns about organised crime resulted in enforcement making that set mafia criminal activities as a priority for the next thirty years. Mafias are a specific form of a criminal organisation that sell private protection, sometimes have close links to governmental officials or agencies and often assume quasi-governmental roles within society. Mafias are difficult to root out since they replace the state in the social contract, often requiring significant efforts on the part of civic institutions to bring down. Examples include the Sicilian Mafia, the Amercan La Cosa Nostra,[8] the Russian Mafiya,[9] and the Japanese Yakuza.[10]

Mafia groups have become known increasingly for their ability to build stable *hierarchically* structured criminal organisations characterised by strong internal lines of control and discipline, a single leadership, and a strong social or ethnic identity and the use of violence as an essential means to carry out

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[6] Ibid: Article 3.

[7] Brenner, Susan W. 2002. 'Organized Cybercrime? How Cyberspace May Affect the Structure of Criminal Relationships.' North Carolina Journal of Law & Technology, Vol. 4, Issue 1: Fall.

[8] Paoli, Letizia. 2008. *Mafia Brotherhoods: Organized Crime, Italian Style*. OUP USA.
Saviano, Roberto. 2008. *Gomorrah (tie-in): Italy's Other Mafia*. Media tie-in. Pan.

[9] Williams, Phil. 1997. *Russian Organized Crime: The New Threat?* 1st ed. Routledge.
Handelman, S. 1997. *Comrade Criminal: Russia's New Mafiya*. New edition. Yale University Press.
Friedman, Robert. 2000. *Red Mafiya : How the Russian Mob Has Invaded America*. Little, Brown and Company.

[10] Hill, Peter B. E. 2006. *The Japanese Mafia: Yakuza, Law, and the State*. New Ed. OUP Oxford.

its activities. And if the activities of ethnic mafias in the 1960-1980s were mainly domestic, committing large-scale crimes that only rarely extended to different national contexts, the mafia activities of the 1990s onwards indicated a new tendency towards deeper involvement of mafias in criminal activities of a world-wide scope and importance. These activities were more promising, lucrative, and advisable for minimising risks.

Hierarchical Structure
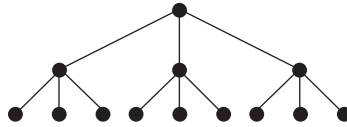
Either it was the global expansion of the activities of ethnic mafias, or just a new form of criminal activity emerged, but by the end of the 1990s, the most influential criminal groups although still resembling traditional mafias insofar as they had complex organisational structures emphasising a division of labour and coordination, they were much more flexible and sophisticated, and non-ethnic.[11] They also deviated from the traditional mafia in another important way, namely they tended to be overtly and self-consciously transnational in their membership and activities.

These new groups' activities were driven by the very idea of generating profit by crossing borders, such as in instances of trafficking in illegal/illicit goods, services, and people.

Trafficking crime groups, on the other hand, are more akin to internaitonal business, operating one or more cross-border criminal acts in order to acquire illicit profits. These organised crime groups rarely have strong ties to the state outside of the use of corruption to protect themselves. Rather, they tend to possess a networking organisational principle built on a limited number of individuals forming a relatively tight and structured core group surrounded by a loose network of 'associates,' with the small size of the group helping to maintain internal discipline. Their activities are strictly profit-orientated, shifting between illegal activities on the basis of where the most profits can be generated. Each member of the organised group with a networking pattern of organisation had a specific role in the transnational criminal process (for instance, recruitment, transport, marketing, etc.).

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[11] Picarelli, John T. 2008. Transnational Organized Crime. In: Williams, Paul D. 2008. *Security Studies: An Introduction*. 1st ed. Routledge, p. 454.

Network Structure
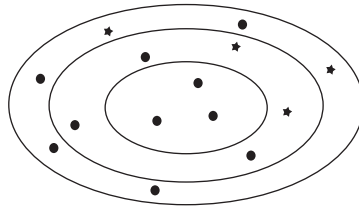
With respect to the organisational foundations of transnational criminal groups, Sterling suggests that what is unique about criminal structures that emerged since the 1990s is that groups' adaptive strategy includes preempting competition, exploiting complementary expertise and distribution channels when engaging in close collaboration with previously competitor criminal groups. She refers to this new development as *Pax Mafiosa*[12] – a peaceful co-existence among rival criminal groups and a symbiosis of criminal groups and state authorities. She notes that:

> International criminal organisations have reached agreements and under-standings to divide up geographical areas, develop new market strategies, and work out forms of mutual assistance and the settlement of conflict… and this on planetary level.[13]

Capable of both establishing safe-havens of collaboration among criminal groups around the world and enforcing its will on legitimate enterprises, governmental institutions, and mechanisms of law and order, transnational criminal actors have significantly expanded and secured their activities.

'Solo-Crimes' and 'Mafias-of-the-Moment': Is There Non-Organised Transnational Crime?

According to the UN Convention on transnational crime of 2000, a transnational crime group is one comprising three of more members who are organised for a set period of time before and after they act in a coordinated manner to commit a 'serious crime' for the purpose of obtaining financial or other benefit. Recent studies, however, have questioned whether transnational crime structures still follow a group-based organisational logic. Scholars, particularly those specialising in cyber-crime and money laundering, have started emphasising that it is not a prerequisite for a transnational criminal activity to take any organisational form. It can be disorganised and opportunistic.

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12   Sterling, Claire. 1994. *Crime Without Frontiers: The Worldwide Expansion of Organized Crime and the Pax Mafiosa*. Little Brown & Co (T).

13   Ibid: 55

Dobovsek ironically notes that it 'is hard to say what forms organised crime will take in the future, but the reality is not very far from some science fiction movies.'[14] Not all transnational crime is committed by organised criminal groups, nor do all organised crime groups engage in transnational crime. Examples of such crime are by and large transnational criminal activities that deal with intangible goods (money laundering) and criminal processes that do not require a physical contact (bank machination via ICTs; Internet pornographic distribution, etc.).

Of course, the current absence of organised cyber-criminality puts considerations about whether organisation will likely become an aspect of crime on the virtual frontier as purely speculative. Yet, logically, the technologies of the twenty-first century make solo criminal activities possible, and profitable. Cyber-crime is a unique example that tends to de-emphasise formal, hierarchical organisational structures. Indeed,

> Online criminal organisation has no reason to be circumscribed, in its membership or in its operations, by national, territorial boundaries or by cultural differences because cyber-criminals, like all citizens of the cyber-world, share a culture that transcends national borders and context.[15]

If not solo, cyber-crime is more likely to take a form of diffuse, loosely-structured opportunity groups, criminal associative entities that come together to exploit specific types of a criminal activity and having accomplished those would dissolve. Non-organised models of transnational criminal activities clearly emphasise that there are no set, fixed, easily identified and easily tracked criminal organisations.

Connections with the Upper-World: Transnational Political-Legal Symbiosis

As mentioned, transnational criminal groups have developed sophisticated organisational models. These models constitute not only cooperative arrangements among criminal organisations in different national contexts but also the entrenchment of criminal groups in the licit world. Symbiotic links to government officials protect criminal operations from legal enforcement and police control. These linkages tend to be strong in origin states but can also embrace

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[14] Dobovsek, Bojan. 1996. 'Organized Crime – Can We Unify the Definition?' In: Policing in Central and Eastern Europe: Comparing Firsthand Knowledge with Experience from the West. *National Criminal Justice Reference Service.* Retrieved on-line at: <http://www.ncjrs.org/policing/org323.htm> (accessed 23 June 2010).

[15] Brenner, Susan W. 2002. 'Organized Cybercrime? How Cyberspace May Affect the Structure of Criminal Relationships.' North Carolina Journal of Law & Technology, Vol. 4, Issue 1: Fall. Retrieved on-line at: <http://jolt.unc.edu/sites/default/files/brenner_.pdf> (accessed 05 June 2010). p. 45.

destination and intermediary states. There are several stages of the development of criminal-legal symbiosis:

1. ***Predatory stage*** (*lowest level of symbiosis*). At the predatory stage, the criminal group is essentially constituted by physical persons. The transnational character of their activities is confirmed by the movement of people, goods, and services through the national borders of states, they hold foreign accounts and property. Violence is used as a defence, to control a territory and an activity, to eliminate enemies, and to create a monopoly over the illicit activities that they are engaged into. At this state, long-range activities and planning are usually absent.

2. ***Parasitical stage*** (*middle level of symbiosis*). At this stage, criminal groups are also legal/juridical persons. The degree of criminalisation is high and might include potent criminal enterprises that are camouflaged by legal businesses. At this stage, criminal gangs are subservient to legal political and economic actors that resort to criminal, and as a rule more effective and fast, services, resources, or goods. Good examples are the establishment of black markets, affiliated firms, legal and/or economic intermediaries that develop a corrupt relationship with legitimate power sectors. The under-legal-cover parasitical criminal groups feed off society by providing it with demanded illegal goods and services, 'with under-world and upper-world society bounds together through political corruption. (...) Now organized crime has become more of an equal to the seate, as opposed to a servant.'[16]

3. ***Symbiotic stage*** (*highest level of symbiosis*). At this stage, the link between criminal groups and political systems evolves into a mutually beneficial relationship. The state apparatus becomes dependent on criminal activities, its monopolies and networks.[17] In cases of symbiotic co-existence of mafia and state apparatuses, state attributes transform into a quasi-state authority such as in narco-states. Sovereign states are gravely challenged in taking any measures in the environment where they are 'hampered by all the baggage of statehood – patriotism, politics, accountable governments, human rights, legal structures, international conventions, bureaucracy, diplomacy – whereas the bid syndicates have no national allegiances, no laws but their own, no frontiers.'[18]

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[16] Liddick, Donald R. 2004. *The Global Underworld: Transnational Crime and the United States*. Praeger, p. 12.

[17] Nomokonov V. A., Aminyeva Y.A., et al. 2001. *Transnational Organized Crime: Definitions and Reality.* (Transnatsyonalnaya organizavannaya prestupnost : definitsyy i realinost). Vladivostok. Far Eastern National University, p. 7–8.

[18] Ibid: 211

Transnational Crime vs. International Crime

One may expect that transnational and international crimes are synonyms and, in reality, demonstrate no divergence. Nevertheless, there is a significant difference between international crime and transnational crime. This divergence between international crimes (*mezhdunarodnyye prestupleniya*) that has also been known as crimes against international law[19] and transnational crime (*prestupleniya mezhdunarodnogo kharaktera*) is particularly emphasised by specialists from the Russian criminological community.[20] The distinction they acknowledge is based on the subject of the criminal activity. International crimes are as the crimes committed by states against international peace and against humanity. While the motivation of individual participants involved in international criminal activity may vary widely, the institutional purposes of these crimes appear to be largely political or economic, or sometimes a combination of both. This suggests that a valuable frame of reference for describing and analysing such crime systems is one that perceived their behaviour as the political or economic behaviour of organised private interest groups, or sometimes nation-states, or sometimes combinations of both, struggling on the world scene to achieve their own particular institutional goals.

Perceived in this way, internaitonal crime is similar to, but a more extensive concept of *state-organised crime* and it includes:[21]

- *Crimes against international law;*
- *Crimes against humanity;*
- *Crimes against the peace;*
- *War crimes.*

The source of standards about responsibility for these crimes are regulations of the international military tribunal in Nuremberg created for the purpose of have legal proceedings against the leaders of Nazi Germany guilty of World War II. The Nuremberg Trials formulated both the bases of penal responsibility for crimes against the peace and humanity and military crimes, as well as the varieties of criminal prohibitions (indicated in Article 6).

Transnational crimes are crimes of less threatening for international peace but endanger: (a) international cooperation (terrorism, plane hijacking, etc.); (b) international economic and socio-cultural development (contraband, illgal immigration, coinage offence, drug trafficking); (c) the well-being of individuals,

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[19] Mansurov, Timur. 2003. The Defnition and the General Characteristics of Transnational Crimes. Moscow.

[20] Gevorgyan, Gor M. 2002. Transnational Organized Crime. (Transnatsyonalnaya organizovannaya prestupnost. Moscow Penates, pp. 15-16; Karpets I.I. 1979. International Crimes (Prestupleniya mezhdunarodnogo kharaktera). Moscow. Juridical Literature.

[21] Rome Statute of the International Criminal Court. Available at: <http://untreaty.un.org/cod/icc/statute/99_corr/cstatute.htm> (accessed 23 May 2010).

their property and the univeral system of values (human trafficking and trafficking in body parts, pirateering, pornography).

While international crime is closely associated with state-organised crime and, to a certain extent, sponsored or directed by a nation-state as a matter of covert official policy, transnational crime may be entirely the activity conducted by private organisations unrelated to any nation-state, except possibly through corruption or other illegal activity of officials acting without the support of institutionalised state policy.

Thinking of crime as transnational better illustrates the ways in which these criminal organisations seek to operate outside of the state system. In essence, transcending the sovereignty that organises the modern state system and leveraging it for their own gain. One of the first to make this distinction was Williams,[22] who demostrated that organised crime was recasting itself by leveraging the changes in global political economy and society being rendered by globalisation and the technology evolution.

The four biggest areas of transnational crime are:

1. *Transnational political fraud*: terrorism, corruption, money laundering, fraud, racketeering;
2. *Transnational theft*: piracy, hijacking, counterfeiting;
3. *Transnational illicit traffic of goods*: trafficking in drugs, trafficking arms and nuclear material, transnational environmental crime (wildlife smuggling, trafficking in prohibited chemicals and hazardous toxic waste);
4. *Transnational illicit traffic of services*: trafficking in persons and body parts.

Moreover, in order to accentuate that traditional criminal activities have gained new powers, practitioners and scholars have enriched the concept of crime with transnational attributes. *Transnationalism* rather than *internationalism* is an important feature of criminal activities in the 21st century. Whereas *internationalism* reveals the relationship between the government of one state with the government of another state, *transnationalism* covers an activity that transcends national boundaries, in which state governments do not play a leading role. *Transnationalism* has the sense of transcending borders that identifies crime as a borderless idea. Transnational (or transnationalism) focuses on the heightened interconnectivity between people all around the world and the loosening of boundaries between countries. Transnationalism has social, political and economic impacts that affect people all around the globe. International, in its place, keeps the idea of clearly defined borders. Transnational crime refers to crime that takes place across national borders. The adjective 'transnational' describes crimes that are not only international (that is, crimes that cross borders

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[22] Williams, Phil. 1996. 'Transnational Criminal Organisations and International Security', *Survival*, 36(1): 96-113.

between countries), but crimes that by their nature involve border crossings as an essential part of the criminal activity. Transnational crimes also include crimes that take place in one country, but their consequences significantly affect another country. Examples of transnational crimes include human trafficking, people smuggling, smuggling/trafficking of goods (such as trafficking in arms and drug trafficking), sex slavery, and (non-domestic) terrorism. The term is commonly used in the law enforcement and academic communities. Louise stresses that 'thinking of crime as transnational better illustrates the ways in which these criminal organisations seek to operate outside of the state system in essence, transcending the sovereignty that organizes the modern state system and leveraging it for their own gain.'[23]

Transnational criminal activities as a rule encompass five intrinsic elements which ensure its transnational configurations:[24]

a) *Criminal actors* cross borders (physically or virtually via ICTs) in the conduct of criminal activities.

b) *Products* are illicit goods (manufactures and services) or licit products that are stolen and smuggled out of the country; licit products that are taken out of the country in violation of export restrictions; licit products that are imported to another country in violation of import restrictions or international embargoes.

c) *Victims of crime* are persons who have been exploited through the engagement in a criminal activity.

d) *Profits are* benefits retrieved from illicit activities, such as illegal money, goods, and services that are moved across national jurisdictions.

e) *Virtual signals* are daily messages sent and received. These vary from transmitted digital signals, such as in online child pornography to cyber crime that includes breaking in database systems, identity and electronic bank theft, phishing, etc.

It should also be pointed out that a careful distinction has to be made between transnational and international crime with respect to the actors involved into the activity. International crime largely involves the relationship between and among nation-states, while transnational crime is related to relationships between and among a variety of actors – states, private organisations, individuals regardless of nation-state boundaries.

Whereas international includes the dealings between the government of one nation-state with the government of another nation-state, or of several

[23] Shelley, Louise. 2003. 'Post-Soviet Organized Crime,' Demokratizatsiya, 2(3), pp. 354–355. Shelley, Louise, John Picarelli, and Chris Corpora. 2003. 'Global Crime Inc.' In: Cusimano-Love, Maryann K. 2006. *Beyond Sovereignty: Issues for a Global Agenda*. 3rd ed. Wadsworth Publishing Co Inc., pp. pp. 143–166, p. 145.

[24] Williams, Phil, and Dimitri Vlassis. 2001. *Combating Transnational Crime: Concepts, Activities and Responses*. 1st ed. Routledge, p. 61–62.

nation-states, transnational covers activities which transcends national bounda-
ries and in which nation-state governments do not play the most important or
even a significant role. The label *transnational* is therefore not used to designate
a new forn of regional organisational criminality. Rather, the term is a recogni-
tion of how these groups have successfully leveraged recent technological and
political changes. The emergence of new forms of instantaneous, global and
secure forms of communication is the foundation of the global spread of crimi-
nal networks that exist simultaneously in multiple countries. High-powered
computers and infromation networks provide crime groups with new tools for
old crimes as well as new criminal opportunities.

Illegal vs. Illicit

The distinction between *illegal* and *illicit* is worthwhile. Illegal is forbidden
by law. For instance, drug trade that is to a certain extent is legally protected in
most states. If something is illicit, it is disallowed by law but with a variance
that makes it legal under certain circumstances as in cases of proper licens-
ing or certification. Alcohol is a legal commodity for international trade in
a certain quantity depending on national regulations and standards. So, it is
legal to import, let us say, whisky but only in the amount and quality prescribed
by national standards and taxation policies. In the context of transnational
criminal activities, as there is a legal asymmetry between certain states, there
are incentives for criminal activities produced, in which criminal enterprises
offer to meet the demand for cross-border trafficking. In addition to price and
law discrepancies, asymmetries in regulations should be pointed out. Where
regulations are relatively slipshod or poorly implemented in critical areas such
as finance, banking, or taxation, it is an invitation for criminal organisations to
move into the state and exploit the loopholes.

Schendel and Abraham,[25] by contrast, call for a radically different way of
conceptualizing *illegal* transnational linkages, especially if we are to under-
stand the persistence of transnational criminal activities over time and space.
His colleague Rivera[26] argues that the state should not be taken as the point
of departure on the issues of illegality. It should rather be considered what
people involved in transnational networks consider being legal. 'Many tran-
snational movements of people, commodities, and ideas are illegal because
they defy the norms and rules of formal political authority, but they are quite

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[25] Schendel, Willem Van, and Itty Abraham. 2005. *Illicit Flows and Criminal Things: States,
Borders, and the Other Side of Globalization*. Indiana University Press, December 9, pp. 6-9.
[26] Rivera Cusicanqui, Silvia. 2005. 'Here, Even Legislators Chew Them': Coca Leaves and
Identity Politics in Northern Argentina,' In: Schendel, Willem Van, and Itty Abraham, *Illicit
Flows and Criminal Things: States, Borders, and the Other Side of Globalization,* Indiana
University Press, December 9, pp. 128–153.

acceptable, 'licit,' in the eyes of participants in these transactions and flows.'[27] The argument here is that there is a qualitative difference that separates activities illegal in a formal sense and activities that are socially permitted, i.e. licit, based on the scores of micro-practices in a certain socio-cultural setting. The line between illicitness and the laws of the state should not be seen as sharp. It is essential to comprehend the nexus of practices and attitudes bridging the licit/illicit and legal-illegal binaries. States do not always uphold the law. Law also comes from traditional practices emerging from historical and ongoing rules derived from the consistent social conduct acted out of the belief that such an interpretation of law required them to act that way leading the way when powerful groups succeeded in delegitimising and criminalising certain practices. As a result, illegal (officially criminalised) activities might well go alone with illicit practices that are officially prohibited but accepted by the society. A universally shared definition of illegality and illicitness is a discourse that involves the production of norms that goes far beyond state legal authority and control. Criminalisation is a long-term process of production, exchange, consumption, and representation. As such, in the absence of a legitimate criminalising authority at the global level the applicability of international treaties to domestic law and behaviour depends on the procedure of adherence to international norms in each particular setting. Interesting are issues of corruption in different cultural setting. In certain societies, corruption is a socially-accepted and sometimes even welcomed practice.

For instance, scholars of Russian politics have widely argued that corruption in Russia has a cultural origin. Anatoly Chubais, the Prime Minister of the Yeltsin's regime, acknowledged that corruption in Russian very little depended on the authorities, but more so on the people.[28] Being an extremely negative social trend, Slapentokh points out that petite corruption in Russia is the lubrication for the proper functioning of the state machine, or as an antidote against 'the inefficient organisation of society and bad state policy' as it has become 'a standard payment (…) even in the most basic civil and business services.'[29] Louise Shelley draws attention to diverse socio-cultural attitudes towards trafficking in women from Ukraine and Moldova to brothels in the Balkans.[30] According to her sources, communities in several Balkan states used to approve sexual exploitation of Eastern Europe women in the Balkans because these were not 'their' women, while trafficking in 'other' women was seen as a creative business project until the moment they realised

[27] Schendel, Willem Van, and Itty Abraham. 2005. *Illicit Flows and Criminal Things: States, Borders, and the Other Side of Globalization*. Indiana University Press, December 9, p. 6.

[28] Chubais, Anatoly. 2002. Interview with *Moskovskie Novosti,* July 29, 2002.

[29] Shlapentokh, Vladimir. 2003. Russia's Acquiescence to Corruption Makes the State Machine Inept. Communist and Post-Communist Studies 36, no. 2 (2003): 158.

[30] Shelley, Louise. 2010. *Human Trafficking: A Global Perspective*. 1st ed. Cambridge University Press, July 29, pp. 174–201.

that human trafficking had much wider social consequences in the region including divorces, diffusion of sexually transmitted deceases (STMs), AIDS/HIV, and the like.

Chewing coca leaves is one of the ancient habits in the Andes that is spreading to the Western world. In Argentina 'you will meet journalists, doctors, member of parliament, mine worker, billiard players, and government officials who chew coca leaves much as other around the world consume coffee and tea.'[31] Having existed there for centuries and up to the second half of the twentieth century it was legal in northern Argentina to import coca leaves from Bolivia and other regions, until UN strict quotas on coca leaf imports and later total prohibition were imposed in 1977. Or even as the Dutch gradually shift from defining narcotics as illegal to licit by replacing narcotics, hallucinogens, drugs, stimulants with the *pleasure-inducing*[32] or *plants of pleasure and sociability*[33] titles that also includes tea, coffee, beer, tobacco.

General Conceptual Collocation

In addition to the purely terminological issues referred to above, a more substantial challenge is to group together conceptual specificities of the term. Building on Madsen's Venn diagram[34] I would like to illustrate a collocated conception of transnational crime with reference to organised crime and international law. He suggests using intersections of the three circles (∩ is the intersection symbol that indicates overlaps) and '−' is the symbol that indicates the elements excluded from the intersection. In this way, transnational crime may be illustrated in the four following combinations:

1. **(IL ∩ TC) ∩ − OC**:[35] Crimes that are transnational and a violation of international law, yet not part of organised crime. *Example*: a parental dispute over custody of a child, where one of the parents takes the child out of one country and transfers it to another.

2. **(IL ∩ OC) ∩ − TC**: Crimes that are organised and a violation of international law, but which do not cross borders. *Example:* domestic labour exploitation.

[31] Rivera Cusicanqui, Silvia. 2005. 'Here, Even Legislators Chew Them': Coca Leaves and Identity Politics in Northern Argentina,' in: Schendel, Willem Van, and Itty Abraham, *Illicit Flows and Criminal Things: States, Borders, and the Other Side of Globalization,* Indiana University Press, December 9, p. 128.

[32] *Genotmiddelen* (Dutch)

[33] Hubert, Annie and Philippe Le Failler. 2000. *Opiums: Les plantes du plaisir et de la convivialite en Asie (Recherches asiatiques).* Harmattan.

[34] Madsen, Frank. 2009. *Transnational Organized Crime.* 1st ed. Routledge, pp. 8–9.

[35] NB: TC=Transnational Crime; OC=Organized Crime; IL= International Law.

3. **(IL ∩ TC ∩ OC)**: Crimes that are transnational, organised, and a violation of international law. *Example:* different forms of trafficking such as trafficking in narcotics, people, or arms.

4. **(TC ∩ OC) ∩ – IL**: Crimes that are organised and transnational, but not violations of international law. *Example:* smuggling of cigarettes or alcohol from one country to another.
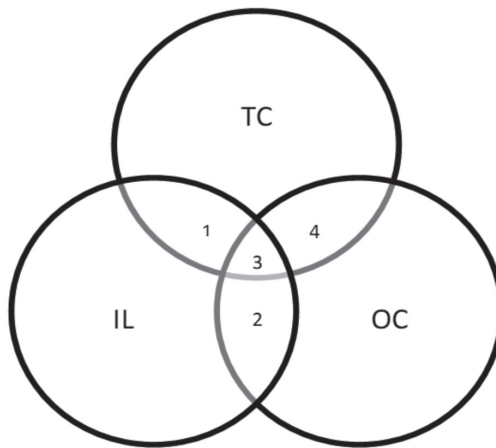
Madson's Venn Diagram (2009)

This diagram illustrates transnational crimes as crimes that in one of several ways involve two or more sovereign jurisdictions, but which are codified in the national legislations of these jurisdictions. It also points out the difference between transnational and international crime, as well as it acknowledges that transnational crime is not always criminalised in international law. Moreover, transnational crime represents an organised structure, but a strong organisational structure is not a prerequisite. The same as transnational criminal might be involved in both illegal and illicit activities, fortifying these activities with the variance that makes the legal-illegal dichotomy problematic.

Putting this all together leads to several analytic imperatives. First is the need to rescale our vision of *transnational crime*, both specially and temporally. It is necessary to scale up from the level of the nation-state and see transnational criminal actors as important players in the international financial and security architecture. It is also necessary to scale in to see the different structural arrangements of transnational crime that no longer is to be organised and coordinated in order to produce cross-jurisdictional criminal acts. As well as it is necessary to scale across to be able to track the illegal/illicit binaries in various cultural settings, where certain criminal activities although officially criminalised might be actually de-criminalised by local communities. Without these shifts in scale it is not likely to comprehend either the motivations of

those participating in transnational crime or the systemic frame within which transnational crime takes place.

This article did not mean to establish a sharp threshold between transnational and international crime, between organised crime and unorganised crime, but rather it argued that transnational crime is an *amorphous category* to refer to all the practices that forces of authority do not know how to fully identify, comprehend, define, and contain. Transnational crime is also a *residual category* in the sense of what we know about transnational crime is based on evidence coming from a limited amount of detected criminal cases, victimisation surveys, and reports. The difficulties of analysing transnational crime is driven by unrecordance challenges. the numbers of criminal cases provided by governments are regarded as indicators of the input info, and therefore the work load of the criminal justice system; they do not reflect on the crimes that have not been recorded by the police. This is notwithstanding the many contradictions of processes, scales, cultures, history and language that have a huge impact of conceptualising transnational crime. Various legal codes define crimes in different ways, so that the set of acts that constitute a given crime type in one country may not be identical to the set of acts to which the same label is applied in another. Various police forces, in particular, have different rules for when an event should be recorded as a crime. Yet, understanding the key distinctions while constructing the general picture of transnational crime is absolutely essential in rethinking some of the characteristic features of the Westphalian system, in which the emergence of powerful non-state actors have produced critical economic, political, and socio-cultural flows.

The International Arms Trade:
War and Conflict in the Modern World

by Rachel Stohl and Suzette Grillot

Reviewer: Scott Nicholas Romaniuk
(Carleton University, Canada)

The literature linking the international arms trade, the global arms industry and major human rights abuses, is already voluptuous. Despite this however, many critical questions remain largely disordered or dissonant. As a cut-and-dry engagement with a topic that looms large as big and deadly business that does not bode well for international peace and security, *The International Arms Trade: War and Conflict in the Modern World*, should be viewed as Rachel Stohl and Suzette Grillot's comprehensive address to understanding the complexities and realities of the weapons trade that offers conclusions for controlling the international conventional arms trade. *The International Arms Trade* stands out in its treatment of the subject matter by deploying a historical and conceptual context on the trade of conventional ordnance. It highlights the roles of the five largest arms exporters (states) in the contemporary world namely: the United States (US), United Kingdom (UK), France, Russia and China. Stohl and Grillot also evaluate elements of the relationship of these international actors with respect to both the ebb and flow conventional weapons on the international market. As a supplementary theoretical imperative, the authors identify and utilise the five largest arms recipients as part of their examination.

Stohl and Grillot draw five main conclusions about the nature of the arms trade. First, they examine supply and demand for weapons within both a legal and illegal framework, placing them within the larger context of world crises over the course of history. They underscore the fact that sales fluctuate in accordance with the emergence and resolution of international conflict. One of the main objectives of this study is to illustrate in what way conventional arms sales are influenced. Second, this work discusses why the control of conventional arms is more problematic than the trade of unconventional weapons including those of a nuclear, biological, and chemical nature. Consideration is given to

Article 51 of the Charter of the United Nations (UN) as a means of posing challenges for the regulation of conventional weapons. Third, the profitability of conventional weapons makes this a highly sought after industry, however the $60 billion (USD) worth of conventional arms transfer agreements in 2007 account for only the legal side of the ledger.[1] With significant profits involved in this industry, Stohl and Grillot incorporate the influence that conventional weapons transfer agreements have on national and global economies into their examination. Fourth, the authors direct readers' attention to the fact that national security has traditionally assumed a more prominent position than has human security in the context of arms deals. Therefore, the conclusion is made that the arms trade not only creates situations that results in violence, but also heightens the challenge facing peacekeepers which attempt to mitigate conflicts. Fifth, one of the most pernicious challenges in dealing with the international trade in conventional arms is that controls are wholly underdeveloped and remain largely inadequate to combat industry derivatives.

Stohl and Grillot have arranged the book in an appropriate order as to assist readers' understanding of various levels and aspects of the international arms trade from addressing historical changes in the industry to its ultimate consequence. They draw heavily on news sources, as well as international organisations such as the UN and other non-governmental agencies. Author interviews and various governmental data have also been incorporated into their analysis. In spite of the broad range of research conducted for the formulation of this work, the authors acknowledge that essential data limitations are to be taken into account. Limitations in this field of scholarly inquiry are evident; especially given the nature of actors involved in the purchase and distribution of conventional arms. It is obvious that certain analyses of the arms trade are incomplete insomuch as the lack of transparency and democracy of many agents involved allow for such limitation. Accordingly, there exists a gap in research data and conclusions. However, to supplement the aforementioned sources of information, Stohl and Grillot rely on modern scholarship and parallel situations in the context of arms transfer to alleviate presumptions regarding particular facets of the industry.

Several issues are obviously disenchanting when removed from the context of socio-psychological assumption, but the impact of the arms trade on issues of human rights, including abuses of rights and freedoms, the decay of social structures, humanitarian assistance, education infrastructure, development of cultures of violence, and the impact on communal integration, is not afforded adequate focus on the authors' overall examination. Rather, Stohl and Grillot consider more equitably issues related to national security as well as those of terrorism, and the terrorist procurement of weaponry. Treaty efforts regarding the spread of arms takes a more prominent role in this study, with considerable

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[1] p. 4.

effort being made by the authors to address contemporary arms trade controls and current international arms control efforts. Their focus in this regard ranges from an examination of the UN Register of Conventional Arms, to the UN focus on small arms and light weapons. For example, tangible results are posed from the 2001 United Nations Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects (PoA). Findings are also made available by assessing the adoption in December 2005 of the International Instrument to Enable States to Identify and Trace, in a Timely and Reliable Manner, Illicit Small Arms and Light Weapons, which is supplemented with an examination of such efforts as the creation of a Group of Government Experts in order to address, according the Stohl and Grillot, the prevention and eradication of illicit brokering of small arms and light weapons in December 2005.[2] With their focus on these and other treaties such as the International Campaign to Ban Landmines (ICBL), and the International Action Network on Small Arms (IANSA), the authors address both special agreements as well as efforts of a wide range of organisations and institutions. These include in particular the Organisation of American States (OAS), European Union (EU), Organisation for Security and Cooperation in Europe (OSCE), Economic Community of West African States (ECOWAS), and other actors such as the United Nations Development Programme (UNDP), and the South Eastern and Eastern Europe Cleaninghouse for the Control of Small Arms and Light Weapons (SEESAC).[3]

In addressing the latest initiatives to combat the proliferation of conventional small arms, no such account of anachronistic characteristics can safely be made of the overall study. In spite of the relatively limited length of their analysis, Stohl and Grillot avoid diluting their work with any sort of wayward rumination. Theirs is a direct and focused study that addresses the fundamental essence of the international transfer of conventional arms in the contemporary world. This end is achieved successfully without any subjective preconception of the impact that arms trade has on a national and global scale. Although some of Stohl and Grillot's accounts lack clarity, more often than not, their information is thorough, coherent and enlightening. Amongst some of the most beneficial material to students and professors alike is the historical perspective on the international arms trade. It is evident that both authors are well versed in the language and nuance of the industry, although they fail to deliver an adequate measure of exploration into the more socio-anthropological impact of global conventional arms transfer.

In spite of the fact that there is certainly room for this work in the bevy of literature on this subject matter, *The International Arms Trade* presents itself as a refreshing, forthwith analysis of critical facets of the industry, void

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[2]   pp. 150–151.
[3]   pp. 163–164.

of supposition and fanciful interpretation. It emphasises pros and cons and demonstrates a linear representation of the arms trade as well as the impact of conventional weapons in various modes and on multiple levels. There is no doubt that this study will edify the intellectual horizons of its readers.

Hamas:
The Islamic Resistance Movement

by Beverly Milton-Edwards & Stephen Farrell:

Polity Press, 2010
ISBN: 9780745642963

Reviewer: Veronika Prochazková
(Metropolitan University Prague)

The 2006 Palestine Legislative Council elections peaked international attention like never before. For the first time, Hamas – widely considered a radical paramilitary and/or terrorist group – appeared on the candidate list. But the real surprise was yet to come. Hamas won the overwhelming majority of the seats in the Legislative Council and defeated the incumbent, and widely expected victor, the Fatah party. Israel, the international community and even Hamas were shocked. After the quiet stupor of the Palestinian domestic scene, events gained momentum. Fighting between Fatah and Hamas soon erupted on the streets of the West Bank and Gaza, resulting in Hamas's ultimate capture of Gaza and the fragile ceasefire with Israel broken by two large-scale armed conflicts (Summer 2006) and Winter 2008/2009.

The rapid sequence of events raised new questions including: how a recognised terrorist group, calling for Islamic jihad, could win democratic elections? The most popular understandings and definitions of Hamas were unable to provide convincing arguments or answers.

Beverly Milton-Edwards and Stephen Farrell, in their work entitled: *Hamas: The Islamic Resistance Movement* make a positive contribution to the literature and reveal often contrasting aspects of the movement. The book explores Hamas from different perspectives and breaches more black-and-white perceptions of the movement. It highlights central factors which helped Hamas *win* peoples' votes and fury. It finds the reason of the movement's success in the calculated mix of social work, armed struggle and proclaimed internal purity – contrasted to their corrupt rival, Fatah – all under the brand-name of Islam. The book explores more nuanced aspects of the movement's domestic performance including: the high freedom-tax the Palestinians pay for charitable and social services; the indoctrination and manipulation by Hamas's advanced Public Relations (PR) drives; the violent pressures it often deploys; and the rationality with which it calculates its political behaviour. By doing so, the book surpasses its proclaimed goal, to 'present first-hand accounts of Hamas's fighters, social activists, victims,

political supporters and opponents' and to 'give a glimpse' into Hamas's story and performance.

The structure of the book retails Hamas's history. It reaches into the times of the revolt of Islamic sheikhs against British rule in the 1930's, continues with the seeds of the Muslim Brotherhood in Gaza, Hamas's establishment on the eve of the first intifada and peaks with Hamas's evolution into a political actor, its isolation and the two-front conflict it faces: with Israel against occupation, and Fatah for power.

Several chapters are extracted from the proposed timeline and dedicated to exploring the most speculative aspects of Hamas: its military activities, social approaches, the roles of women, and its relationship to Fatah. Since these themes are examined separately it is clear that they hold special interest for the movement which is reflected in the authors' decision to treat each area independently.

The international public is captivated by Hamas predominantly through the role of its military wing, Izz ad-Din al-Qassam Brigades. The book discusses this wing's effectiveness based on a system of 'cell organisation' and casts doubt on Hamas's claim of retaining separate military and political wings. Furthermore, it provides an overview of the military strategies Hamas deploys; rocket attacks and suicide bombings. The work develops fascinating insights into the 'cult of sacrifice' exploited by the movement to recruit martyrs. Hamas combines ideology, 'theatre performances, student groups, pop chants and rap songs, films' (p. 139) to promote suicide bombings as legitimate means which serve 'higher principles,' and portrays suicide bombers as heroes. The Palestinian sentiment as being a people witth 'nothing to loose' (p.156) serves as a fertile soil for such demagogy.

Hamas as a social-level Palestinian actor presents a more nuanced, but extremely important aspect of the movement. Hamas runs many educational centres, health-care clinics, kindergartens and charities in Palestine. The charitable work and popular activism helped it gain *grass-root* support, inching Hamas towards its ultimate goal: to Islamise Palestinian society. Youth summer camps are where the first-hand Hamas-style Islamisation occurs and children are taught 'how to be good Muslims.' To demonstrate Hamas's effective indoctrination, the authors pay attention to the young football teams carrying names of the famous martyrs, or served green-bottled *Mecca Cola* stamped 'The Taste of Freedom' and 'Made in Palestine' (p. 156).

One of the starling facts of the 2006 elections represents the high women electoral turnout for Hamas, despite the movement's perception of women as producers of freedom fighters. The authors explain the relationship between Hamas and women by noting that 'Hamas exploits the women's fears of poverty, of Israel, and of the corrupt Palestinian Authority officials looking after their own at the expense deserving poor – and also Hamas's promotion of religious certainty as a balm to that fear' (p. 205-206).

Interestingly, the authors depict the Hamas-Fatah relationship as a 'rivalry replete with blood' (p. 208). The deep-seated enmity between the fractions surpasses the national-religious rhetoric of 'Palestinian fellow brothers.' The mutual violence deepens the breach between the two sides even further, leaving them bathing in blood and balancing on the edge of a civil war. Whereas Israel constitutes a common enemy the Palestinians should unite against, Fatah competes with Hamas for Palestinian 'hearts and minds' raising the question of which party more comprehensively challenges Hamas's ambitions to establish Islamic rule in Palestine more; Israel or Fatah?

The analytical and interpretative approach of the book is enhanced by excellent, first-hand insights into Hamas's 2006 electoral campaign, which is, oddly, one of the least publically discussed issues related to Hamas. The authors keenly capture the techniques Hamas applied in preparation for its political battle against Fatah, and thereby demonstrate a clear added-value for those interested in Hamas as a contemporary political actor. For instance, Hamas hired tens of communication managers, opinion formers, media specialists, political scientists and other professionals 'to give [the campaign] organisational sharpness and sophistication' (p. 248). The book presents and thoroughly examines the impact of Hamas's electoral label of 'Change and Reform,' rhetoric, posters, media promotion (etc). The analysis goes to such depths as to describe how Hamas valued each poster which were 'covered in plastic to protect them against rain' (p. 252).

The authors draw on a mosaic of interviewed opinions and historical events, which offer readers a sophisticated, multicoloured snap-shot of precisely how Hamas impacts Palestinian society and only rarely are personal opinions reflected in the work. More frequently, the evaluation rests on third persons and the authors masterly manage to highlight the problematic through different prisms. The subjective opinion represented by one person follows the opinion of a person from the 'opposite camp,' so that the reader is presented with contrasting arguments. This work generally preserves a great deal of the authors' neutrality and simultaneously encourages readers to reflect on the issues raised and generate conclusions based on objective analyses.

At some points in this work however, the authors' biases are difficult to ignore. Nevertheless, perfect objectivity is a rather elusive goal, particularly when dealing with issues related to Hamas, and it must be said that this book maintains an admirable effort to present the situation(s) facing Hamas as impartially as possible.

If the historic-sociological approach of the book mirrors Milton-Edward's profession as Professor of Politics at Queen's University Belfast, the lively language seems to be a reflection of the newspaper-style of Farrell; a foreign correspondent for the New York Times. Milton-Edwards and Farrell deploy a particularly descriptive and illustrative language, which adds an important dynamic to the overall flow of the book. For instance, with great tongue-in-cheek

irony they sum up the day after Hamas's electoral victory by noting that 'Gaza woke up with an alcohol-free hangover' (p. 260).

Milton-Edwards and Farrell successfully present the situation in Palestine in terms the (Western) reader can vividly grasp, while using popular terms or phrases, keeping the distance and humour simultaneously such as describing a Hamas officer as a 'George Clooney look-a-like man.'

In this reviewer's opinion, the book's comprehensive approach touches upon *all* important aspects of Hamas. The reader feels as though they were sitting in the cinema and watching a narrated story about a warlord and his fierce, violent way of achieving his interest: bloody clashes with his enemies, and autocratic but generous handling of subordinates.

Nevertheless, those with little previous insight into Hamas and the problematic which encircles it might become disorientated in the (at times) overly detailed descriptions. The book is not suited for those expecting clear conclusions condemning Hamas as a 'bad' or praising it as a 'good' actor for Palestinians. Rather, the work provides a guide for a fascinating journey into Hamas's world.

The puzzle made up from history, personal stories, opinions and the analysis of Hamas's discourse and performance reveals the multi-dimensional image of one of the most visible movements in the Middle East. Milton-Edwards and Farrell sum up the book with a clear-cut thesis: that Hamas, whatever its intentions and intended course of development might be, is an established actor on the Palestinian domestic scene. It is so deeply integrated in all aspects of the Palestinian life, that any way out from the current impasse without its participation is hardly possible. According to the material presented in this work there is nothing left to do but to agree.

Migration and Mobility in Europe: Trends, Patterns and Control

by Heinz Fassmann, Max Haller and David Lane

Edward Elgar Publishing Ltd, 2009
ISBN: 9781848443716

**Reviewer: Soňa Lomičková
(Metropolitan University Prague)**

The phenomenon of migration to, from, and within Europe is not new. People migrate for different reasons – political, religious or employment – and the enlargement of the EU to 27 members has had an enormous impact on migration trends within Europe. Since the EU is characterised by the freedom of movement for capital, services and labour, the latter of which is deeply connected to migration, it stands to reason that exploring current migration trends will assist in understanding the nature of the EU itself. This is precisely what Heinz Fassmann, Max Haller and David Lane set out to achieve in the in-depth analysis of migration trends found in their work entitled: *Migration and Mobility in Europe: Trends, Patterns and Controls*.

According to Fassmann, Haller and Lane, the changes to migration trends are measured in quantitative degrees of intra-European and intercontinental migration, as well as the average distance of migration. There are several new or altered forms of migration in such as: migration of highly qualified persons; seasonal migration of farm labourers; and migration of trades people and students.

In the EU27, roughly 8.8 percent of the total population are foreign-born (p. 1) with the highest numbers of foreign-born citizens being reported in Germany, France, the UK, Italy, Spain, Belgium, Greece and the Netherlands. At the same time, the highest proportions of foreigners as part of a total population are found in the smaller European countries such as Andorra, San Marino, Lichtenstein and Switzerland, where foreigners represent up to one-fifth of the total population. In Luxembourg, the proportion rises to 34 percent.

Several chapters of this work demonstrate the constant demand for relatively cheap labour in many economic sectors throughout the EU27, though the type of demand is dependent on the economic development of specific countries. Often, domestic employees leave low-wage sectors if there are employment options in a growing economy, and their jobs are subsequently filled

by foreign workers. Shortages, in some branches, are related to demographic changes in Europe. Decreasing numbers of births results in declining numbers of entrants into the labour market. But the possibility of immigrants from low-income countries gives rise to concerns among the older member states. If existing trends continue they will have a dramatic impact and may have serious implications for national identity. Indeed, there is growing public anxiety in Western Europe about such perceived challenges and opposition to immigration is visibly increasing. The main reasons for such trends are typically rooted in cultural and racial discrimination, though economic considerations also play an increasingly important role.

Despite the highly publicised fears, there are some who genuinely support more liberal immigration policies and claim that large-scale immigration could produce great economic benefits for Western European states.

This book grew out of an international conference entitled: *Migration in Europe: Threat or Benefit*, which was held in Vienna in 2007. It was the fifth conference of the Network 'Strategic Elites and EU Enlargement.' The book boasts more than twenty contributors and offers an overview of different aspects of mobility and migration in the development of the EU27.

The work is divided into four main parts: the first part is dedicated to assessing the costs and benefits of migration answering whether 'European societies need more migration, what are the societal and economic effects and who can benefit from further migration?' (p. 3). The answers to these questions are controversial. Rowthorn discusses the *winner*s and *losers* of migration in Europe through an investigation of three principle actors: the migrant themselves, the existing inhabitants of the receiving country, and those who remain in the sending country. Those who migrate usually benefit from their choice, but the impact of migration on the other parties involved is yet unclear; some forms are beneficial for the inhabitants of the receiving country, while others are harmful. The same situation is true for people who remain in the sending country.

Rowthorn not only explores the economic impact of migration, but also provides an economic overview of the demographic situation and migration within the enlarged EU. He examines the impact of outward migration from Eastern Europe on the labour market, age structure and government finances within the receiving countries of Western Europe. He argues that migration from Eastern to Western Europe will have only a minor economic impact on the average citizen in the receiving countries. Some people will benefit from the inflow of immigrants, but some people will lose. He closes the chapter by considering the implications of further EU expansion embracing Turkey, the Ukraine and eventually even North Africa.

Another expert who discusses the costs and benefits of migration is Heschl who claims that the question of international migration for receiving countries

is always answered based on collective interests. There are always alternative perspectives, and the ideas of unions and labour representatives are often contrasting with those of employees and employers. Heschl focuses on the Austrian example and tries to describe objective facts and figures linked to international migration. He shows that labour migration to Austria is associated with the distribution of income and wealth and the increase in immigration has led to an increase in unemployment. There was also a shift of income from labour to capital. On the other hand, a positive effect is demonstrated: labour immigration positively affects employment rates and economic growth in certain, crucial, times.

Heschl also claims that demand for more skilled migration is a part of a myth-building process. The myth of a shortage of skilled workers is believed as being reality by wide sections of the public – there is always a percentage of workers (highly or less skilled) who will work more efficiently for lower wages he suggests.

Fouarge and Ester focus on something altogether different. They investigate the main intentions of Europeans to migration. The authors use the special module on mobility of the Eurobarometer Survey. This survey was held in September 2005 and the findings are very interesting. They indicate that most Europeans have no intentions to move to another country. Only 5.4 percent of the working-age population intends to move to another country within the next five years. Interestingly, highly educated, single, young Europeans – especially students – are the most mobile. Mobility intentions are strongly linked to past migration. People who have migrated in the past are likely to migrate again in the future. Movers tend to stay movers.

The second part of the book turns to patterns of migration and mobility. Braun and Recchi's aim, for instance, is to map out the objective and subjective differences within the rather loose category of intra-EU migrants in the five largest EU15 countries – Germany, the UK, France, Italy and Spain – and use multiple correspondence analyses to that end. This part of the book provides clear examples of the new pattern of migration and mobility within Europe. One of the most pronounced is Polish immigration to the UK. This phenomenon is termed the 'Polish plumber phenomenon.' The second case reveals the patterns of mobility and migration of Western Europe citizens to Turkey, a novel investigation. Turkey was an emigration country for guest workers who were mainly heading to Germany, but recently Turkey has evolved into a receiving country as more and more pensioners from Western Europe choose it as a country of residence, thereby undercutting existing stereotypes.

The third section of this work deals with problems of return and migrant integration and pays attention to EU programmes particularly the European Commission's attempts at implementing new forms of circular migration. Unfortunately there is, as yet, no comprehensive picture of return migrant's employment trends due to the non-existence of related population registers – at

the EU level – which would allow researchers to distinguish people who have lived abroad. Saarela and Finnäs, in their limited but informative study, use population register data from Finland and have found that return migrants are highly selected with regard to some latent personal characteristics with severe negative effects on job finding probability, a fact which is probably replicated throughout the EU.

The last major chapter is devoted to the issue of state control and citizens' rights. Controls are among the major dilemmas facing migration – it is a consequence of the growing levels of migration. It is necessary to mention that the ability of the EU to control immigration flows is, to a certain extent an, illusion. The book concludes by noting that 'those who live in the EU have the right to free movement within it – this is their human right and concurrently contributes to the wealth of the EU; whereas those whose birthplace is outside are increasingly excluded' (p. 11).

This book is a current and relevant study, full of references and many types of tables and figures. It appeals to researchers, students and scholars in fields such as European studies, international relations or sociology and is suitable for those interested in migrant workers in different countries e.g. Austria, Finland, Norway, Portugal, Spain and the UK.

Although this review only provides a snapshot of the book's vivid depiction of migration trends and consequences, it should be stressed that such a comprehensive study serves to illustrate the dynamics of the issues – direct and indirect – involved as the EU emerges from an intergovernmental organisation into a supranational entity bound by the free-flow of goods, services and, people.

The Rise of Asia:
The 'Flying Geese' Theory of Tandem Growth and Regional Agglomeration

by Terutomo Ozawa

Edward Elgar Publishing Ltd, 2009
ISBN: 9781847208156

Reviewer: Adelina Bulak
(Uniwersytet Szczecinski, Poland)

Ozawa is, in many ways, a political-economy pioneer and a substantial part of his scholarly life focused on analysing the main impetuous driving Japan's 'miraculous' post-WWII economic recovery. Looking for a comprehensive answer, he researched different area of Japanese economic growth, which eventually led him to suggest that the 'Flying Geese' (FG) theory offers a particularly acute explanation for the post-war economic development of an 'Asian Tiger.' In this work entitled: *The Rise of Asia: The 'Flying Geese' Theory of Tandem Growth and Regional Agglomeration*, Ozawa takes a further step and applies FG theory to other Asian, particularly East Asian countries. To use Ozawa's own words the book 'tells the story of how a cohort of Asian countries led by the US has advanced together, though in a staggered fashion, in structural upgrading and economic growth.'

The book consists of three main parts: 1) Agenda; 2) Real-sector growth: industrial upgrading; and 3) Money/finance. Each chapter is subdivided into smaller, more manageable parts, which facilitates better understandings of the particular problems which Ozawa deems important for the FG theory.

In the first part, Ozawa argues that the 'FG framework can help us join up the dots to understand the major undercurrent that has been sweeping and shaping the global economy' (p. 11) and engages more popular, but negative, opinions about this subject with the aim of wholly refuting them. Indeed, Ozawa argues that FG theory *can* be used in relation to any country or region and is therefore not an 'Asia-only' phenomenon. There are, of course, strict economic laws governing this idea, but they have nothing to do with some master-plan, set and conducted by governments. FG theory is in-sync with the laws of economics.

The second part provides a complete theoretical and empirical account of FG. It commences with explanations of basic patterns developed by Akamatsu and introduced to the general public in 1935. His theory basically articulates that, in economics, there are leaders and followers. In world-economic terms,

a leader implies a country which is at the highest end of industrialisation; the state with the highest per capita income. Such a country would require new markets for its high-tech products, but trade would necessarily work in both directions. Such a country would export high-tech products and, the same time, import raw materials. This is the way that economic relations evolve. The more advanced country, in need of raw materials, invests in the less developed country to secure existing contracts with the result that money, technicians and knowledge is being exported as well, bringing profits to the developing country. Due to those investments, the developing country experiences growth – catching-up to the leader country – and establishes its own market with its own needs for trade. Finally, economic development reaches a high enough point to spill-over borders in search for raw materials which again can be found in developing countries. As a result, the economic merry-go-round rotates and as a way of securing the import-export policy, investments are required, people and technologies are exported and the new country begins to profit from the international exchange.

Ozawa explains that this FG model is part one of two more 'derived' patterns and not what Akamatsu has called [...] basic (p. 17). The complete FG model includes three sub-patterns. 'The first basic pattern is the sequence of import-domestic production-export.' It is here where that developing country seeks high-tech products to start *catching-up growth*; the influx of new technologies helps create domestic production, which after some time, is substantial enough to begin exporting abroad. 'The second pattern is the sequence from consumer goods to capital goods and from the crude and simple articles to complex and refined articles. The third pattern is the alignment from advanced nations to backward nations according to their stages of growth' (p. 18).

Surprisingly, more is considered better in this case and these three sub-patterns of the FG theory boost it to an ideal specimen for a wide variety of economic developmental approaches in developing countries. Ozawa shows his vast understanding of the topic by deconstructing each stage of economic development into smaller, more precise problems. He looks at the Asian experience and explains what, in terms of economic theories, was occurring in those countries at a given time.

Ozawa does not confine his views to purely business/financial models, instead readers are provided a more dynamic vantage. Indeed, Ozawa is convinced that the human factor ranks as central in the process of economical growth. Everything depends on individuals and their will to act and work in relation to their right to increase their quality of life. After all, it is a set of individuals that comprise a nation and endow it with a mode of behaviour and grant the state and its political system, legitimacy. Ozawa frequently notes the importance of human factors, and even, for example discusses Hume's *knowledge retrograde* and the 'brain drain-brain gain' problems.

Basically the FG pattern occurs because of wide investments from the leading country; the most important among these is increased access to knowledge and technologies. These are ranked high for developing countries because through them such countries are able to begin to catch-up to other economic players. This would be impossible without people who feel the need to gain such knowledge; who understand and wish to acquire the benefits derived from studying technical sciences. It is observed that private motivations may have the spin-off effect of benefiting a wider population and, with a little protection from governments; even a ruthless economic system may bring benefits for all parts of a society. To show the importance of politics in economic development Ozawa uses the example of China's 'no-strings-attached' policy and Latin America's dysfunction. Approaching the topic from an interesting point of view, Ozawa considers that a general attitude towards issues of growth and development is more crucial than the political system within any given country. While communist China – a pragmatic actor – has successfully separated its political from its economic life, leading to open borders and an energetic import and export market, Latin American countries tend to be stuck in a quagmire of understanding political-economy and base their discourses on intellectual ideals for dealing with live economics – choosing a closed borders approach, which invariably leads to a degree of isolation and, as a result, brings chaos to the countries' economic systems as they are out-of-touch with international business practises.

The third part of this work finds Ozawa researching new trends that have emerged in the world economy due to US inspired innovations in financial markets. The research centres on and presents many pros and cons of private equity and Ozawa clearly indicates that this approach can increase money inflows to developing countries, and if watched carefully, may prove beneficial.

Ozawa attempts to convince his readership that events which occur in East Asia prove the FG theory, and deploys casework to that end. He reveals that with use of FG theory seemingly disparate events, which are often relegated as unrelated or irrelevant, must be taken together to create a more complete picture.

Ozawa's vast economic, historical and philosophical knowledge shines though in this book, and leaves readers with few doubts as to its accuracy.

Ozawa brings a much needed multi-faceted perspective to the subject of economic development. It is written as clearly as economic theory can be, and although it is clearly intended for an academic (political-economy) readership, it is a useful book for the general public as well.

Multinational Banking in China: Theory and Practice

By Chen Meng

Edward Elgar Publishing Ltd, 2009
ISBN: 9781845425890

Reviewer: Tomasz Browarny
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Over the past decade various questions have been raised concerning the Chinese business environment. Although the main focus of Meng's research relates to a particular sphere of the Chinese economy, examining the banking sector may, to some extent, reveal much about the Chinese economy in more general terms. Indeed, examining China's banking sector provides important insights into the state and culture of the business environment and provides tools for researching current market conditions. Issues related to the free flow of information, the quality of state regulations and cultural barriers are common for a variety of enterprises in China and Meng clearly presents the dynamics in relations between banks, the state and private enterprises, all of which conspire to reveal the costs and opportunities of doing business in China.

Given the rapid development of the Chinese economy over the past decade, it is increasingly becoming an imperative to intensify research on the Chinese economy. Geographical biases, often found within the Western scientific community (Euro-centricity), pose serious constraints to creating a more accurate and coherent image of the contemporary global economy. Meng argues that authors examining the internationalisation of banking have tended to focus on developed countries rather than emerging markets and although there are several empirical studies concerning foreign bank operations in China, a gap in theoretical interpretations has seriously handicapped this tract of research.

Constructing a consistent theoretical framework of multinational banking in China was surely a Herculean task considering the dynamically evolving business environment and high geographical fragmentation of the country, which according to some economists should not be treated as a single economic entity at all.[1]

Meng's work is especially interesting because it covers the motivation of banks to invest in Chinese mode of entry, and 'post-entry' development.

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[1] Tang Kam Ki, 'Economic Integration of the Chinese Provinces: A Business Cycle Approach,' *Journal of Economic Integration* 13(4), December 1998: 549-570.

Different kinds of foreign and Sino-foreign enterprises were analysed including: representative offices, branches, subsidiaries, joint-ventures and Chinese banking institutions with foreign minority investment.

The book commences by introducing a healthy variety of theories of foreign investment, which is an important point of departure since Meng advocates following a multi-theoretical approach. However, it is clear that the so-called 'internalisation theory' forms the core of this work and various other theories are deployed as a way of support. It is noteworthy that Meng does not view economics as the *only* discipline which requires exploration in a bid to understand China, and includes political and social aspects into his analysis.

Meng's theoretical approach is hardly influenced by resource based theory, which argues that enterprise is perceived as a bundle of resources and capabilities where valuable and inimitable capabilities are vital for gaining a competitive edge (p. 19). Instead, Meng focuses on specific assets of enterprise, and managerial skills and organisational structures are considered. Although bank size and client resources are deemed as 'vital' for competitiveness; the capability to adjust to specific characters of the market is a key factor in China. As noted in this work, banking products can hardly be differentiated; hence the way they are offered and sold are essential variables. In China innovations in this field consist mainly in tailoring financial services to local needs (p. 95). This implies a need for creating flexible and effective structures, which can meet the challenges posed by a constantly changing business environment. Therefore, foreign banks are perceived as organisations where coordination and organisational learning are critical for gaining competitive advantages and for success in the market (p. 124).

There are many reasons why foreign banks enter the Chinese market and these are clearly distinguished by Meng. According to his line of argumentation, in most cases, multinational banks follow their clients or seek new market opportunities. As soon as a bank takes root in a local market, new motives crop up, and the scope of activity gradually shifts. Foreign enterprises can enhance their engagement, maintain the current level of commitment or withdraw from the market.

Banks deploy different strategies which, over time, are altered due to changing circumstances. The author examines differences in strategic approaches of different groups of foreign enterprises given their 'core business range.' The study includes a comparison between various categories of banks and the identification of the competitive advantages in every category (pp. 134–135).

Meng strongly emphasises methodological correctness to ensure the validity of his findings though his main goal is not to collect facts and data, but rather to account for motives and determinants driving the development of multinational enterprising in China, and to show the interrelationship between variables.

Additionally, Meng attempts to strike a balance between general remarks and detailed analysis. Data is aggregated and analysed, but case studies have

also been conducted. Detailed data in particular cases can hardly be found. All banks depicted in the study were provided with anonymity to secure their confidential data.

Anonymity is sometimes futile and becomes a formality as one can easily 'guess' that the joint-venture formed in Shanghai between a 'big' European bank and the Chinese 'big-four' bank, which ended in 2003 was, in fact, BNP Paribas and ICBC enterprise (p. 110). Nevertheless, there is no reason to doubt that anonymity was secured at least in case of highly confidential data.

The study also includes a sophisticated statistical model of foreign banks development which supports the findings of this work. These sophisticated quantitative analyses were balanced by selected accounts of bank managers which enhanced the credibility of the findings.

The way the information is presented is very transparent. Bundles of information regarding different aspects of the analysis are depicted in tables and graphs. Every chapter is clearly summarised and Meng provides a summary at the end of the study, where the most essential facts and remarks are brought together.

Various issues related to business environment are examined, and strong emphasis is put on the role of the state. The Chinese authorities still maintain a strong grip on the country's banking sector and strict requirements must be met to enter the market in the first place. Access to some sectors of the market is severely limited and licences are indispensable in many cases. A lot of inconsistent and ambiguous regulations have been imposed on foreign enterprises, and state owned banks, which are key competitors to the multinational banks continue to dominate the market (p. 108).

Meng attributes this to an underdevelopment of the local market. Nonetheless, he admits that Chinese regulatory institutions are motivated by protectionism (p. 104). Such behaviour may be, to some extent, a blessing in disguise for the Chinese economy, as foreign banks try to find niches; investing in areas neglected by Chinese banks. For instance, some foreign financial institutions launched a micro-credit programme for peasants and small-sized enterprises in remote rural areas (p. 92). Nevertheless, foreign banking enterprises are still highly concentrated in China's massive financial centres along the coastal areas of the country and their main target remains Shanghai.

Importantly, Meng remarks that Chinese banks have not introduced strict credit and risk control procedures (p. 105), which in the middle-term can be a competitive advantage, but in the longer-term may cause serious problems. Also, Chinese accounting standards do not meet Western requirements, therefore lending in china can be very risky. Foreign banking institutions can hardly trust local companies and Meng cites one Western manager who claims that 'the attitudes of the Chinese local companies are very strange. They borrow much, but they never think to pay the money back. They never care about the contracts and they never inform you how they allocate the money' (p. 108).

Another asset of the study is the in-depth analysis of the Chinese way of doing business which involves its cultural background, where personal relations are more significant than formal obligations, and saving face is of the highest importance. Following the rules of *guanxi* is essential in contacts with business partners as well as with authorities. It is stated explicitly that close ties with government can substantially facilitate the business (p. 122).

The expansion of foreign banking reveals a multitude of stumbling blocks. Generally, foreign banks do not always pay sufficient attention to the specific character of the Chinese market. This is of considerable importance since China is a place where cultural proximity is essential. Meng remarks that the geographical scope of foreign banks' investments converge with cultural proximity and historic ties. For example Japanese companies mainly invest in areas occupied by Japanese army during World War II (p. 34).

Cultural differences create barriers in communication which can lead to the failure of Sino-foreign joint-venture enterprises, and Meng spends considerable energy offering advice for business practitioners on how to ease cultural shock (p. 113). Additionally, state regulators are provided with guidelines on how to steer clear of problems lurking in the Chinese market, and reform its structures.

Some weak points of the study are visible as well. For instance, although previously presented as advantageous, given that the volume contains 170 pages, it is overloaded with summaries and introductions, which are present in every chapter, and thus some information, such as that content of specific chapters and some conclusions, are too frequently presented.

Considering the scientific aspect of the analysis, it can be argued that the study lacks various scenarios of Chinese market development and the development of the Chinese market into a more open and transparent entity is taken for granted and transition seems to be one-way process. Only the pace and dynamics of change are, according to Meng, unpredictable (p. 43).

Although this scenario is highly probable, there will undoubtedly be many setbacks in opening the market to foreign banks, and the 'happily ever after' may never occur.

Whilst dangers to market opening in times of the still unfolding global economic crisis are spotted (p. 137), alternative scenarios for the Chinese market were not considered.

Despite constraints however, the booming Chinese market still attracts many new foreign financial institutions. Considering its huge and dynamically growing economy, high savings-rate and low market saturation, China offers incredible prospects for foreign banks. This situation implies the need for the development of a sophisticated theory concerning banking internationalisation in this particular country.

Meng is, to some extent, a pioneer for examining multinational banking in China. The analysis offered meets the highest levels of scientific excellence and will likely pave the way for future scientific explorations in this field.

Meng aimed to construct a study which could be of use to business practitioners, and consequently the reliability of the analysis is guaranteed and all findings are based on solid research. Mainstream theories and concepts were examined critically and applied; taking into account the specific character of the Chinese market. This has produced a comprehensive study which involves many aspects of banking internationalisation in China.

This study was aimed at 'managers, practitioners and policy makers' as well as 'students and researchers with an interest in banking internationalisation in emerging markets.' However, this work comes highly recommended, not only to a small group of specialists, but also to anyone wanting to deepen their knowledge on the main characteristics, boundaries and trends in the Chinese economy.

Old and New Terrorism

by Peter Neumann

Polity Press, 2009
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On 11 September 2001 the image of terrorism changed dramatically. A phenomenon that had been treated as a secondary issue in the social studies instantly emerged as a hotly debated. Peter Neumann's work entitled: *Old and New Terrorism* argues that since the end of the 20th century the terminology of terrorism has become obsolete, and a new framework must be developed together with relevant counterterrorism strategies. Neumann divides the history of terrorism into two distinct eras, *old* and *new*, and suggests that while some basic features of *old* terrorism have been retained; practices and goals have largely changed. Moreover, the prospect of reaching a generalisation is not only unlikely but also undesirable as the number of terrorist groups has remained high and their agendas are rather incompatible. The main aim of the book is to pinpoint key changes to international politics, which have unfolded over the past decades, and synthesise them with the changes to the framework of terrorism.

The book is divided into five basic sections dealing with particular factors that have affected terrorism in different ways. The opening chapter briefly outlines the concept of *old* terrorism by using the example of the Irish Republican Army (IRA) and compares it to Al Qaeda, which represents *new* terrorist groups. In the following three chapters Neumann deals with various aspects of post-Cold War international relations in a way not dissimilar to Friedman's conceptualisation of globalisation, namely; networking, religious extremism and its impact on the political agendas of terrorist groups, and the rise of mass-casualty terrorism. The concluding chapter offers several possibilities of how to cope with the challenges posed by the new terrorism.

In the opening chapter, three variables – which are deployed in a bid to define terrorism as social phenomenon – are taken into account, highlighting fundamental differences between *old* and *new* forms of terrorism: structures, aims and ideologies, and methods.

S*tructural* differences provide the most apparent distinctions between *old* and *new* terrorist groups. While *old* terrorist groups tended to mimic the traditional structure of national armies, *new* forms have evolved into extremely

sophisticated entities, organised either into independent cells or are entirely non-hierarchical in character. The physical centre of gravity also changed considerably. Neumann argues that the traditional geographical focal point no longer matters since globalisation, more specifically, new information technology, have increased global interconnectedness more than ever before. He argues that cooperation between the particular cells of a terrorist group or even different terrorist groups is much more common, regardless of whether their agenda is national or international.

Aims and ideologies – which usually distinguish terrorist groups from other criminal organisations – are transforming more gradually than other variables, but change is nonetheless noticeable. Neumann argues that the agendas of extreme political parties influence the agendas of terrorist groups. His historical account splits the 20th century into three eras: in the first half of the 20th century nationalist-separatist movements predominated and in the second half they drew upon Marxist and anti-neocolonialist ideologies. The 1970's supposedly mark the beginning of the massive spread of religious extremism (and consequently new forms of terrorism), which has become one of the most common ideologies of terrorist groups since the 1990s.

Methods or 'terroristic' violence constitutes the third variable. According to Neumann, the symbolism of killing innocent people is recognised as abhorrent around the world since the dawn of civilisation and has remained one of the most common methods of pressure used by terrorist groups. However, with the rise of the global media, *new* terrorist groups become trapped in a 'vicious circle of the mass-casualty terrorism'. An unfortunate escalation of violence is caused by the fact that new technology allows acts of violence to be broadcast to a wider audience than ever before. As such, simple acts of killing are no longer 'attractive' for audiences and each terrorist attack must be more dramatic than previous ones.

In the second half of the chapter these three variables are applied to the cases of the IRA and Al Qaeda as a means of illustrating the prescribed changes.

In the following chapter, Neumann explores the phenomenon of the first variable; the structure of new terrorist groups. Friedman once argued that the world is being flattened by information technology and the importance of nation states as the basic units of international relations is diminishing, which is similarly argued by Neumann.[1] He indirectly links the internet and the proliferation of ways of broadcasting with the diffusion of terrorist structures, commonly known as terrorist networks. One significant change is the shift in the concept of leadership. Throughout the era of *old* terrorism, leaders were regularly involved in all aspects of terrorist organisation, whereas contemporary leaders usually fulfil roles in strategic planning or as ideological guides

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[1]   Friedman, T. (2007) *The World is Flat 3.0: A Brief History of the Twenty-first Century*, USA: Picador.

rather than the coordination of the day-to-day agenda. Meanwhile a kind of middle-management still exists; terrorist networks usually live a life of their own and particular cells only occasionally get in touch with higher ranks – if there are such things as ranks – or even other cells.

As terrorist networks have become transnational their perception of targets has also changed, just like in the case of Al Qaeda whose members quite frequently refers to an international conspiracy against Islam and not only targets their explicit enemies, but also the allies of their enemies.

The next section maintains the pattern and further explores the aims and ideologies variable, namely the link between religious extremism and terrorism. Neumann puts these two interconnected phenomena into a broader context. The empirical evidence given shows that religious extremism and terrorism became interconnected much sooner than is usually argued, and that the increase in the number of religious terrorist groups since the 1990's is only the latest 'wave.' In contrast to 18th century enlightenment theories – which refute the combination of religious fundamentalism and modernism – the Cold War period revealed that modernity *is* compatible with religion and that religious fundamentalism is compatible with modern politics. The source of the latest wave of religious extremism is, according to Neumann, the Cold War secularisation effect and the following emergence of reactionary religious movements that attempted to bridge the gap of social dissatisfaction. This trend later produced two different streams; one of politicisation of religious fundamentalism, and a second one of separatism and terrorism. The events of 11 September 2001, following the relatively peaceful 1990's, were, according to Neumann, the most recent and most successful attempt to provoke the West to react violently, a situation which would convince Muslim nations to unite and thus link religious fundamentalism and politics once more.

The third variable, the methods utilised by terrorist groups, is the focus of the following chapter. Neumann identifies sources for the increasing number of suicidal attacks – the willingness to pay the ultimate sacrifice for perceived higher causes. Indeed, Neumann blames three basic phenomena for the paradigmatic shift that legitimated the increasingly shocking acts conducted by terrorist groups.

The *first* is the ongoing change from universalist to particularist theories. The decline of universalist theories, such as Marxism or separatism, is supposed to be one of the reasons why mass-casualty terrorism is on rise. These movements, Neumann argues, usually targeted particular segments of a population (policemen, politicians, etc.), but particularist, for example nationalist or fundamentalist religious movements, widened their focus simply against the enemy's population in general.

The *second* phenomenon is the 'media overload and emotional desensitisation.' The familiarity of publics with the level of violence broadcasted

worldwide and the subsequent need to carry out increasingly attention-seeking acts of terrorism cause a vicious circle of mass-casualty terrorism. In the words of the French anarchist Auguste Vaillant: 'The more they are deaf, the more your voice must thunder out so that they will understand you.'[2]

The *third* interrelated phenomenon is the problem of outbidding. Neumann uses case studies of several terrorist groups which are trying to attract the attention of a wider audience, and in order to do so they must to outbid the 'attractiveness' of other terrorist groups' acts of violence.

These three phenomena basically lead to alienation from the public and a certain level of apathy towards violent terrorism which, according to Neumann, decreases the popularity of these terrorist groups even among those they are fighting for and makes counter-terrorist activities easier.

The concluding chapter gives several suggestions of how to fight the *new* kind of terrorist groups. Neumann appeals to national governments to abandon their old-fashioned fears and initiate international cooperation in order to address modern terrorist groups, which manage to react much faster and more efficiently in the reality of a globalised international society. He suggests that national governments should loosen constraints about their national security measures and cooperate internationally in a manner similar to the way they already do on a vast range of matters.

He also emphasises the focus on information networks such as the internet or the other forms of broadcasting which are already domains of terrorist groups and which have been, thus far, considered a matter of minor importance by national governments.

In his final point, Neumann suggests that since one of the strongest weapons of current terrorist groups is ideology the war against terrorism should also take place in the hearts and minds of the public. Two aims of this 'ideological war' should be: a) the promotion of non-violent forms of expressing identity or ideology and constraints on violent forms of expression, and b) further focus on a gradual process of softening particularism.

This book is suitable for everybody who wants to understand the basic principles and driving forces behind current terrorist groups as well as those wishing to in-depth knowledge of the history of terrorism. Despite the complexity of the evidence about the gradual changes that have led to a transformation in the phenomenon of terrorism, the overall thesis of the book is easy to comprehend, and all arguments are easy to follow. The only drawback of the book is the narrowness of the concluding chapter, which gives only limited suggestions of how to fight *new* terrorist organisations, or rather only touches on topics that deserve to be discussed in more depth.

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2   In: Schmid, A and Graaf, J. (1982) *Violence as Communication: Insurgent Terrorism and the Western News Media*, London: Sage, p. 2.

Atomic Obsession: Nuclear Alarmism from Hiroshima to Al-Qaeda

by John Mueller

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ISBN: 9780195381368

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Ever since the US-led Manhattan Project yielded the first atomic weapons at the end of the Second World War, people all over the world have been obsessed with the threats of their utilisation. The fears of atomic weapons thrived during the Cold War. Presently, such fears are heightened the proliferation of nuclear arms to so-called 'rough states' occurs and the nightmare of a potential nuclear attack by an international terrorist organisation becomes more likely. But are these threats real? In his book *Atomic Obsession: Nuclear Alarmism from Hiroshima to Al-Qaeda* John Mueller sets out on the quest to put all these obsessive fears under a thoughtful examination.

Mueller finds that such fears are not only baseless, but he also argues that the endeavour to protect against such nonexistent threats have been in many cases counterproductive. Mueller lays down his arguments with his eloquent wit aiming at the mainstream dogmatism of the nuclear alarmists. The book, and particularly the encompassing extensive footnoting, also abundantly summarises relevant information connected to the topic and the related issues ranging from the field of the political science to the technical explanations of the effects of nuclear weapons. Although some of Mueller's theses may be seen as provocative, the book provides an important eye-opening alternative view on this important issue.

In the first part of the book, Mueller argues that the effect of nuclear weapons and their impact on history have always been exaggerated. Mueller begins his book with a brief description of different effects of a nuclear explosion and thus allows his readers to acquire more realistic apprehensions of the destructive power of nuclear weapons. Mueller for example asserts that a Hiroshima-size bomb would be able to destroy only about 1 percent of the New York City area. Mueller further tries to adjust the overstatements regarding the potential political and social impacts of a single atomic terrorist attack on the United States. Mueller suggests that such an event, although possibly very tragic, would cause neither the society nor the economy to cease to exist. The arguments for this

assurance Mueller finds in the analogy with the viable reactions of the United States citizens to the 9/11 events or of Israeli citizens to the continual terrorism in their country. In this way, Mueller does not need to lead a polemic regarding the influence of an imaginary single atomic attack on the global markets, the influx of investments or global migration. The broad attention of the first part of the book is subsequently given also to the evaluation of nuclear weapons' influence on history. Mueller suggests that the Hiroshima and Nagasaki atomic bombing was not the main reason for Japan's surrender at the end of the Second World War, but it was rather the Soviet Union's declaration of war and Japan's fear of the Soviet Union's anticipated occupation of the northern part of Japan. Neither, Mueller argues, were nuclear weapons necessary to deter an open military collision between the United States and the Soviet Union during the Cold War, as there were the other sufficient reasons, like the vivid memory of the Second World War and the overall contentment of the superpowers with the post-war status quo, that would also have separately prevented a global conflict. World history was thus influenced by nuclear weapons only modestly. Despite this, Mueller points out, the development of nuclear weapons and the build-up of nuclear arsenals demanded vast defence expenditures.

In the second part of the book readers are presented with an examination of the threats connected to the spread of nuclear weapons. This subject matter is dealt with from the perspective of the so-called vertical proliferation (i.e. the build-up of the nuclear arsenals in countries that already have nuclear weapons) and also from the perspective of the so-called horizontal proliferation (i.e. the spread of nuclear weapons to other countries). The chapter devoted to vertical proliferation begins with a brief summary of the arms control treaties concluded between the superpowers in the course of the Cold War. Mueller points out that the superpowers tended to enhance their armament efforts in order to obtain a bargaining advantage in the arms control negotiations. The negotiations thus lead to adverse effect that even more impelled the arms race. Mueller, in this connection, refers to the example of the warship disarmament on the Great Lakes between the United States and Canada in the 19th century. The smoothest disarmament there was achieved in the 1870s without any formal agreement. In contrast to this, the previous conclusion of the warship limitation agreement in 1817 did not have much success. Mueller concludes that the swiftest arms reduction occurs when each side keeps the possibility to reverse any reduction in the future.

This is followed by one of the most interesting parts of the book, which is concerned with recent threats connected to horizontal proliferation. Mueller notes that many countries decided not to develop nuclear weapons simply because it is an enormous waste of financial resources and scientific talents. Mueller analyses the advantages arising from the acquisition of nuclear weapons and finds them very limited.

The limited military value of nuclear weapons is, for example, documented by the Falklands War, in which Argentina was not deterred by the nuclear arsenal of the United Kingdom from invading Falklands in 1982. Mueller also stresses that even the extensive nuclear arsenal of the United States was of no help in conflicts in Korea, Vietnam or Iraq. Mueller then turns readers attention to the anti-proliferation campaign and its impacts. Several short case studies describe the situation in countries like South Africa, Ukraine, Belarus and Kazakhstan that decided to abandon their nuclear arsenals. The book subsequently analyses the costs of the proliferation fixation in Iraq and North Korea. Mueller examines the destructive effect of the sanctions imposed on those two countries as part of the anti-proliferation campaign and emphasises that the sanctions claimed a great number of human lives. Mueller also evaluates the likelihood that any of those countries would actually use atomic weapons in a successful attack and finds it for many reasons improbable. Based on those arguments, Mueller calls for a calmer anti-proliferation policy.

The third and final part of the book examines the likelihood of an occurrence of an atomic terrorist attack. Three possibilities of the international terrorism are analysed: i) the acquisition of a finished nuclear bomb from a state, ii) the theft of a finished nuclear bomb and iii) the construction of an atomic bomb independently by an international terrorist group. Mueller finds strong arguments for ruling out the first two possibilities. The third possibility is then put through a full-range examination covering the necessary provisions of fissile material, the construction of an atomic device and its transportation and detonation. Mueller concludes that such attempts would be very costly and almost impossible to hide. The likelihood of a construction of a workable atomic device and its successful detonation by terrorists is thus according to Mueller 'vanishingly small.' Mueller provides certain suggestions in order to further reduce this likelihood as, for example, establishing a reliable inventory of fissile material or the further development of nuclear forensic science capable of tracing the origins of fissile material in a bomb, but warns against the adoption of cost-inefficient protection measures.

In conclusion, Mueller admits that nuclear weapons are the most dangerous weapons ever invented. However, at the same time, Mueller stresses that the threats of their use are largely overestimated and this results in the distortion of protecting measures. The biggest contribution of the book can thus be seen in putting such threats into a more realistic perspective.

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