

**The Role of the Northern Dimension
in Tackling the Challenges of a
Growing EU Presence in Northern
Europe**

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The Northern Dimension of the European Union's policies¹ has its roots in the early 1990s when the three Nordic countries, Finland, Norway and Sweden, were negotiating their accession into European Union (EU). It is fair to say that with the accession of Finland and Sweden in the beginning of 1995², the European Union acquired an entirely new northern dimension. What had previously been a predominantly western and central European exercise, was introduced to a host of new geographical realities. This was reflected, first of all, in the much harsher climate, arctic agriculture, low population density, and long distances to be found in the two Nordic member states. A striking example of this is the fact that with the accession of Finland and Sweden the land area of the EU grew by 33.3% whereas the population grew by only a meager 4%! (See table 1 for more comparisons). However, it is important to also keep in mind that the new dimension was not only a list of hardships and obstacles, as the new northern member states were also seen as highly developed market economies as well as representing positive Nordic values such as equality, transparency and welfare state.

¹ From hereafter Northern Dimension, or ND. When written in capital letters the term refers to the specific policy of the Union; if written otherwise it refers to a more general understanding of the term.

² Norwegians voted against their membership in a referendum in November 1994.

Table 1 Some peculiarities of the ‘northern dimension’ compared to EU-12.
Sources: Eurostat and the Finnish Ministry of Agriculture and Forestry. Statistical year 1995.

	Finland	Sweden	EU-12
Land area	338 000 square km	450 000 square km	2368 000 square km
Population	5.2 million	8.9 million	353.1 million
Population density	15/square km	20/square km	150/ square km
GDP per capita	19 360 euros	20 800 euros	17 960 euros
Agricultural growth period	110 – 180 days	110 – 220 days	230 – 340 days

The new ‘northern dimension’ brought new flavours in terms of more strategic issues as well. Finland and Sweden were well-known Cold War neutrals – a policy that raised suspicion in the eyes of some older member states. The beginning of the accession negotiations in 1993 coincided with the ratification process of the Treaty of Maastricht (1991), which had introduced a Common Foreign and Security Policy (CFSP) into the European Union. The neutrality, or non-alignment as it was soon to be known, of Finland and Sweden³ was seen as a potential liability for the further development of the CFSP.⁴ Combined with the Danish opt-out in the common defence policy, agreed in the aftermath of the failed referendum in 1992, it can be said that the emerging northern dimension was also seen as consisting of rather awkward partners in the development of the security dimension of the European Union.

After nearly a decade of Finland and Sweden’s membership, it is evident that the worst fears of the EU-12 have not materialized. If anything, it

has been the new Nordic members themselves that have expressed a certain measure of disappointment with the lack of efficient and coherent European foreign policy. For example, in 1998 the Finnish President Martti Ahtisaari admitted that the original fears of incompatibility were largely misplaced and that instead the lack of any common policies at all has been a disappointment.⁵ Moreover, Finland and Sweden have shown a good deal of creativity in devising initiatives and proposals that can be seen as having foreign and security policy significance. The activism of Finland and Sweden has, however, tended to emphasize the ‘soft’ end of the security spectrum, which has been reflected in, for example, the joint proposal for the inclusion of the so-called Petersberg tasks into the Amsterdam Treaty in 1996-97. They have also shown initiative in developing the Union’s Russian policy. Indeed, the Finnish initiative for a Northern Dimension can be seen as an embodiment of these two tracks: seeking to bring the attention of the whole Union to the challenges and opportunities that Russia presents; while stressing the primacy of soft-security threats and the role of multilateral cooperation in combating them.

This article is based on a two-pronged analysis of the Northern Dimension. First, it gives an

³ And also of Austria. That is not discussed in this context, as it does not pertain to the ‘northern dimension’.

⁴ Cf. Hanna Ojanen, “Introduction: contested compatibility”, in Hanna Ojanen together with Gunilla Herolf and Rutger Lindahl, *Non-Alignment and European Security Policy: Ambiguity at Work* (Programme on the Northern Dimension of the CFSP No. 6, Helsinki and Berlin: Finnish Institute of International Affairs and Institut für Europäische Politik, 2000).

⁵ *Aamulehti*, 28 November 1998.

overview of the development and the content of the specific EU policy tailored for northern Europe. Second, it analyses the impact of the European Union and its policies in northern Europe by examining, first, the increase in *presence* that the EU has acquired and developed in the course of the last decade in the region, while also asking the question to what extent has the increased presence been translated into capability of strategic *actorness*?⁶ The argument in this article is that increased presence can turn into liabilities if it does not result in an increase in the EU's actor capabilities over the longer term.

The article is divided into three parts. The first part introduces both the short history of the Northern Dimension as well as its main content and achievements so far. The second part analyses the role that the European Union and its Northern Dimension has played in the on-going multilevel game that is being played in the region, while the third and last part draws some conclusions.

The emergence of a 'northern dimension' into the European Union

As was already mentioned, the term 'northern dimension' emerged during the accession negotiations when especially the Finnish team of negotiators used it as a slogan to highlight the fact that the European Union was about to have new member states with drastically different conditions compared to the western European ones. The logic in the argument was that these conditions would in turn require special measures on the part of the European Union. This line of thinking could be labelled as the *internal* interpretation of the 'northern dimension'. Indeed, it is fair to assess that this internal aspect has relevance even today: it is reflected in the special measures developed and adopted during the accession negotiations in both the Common Agricultural Policy (CAP) and structural funds.

⁶ This kind of analysis is not, of course, without precedents. The most famous example is to be found in David Allen and Michael Smith, "Western Europe's Presence in the Contemporary International Arena", in Martin Holland (ed.), The Future of European Political Cooperation: Essays on Theory and Practice (London: Macmillan, 1991).

But the accession of Finland and Sweden had *external* repercussions for the European Union as well. It brought the Union for the very first time into direct contact with the turbulent Russian Federation in the form of a 1300-kilometer long Finnish-Russian border. In addition, this 'exposure' is bound to grow only larger with the on-going enlargement process. This interpretation was to be found very early on, as exemplified by the words of the Finnish Foreign Minister Paavo Rantanen, who in February 1995 argued that the new 'northern dimension' of the European Union should also take into consideration the special interests of Finland in the sphere of security policy, including stability and regional cooperation in northern Europe.⁷

This second interpretation of the term was given primacy in 1997 when Prime Minister Paavo Lipponen sought to link the slogan 'northern dimension' more directly with the realm of EU external relations and especially with Russia. It is important to keep in mind that the Finnish initiative for the Northern Dimension has always made a clear distinction between the internal and the external, as it has placed the initiative exclusively in the realm of EU external relations. Recently, Lipponen commented that the choice has been a fortunate one, as the internal aspects, such as CAP and regional funds, have been successfully taken care of in other forums.⁸ Indeed, this basic distinction reflects a clear choice of a 'marketing strategy' devised for the Northern Dimension, as the Finns have consciously from the start sought to avoid entangling the initiative into the internal power struggles for scarce financial resources in the European Union.⁹ Therefore, the initiative was carefully crafted emphasizing the wider EU interest while downplaying the significance of parochial Nordic interests. In addition, the Finns sought to express their solidarity towards the

⁷ Paavo Rantanen, *Suomen EU-politiikan suuntaviivat* (The Guidelines of Finnish EU Policy), a speech at the Finnish Parliament, 14 February 1995.

⁸ Paavo Lipponen, a speech at the Research Seminar on the Northern Dimension, Turku, 15 April 2002. <http://valtioneuvosto.fi/liston/vnk.lsp?r=14919&k=fi&old=2079&rapo=2113> (in Finnish only). Downloaded 24 June 2002.

⁹ Hanna Ojanen, "How to Customize Your Union: Finland and the 'Northern Dimension of the EU'", in Northern Dimensions 1999 – Yearbook of Finnish Foreign Policy (Helsinki: Finnish Institute of International Affairs, 1999), pp.16-17.

southern member states as well by, for example, hosting a meeting of environmental ministers on Mediterranean issues in 1997.¹⁰

The Finnish initiative

Prime Minister Lipponen made his initiative at the 'Barents Today' conference organized in Rovaniemi in northern Finland in September 1997. In his speech titled 'The European Union needs a policy for the Northern Dimension' he argued that the Union and its member states share vital common interests in northern Europe and that those interests should translate into a new EU policy.

Lipponen's original approach to the initiative was quite ambitious, as he linked its role to making the Union "a more effective global actor".¹¹ Moreover, in a letter sent to the then President of the Commission Jacques Santer in April of the same year, Lipponen stressed the strategic qualities of the Northern Dimension, proposing that it "should define which are the economic, political and security interests of the Union in this area, especially in the long-term."¹²

Geographically, Lipponen's original vision was rather Russia-centric, but it also included a wider interpretation of the reach of the initiative, including the United States and Canada. The main emphasis was, however, put to a host of different threats emanating mainly from the northwestern parts of Russia, such as the poor standard of the environment, including the burning question of nuclear safety. Another set of challenges was derived from the existence of one of the perhaps deepest welfare gaps in the world on the Finnish-Russian border: the fear of uncontrolled immigration together with the

danger of rampant-transmitting diseases, such as HIV and drug-resistant forms of tuberculosis. These threats are indeed a legitimate source of concern, as the northwestern parts of Russia, the Kola Peninsula and the Kaliningrad region in particular, represent one of the most toxic and dangerous environmental hotspots on the planet.¹³

Furthermore, the region is not void of 'hard security' related problems either. The Kaliningrad oblast remains of significant military importance to Russia, although its strategic usefulness will be further undermined when it is most likely to be surrounded by NATO countries in the coming years. Moreover, the Kola Peninsula still acts as the principal base for Russia's decaying Northern Fleet and is the main launching area for a good deal of Russia's still formidable armoury of intercontinental ballistic missiles (ICBMs).

But Lipponen's speech was not only a list of hardship and obstacles. The positive side of the initiative was based on the idea that in the future, the European Union will be increasingly dependent on imported energy and that the northwestern parts of Russia is a vast reserve of these resources. However, in order to exploit these reserves, the region would require an immense amount of investments in basic infrastructure, including rail and road connections, harbours, airports, border-crossing facilities as well as improved telecommunication systems. These are all things that, according to Lipponen, ND could help to provide.

As can be seen, the high level of ambition in the original underlying thinking concerning the initiative equally matches the level of challenges that the Northern Dimension should tackle. Therefore, it is somewhat surprising that the actual ways through which the ND should make this all come about was painted with a very broad brush. Lipponen's approach can be summed up as 'no new money, no new institutions', as it explicitly made clear that benefits to be derived from ND would come from a better coordination of already existing policies and instruments

¹⁰ Hiski Haukkala, "Comment: National Interests versus Solidarity Towards Common Policies", in Hanna Ojanen (ed.), *The Northern Dimension: Fuel for the EU?* (Programme on the Northern Dimension of the CFSP No. 12, Helsinki and Berlin: Finnish Institute of International Affairs and Institut für Europäische Politik, 2001), pp. 109-110.

¹¹ Paavo Lipponen, *The European Union Needs a Policy for the Northern Dimension*. A speech to the 'Barents Region Today' Conference, Rovaniemi, 15 September 1997.

¹² Paavo Lipponen, Letter from Paavo Lipponen to the President of the EU Commission, Jacques Santer, Helsinki, 14 April 1997, Prime Minister's Office, Ref. 97/1510, quoted in Nicola Catellani, *Short and Long-Term Dynamics in the EU's Northern Dimension* (COPRI Working Papers 41/2001).

¹³ These challenges have been analyzed in detail in Christer Pursiainen, with the assistance of Pekka Haavisto and Nikita Lomagin, *Soft security problems in Northwest Russia and their implications for the outside world. A framework for analysis and action*, Programme on the Northern Dimension of the CFSP/UIP Working Paper 31/2001.

instead. However, this emphasis also reflects the strategic undertone belying the initiative as the means through which this was to be achieved - through an identification of clear priorities for future actions.

It is here that the initiative reveals some of its internal paradoxes: Lipponen's claim that the Northern Dimension can basically be funded with the better use of existing funds alone seems ludicrous when compared to the ambitious objectives he had enumerated. This statement does become understandable only when it is seen as a crucial part of the Finnish marketing strategy: it is easy to see that a Northern Dimension explicitly asking for vast amount of EU funding would have never flown. Moreover, the thought that the policy would be implemented via the existing organizational frameworks, such as the Council of the Baltic Sea States (CBSS), Barents Euro-Arctic Council (BEAC) and the Arctic Council (AC) also makes sense, as already in 1997 the problem was that the proliferation of regional cooperation schemes in northern Europe had reached such a level that the organizations were already stepping on each other's toes. This will be discussed more later on.

Lipponen's speech was met with a rather positive reaction from various EU member states. For example, the Prime Minister of Portugal, Antonio Guterres, and the British Minister for European Affairs, Douglas Henderson, rushed to express their immediate approval almost right after the proposal.¹⁴ As a result, the initiative's ascension on the EU agenda was rather swift, sailing through the European Councils of Luxembourg (1997) and Cardiff (1998) and landing in Vienna in December 1998, where the Commission presented its views on the topic in the form of an interim report.

In the report, much like in Prime Minister Lipponen's original speech, the actual content of the Northern Dimension was described mainly as a list of negotiations, i.e. what it was not supposed to be: new institutions, more money or a new form of regionally based co-operation in northern Europe. Instead, a central notion was the 'added value' that ND should bring, mainly through increased coordination of already existing actions in the North. The report also clarified the geographical scope of the initiative giving it a

much more regional focus, as the global dimensions of the United States and Canada were excluded. Instead, the Northern Dimension would consist of EU member states together with the so-called partner countries, Estonia, Iceland, Latvia, Lithuania, Norway, Poland and Russia.¹⁵

The usefulness of the concept has been, however, hampered by the fact that despite Prime Minister Lipponen's original intentions, the Northern Dimension has not been devised along strategic lines where certain issue-areas would be given priority over others. Also the ways and the means by which the goals should be reached have remained largely undefined. This is reflected especially well in the interim report which tended to remain a vague declaration as every problem, threat and remote economic prospect in the region were enumerated, while the concrete proposals for the realization of these goals were almost entirely neglected.¹⁶ The end-result was a document which lacked real substance but which paradoxically still managed to raise incredible hopes and expectations in northern Europe while frustrating those waiting for something concrete to happen.

On the occasion of the introduction of the Commission's report, the Vienna European Council invited the Council to identify, on the basis of the Commission's interim report, guidelines for actions in 'the relevant fields'.¹⁷ In turn, the Council, in its 2186th meeting in May 1999, set its own guidelines for the implementation of the Northern Dimension, mainly along the earlier lines of the Commission as the added value in the initiative would come solely from increased synergies resulting from a better coordination and complementarities of the Community and member state actions in northern Europe.¹⁸

¹⁴ *Helsingin Sanomat*, 1 November and 4 November 1997.

¹⁵ *A Northern Dimension for the Policies of the European Union*, COM (1998) 589 (25 November 1998). http://www.europa.eu.int/comm/external_relations/north_dim/doc/com1998_0589en.pdf. Downloaded 24 June 2002.

¹⁶ *Ibid.* The report lists the relevant sectors, which require 'appropriate arrangements': energy, environment/nuclear safety, cross-border co-operation, trade, transport and telecommunications and health.

¹⁷ *Vienna European Council, Presidency Conclusions*, 11 and 12 December 1998. <http://ue.eu.int/en/Info/eurocouncil/index.htm>. Downloaded 22 April 2002.

¹⁸ See the *Conclusions of the 2186th Council meeting* - General Affairs - Brussels, 31 May 1999, PRES/99/171.

In May 1999 the European Parliament (EP) also produced a report on the topic.¹⁹ In the report the Parliament sought a more concrete approach by proposing, for example, that all the individual instruments, such as TACIS, Phare and INTERREG should be combined into one fund in order to ensure better coordination and efficiency of the available but limited resources. Moreover, unlike the Commission, the EP particularly mentioned that the Northern Dimension should have a regional role, for example in creating and strengthening cross-border co-operation. The report also stressed the role of non-governmental organizations (NGOs) in creating stability in the region. What is also central to the Parliament's report is that it was focused more on the Baltic Sea region. The Northern Dimension was now seen as an essentially more *southern* dimension with close links to the on-going enlargement process.

The Cologne European Council in June 1999 noted the Council's earlier guidelines and invited the partner countries to take part in the Foreign Ministers' Conference on the Northern Dimension, which was to be arranged in Helsinki during the Finnish presidency in November of the same year.²⁰ Originally, the concretisation of the Northern Dimension in the form of the Foreign Ministers' Conference was supposed to be among the highlights of the Finnish presidency. Unfortunately, the time, which so far had been on the Finns' side, was finally turning against them, as the year preceding the Finnish presidency was an exceptionally unfortunate one for the initiative's prospects.

First, the August 1998 financial and political crisis in Russia evaporated the European hopes for a rapid transformation of the Russian economy. Second, the war in Kosovo in the first half of 1999 turned the gaze of the European Union southwards at the time when it was just supposed to be locked into the North. And finally, the second war of Chechnya, which began in earnest in October 1999 managed to cripple the EU-Russian relations. Both the Northern Dimension and especially the Foreign

Ministers' Conference fell victim to all these three trends and thus it is no surprise that in essence it failed to agree on almost anything substantively new other than that the Helsinki European Council should decide on drafting an action plan for the Northern Dimension.²¹ As a consequence, the Helsinki European Council finally invited the Commission to prepare an action plan for the Northern Dimension.²²

The first action plan

An important milestone for the initiative was indeed reached during the Portuguese EU presidency when the Feira European Council adopted the first action plan in June 2000. The document simultaneously represented an important milestone and acted as a source of further disappointment and even disillusionment for the Northern Dimension. It was undeniably the final breakthrough for the initiative, as the existence of an action plan consolidated its place on the EU agenda. But the actual content of the document can be described as falling short of the mark, as it failed to make the initiative more concrete and in certain important respects it actually managed to dilute some of the ambitious features to be found in the original Finnish approach.

The action plan, initially adopted for the years 2000-03 is divided into two parts. The first, horizontal part, lays out the framework for the Northern Dimension. The main idea and limitation of the dimension is spelled out very clearly in the beginning where the action plan states that the added value is to be gained "through reinforced coordination and complementarity in EU and Member States' programmes and enhanced collaboration between the countries in Northern Europe" and that "the Northern Dimension is an on-going process without a specific budgetary appropriation."²³

¹⁹ *Report on the Communication from the Commission – A Northern Dimension for the Policies of the Union*, A4-0209/99 final (22 April 1999).

²⁰ *Cologne European Council, Presidency Conclusions*, 3 and 4 June 1999. <http://ue.eu.int/en/Info/eurocouncil/index.htm>. Downloaded 22 April 2002.

²¹ *Foreign Ministers' Conference on the Northern Dimension, Conclusions of the Chair*, 11 and 12 November 1999. http://www.europa.eu.int/comm/external_relations/north_dim/conf/formin1/index.htm. Downloaded 22 April 2002.

²² *Helsinki European Council, Presidency Conclusions*, 10 and 11 December 1999. <http://ue.eu.int/en/Info/eurocouncil/index.htm>. Downloaded 22 April 2002.

²³ *Action Plan for the Northern Dimension with external and cross-border policies of the European Union 2000-2003*. 9401/00 (14 June 2000), I.1, I.6.

Otherwise, the horizontal part is almost identical to the earlier Commission report as it goes through the most important sectors in the initiative.

The role of the action plan in actually steering the actions of the member states is put in rather careful wording as the document is called a “political recommendation to be taken into account by relevant actors whenever appropriate.”²⁴ As a political obligation this is of the weakest kind, even weaker than the one to be found from, for example, the Common Strategy on Russia (CSR), which states that member states are obliged to develop “the coordination, coherence and complementarity of all aspects of their policy towards Russia.”²⁵ Basically, the CSR can be perceived as an internal policy coordination instrument of a similar kind, thus the comparison.

Moreover, it is indeed in the realm of ‘relevant actors’ that the biggest setbacks in terms of the initiative have taken place. The roles of the three most important regional councils in the North, the Council of the Baltic Sea States, the Barents Euro Arctic Council and the Arctic Council, which in the original initiative had a central role in the implementation of the Northern Dimension, have been reduced to a vague wording according to which they “may assume a significant role in consultation with the Council of the EU in identifying common interests of the Northern Dimension region.”²⁶ The role of other, mainly sub-regional actors, such as the Nordic and the Baltic Councils of Ministers, has been reduced even further where they only “may also be consulted in accordance with EU internal rules and procedures when implementing the Action Plan.”²⁷

http://www.europa.eu.int/comm/external_relations/north_dim/ndap/06_00_en.pdf. Downloaded 22 April 2002.

²⁴ Ibid., I.5.

²⁵ *Common Strategy of the European Union on Russia*, part I. http://www.europa.eu.int/comm/external_relations/russia/common_strategy/index.htm. Downloaded 22 April 2002. For a comprehensive analysis of the CSR, see Hiski Haukkala, “The Making of the European Union’s Common Strategy on Russia”, in Hiski Haukkala and Sergei Medvedev (eds), *The EU Common Strategy on Russia: Learning the Grammar of the CFSP*. Programme on the Northern Dimension of the CFSP No. 11 (Helsinki and Berlin: Finnish Institute of International Affairs and Institut für Europäische Politik, 2001).

²⁶ *Action Plan for the Northern Dimension...*, I.22.

²⁷ Ibid., I.22.

The second, operational part of the action plan gives an in-depth account of the different sectors ranging from infrastructure and environment to public health and justice and home affairs.²⁸ The list is once again quite exhaustive but the action plan fails to bring significant new added value in terms of clear priorities that would in turn easily yield concrete proposals or actions to be taken during the first four-year term.

However, although the official documents do not reflect any clear strategy and prioritisation of actions in different issue-areas, the implementation phase of the Northern Dimension has yielded some results. When examining the actual work done under the auspices of the initiative, three sectors seem to be of special importance: environment, combating organized crime, and cooperation in information technology (IT). These three issue-areas have their own special initiatives, such as the Northern Dimension Environmental Partnership (NDEP), Northern eDimension and the CBSS Task Force for Organized Crime. In addition, all these initiatives have been centered largely on the northwestern parts of Russia – to such an extent that it has become the geographical focus of the ND.

However, these three issue-areas reflect mainly the needs of the EU and its member states – a fact that has not gone unnoticed in Moscow, which has different priorities for cooperation. Indeed, there is a brewing conflict between the EU and Russia concerning the Northern Dimension as both sides seem to be increasingly frustrated with each other’s approaches: Russia would want more direct investments into the development of its industrial potential whereas the EU requires a stronger commitment on Russia’s side on co-financing - especially the projects aiming at environment protection. These differences were well reflected in, for example, the speeches given by the Prime Minister Lipponen and the Vice-Prime Minister Viktor Khristenko before the International Forum for the Northern Dimension in Finland in October 2001. There, Lipponen regretted the lack of co-financing on Russia’s

²⁸ All the sectors found in the action plan are energy, transport, telecommunication/information society, environment and natural resources, nuclear safety, public health, trade, business cooperation and investment promotion, human resources development and research, justice and home affairs, regional and cross-border cooperation and a special reference made to Kaliningrad.

side whereas Khristenko attacked the ND complaining about the lack of influence that Russia has had over the content of the initiative.²⁹

EU's increasing presence in northern Europe

The Northern Dimension has not made a visible impact on making the European Union a more strategic actor in the North. This is largely due to the fact that it has been based on inadequate prioritisation of aims as well as largely insufficient allocation of means when compared to the broad range of objectives enumerated under the aegis of the initiative so far. Yet it is important to keep in mind that this fact has not prevented the EU from having a considerable impact on the events in the region. The question that leaps to mind is, to what extent the results achieved so far have been actually intentional ('strategic') or do they just reflect accidental and arbitrary outcomes of the contacts and exchanges taking place within the dense network of overlapping actors and policies in the North?

However, what does seem clear is that the ascension of the Northern Dimension on the EU agenda during the latter part of the 1990s reflects the growing importance of the European Union in northern Europe in two important and largely interrelated respects. First, the EU memberships of Finland and Sweden cemented the EU presence in the region and, consequently, brought the attention of the Union to the North. This is largely due to the fact that the direct presence of the Union in the region has exposed it to new conditions and opportunities – but also challenges and threats – that it has had to try to find appropriate responses to. Second, and largely following from the first point, these attempts, such as the adoption of the Northern Dimension policy, have in their turn increased the EU's presence in the region, tying it closely into the on-going and largely overlapping multi-level game that is being played in the northern reaches of Europe. This has resulted in a somewhat self-sustaining dynamics where there

are growing pressures for ever-increasing EU presence and the need for more coherent policies and increased funding for cooperation in northern Europe. This dynamism is likely to grow only stronger with the on-going eastern enlargement.

Instead of contemplating whether the EU has become a more strategic actor in the North or not, it might be wiser to look elsewhere for the avenues through which the EU has managed to have an impact on the events in northern Europe. Therefore, studying the EU's growing presence in the North could be a more viable starting point for the analysis. As David Allen and Michael Smith have suggested, presence is a useful approach especially in the case of the European Union, as it does not make so rigid and essentially statist assumptions of coherence and capabilities as the term 'actor' does.³⁰ Instead, presence "is a feature or quality of arenas, of issue-areas or of networks of activity, and it operates to influence the actions and expectations of participants". Moreover, a particular presence is defined by several factors, such as credentials and legitimacy, the capacity to act and mobilize resources, and the place it occupies in the perceptions and expectations of policy makers.³¹ As will be argued below, the Northern Dimension does seem to be a veritable stereotype in studying the importance of the EU's presence in international relations.

However, the problem in assessing the EU's presence in the region is that it is at times hard to distinguish it from other actors and forums at work in the North. This applies especially well to the Northern Dimension as it is hard to pinpoint exactly what would be missing from the scene if the initiative did not exist. This is due to the fact that the wide spectrum of opportunities and challenges that the EU faces already discussed in the first part of this article, is already equally matched by the diversity of different institutional mechanisms that have been devised in order to tackle these problems. Indeed, the post-Cold War northern Europe has been a laboratory of innovative thinking resulting in a dense network of often overlapping regional arrangements all

²⁹ Speeches by Paavo Lipponen and Viktor Khristenko at the International Forum for the Northern Dimension, Lappeenranta, 22 October 2001. Lipponen's speech: <http://www.valtioneuvosto.fi/vn/liston/vnk.lsp?r=2650&k=en&old=953>. Downloaded 24 June 2002.

³⁰ David Allen and Michael Smith, "Western Europe's Presence in the Contemporary International Arena", in Martin Holland (ed.), *The Future of European Political Cooperation: Essays on Theory and Practice* (London: Macmillan, 1991), p. 98.

³¹ Allen and Smith, pp. 97-98.

aimed at bridging the former East-West divide. Consequently, and as Pertti Joenniemi has noted, the North became one of the most regionalized parts of Europe.³²

As a result, the North has an extensive and multi-layered network of overlapping organizations in which the European Union is at least partially involved, either through direct partaking of the Commission or through the presence of its member states. First, there are the already mentioned three regional councils, ranging from the high north to the southern shores of the Baltic Sea: the Arctic Council, the Barents Euro-Arctic Council and the Council of the Baltic Sea States. In addition to these three, there are other councils with a more limited membership, such as the Nordic Council, the Nordic Council of Ministers, and the Baltic Council. As a consequence, there is considerable overlap in the regional councils both in terms of their geographical scope and thematic interests.³³ There are also new forms of sub-regional cooperation where sub-state actors, such as administrative regions, chambers of commerce, universities, cities and even small towns and municipalities are networking and fostering cooperation.

The problem for the EU and its Northern Dimension is that it does not have authority over this diverse field of actors in the North. All of the units are acting independently from the EU and are not obliged to take heed of the ND agenda. However, the EU would seem to have one instrument through which it can influence the actors' behaviour in the North: money. Many of these organisms are increasingly looking towards the European Union and the Northern Dimension for funding.

Member state policies in the North

In addition to the direct presence that the EU enjoys in different councils, individual member

³² Pertti Joenniemi, "Bridging the Iron Curtain? Cooperation around the Baltic Rim", (COPRI Working Papers 22/1999), p. 3. Joenniemi's observation originally concerned the Baltic Sea region alone but it is fair to say that the argument can be extended to the whole northern Europe as well.

³³ For an in-depth survey of the regional organizations, see Åge Mariussen, Hallgeir Aalbu and Mats Brandt, "Regional Organisations in the North" (Studies on Foreign Policy Issues Report 5:2000, Oslo: Royal Norwegian Ministry of Foreign Affairs, 2000).

states of course have their own policies for the region. For example, Finland, in addition to actively promoting EU-wide approaches, has also devised its own policy for northern Europe. Since 1990, Finland has had a special Neighbouring Areas Policy for bilateral cooperation through which it has channelled almost one billion euros in aid to the areas adjacent to Finland (northwest Russia, the three Baltic countries and Kaliningrad).³⁴ During the recent years Finland has, however, sought to align this policy closely with the Northern Dimension, seeing it rather as a national instrument to be used for the implementation of the initiative.³⁵

Finland is by no means the only northern member state with its own approaches and policies. Sweden has throughout the 1990s been developing a high profile in the Baltic Sea region. Sweden has been especially active in the development of the Council of the Baltic Sea States, using, among other things, its presidency in 1996 to deepen the political side of cooperation by engaging the prime ministers in the Council's work.³⁶ But Sweden has sought to consolidate its position also on the bilateral level. A concrete manifestation of this has been the so-called Baltic Billion Fund. The first programme period (1996-98) allocated one billion Swedish crowns (approx. €130 million) especially in the areas of food, energy systems, exchange of know-how, infrastructure and the environment, as well as to stimulate trade and investments.³⁷ In the second fund, covering the period 1999-2003, another billion crowns will be allocated. The fund is motivated by Swedish self-interest, as its objective is "to stimulate economic exchange, growth and employment in Sweden and the Baltic region, and to strengthen the position of Swedish companies in the region."³⁸

³⁴ *Suomen lähialueyhteistyö* (Finnish Neighbouring Areas Cooperation), a draft document of the Finnish Ministry of Foreign Affairs, 21 March 2002.

³⁵ *Finland's Strategy for Cooperation in the Neighbouring Areas*. <http://www.formin.fi/doc/eng/neighb/strategia/index.html>. Downloaded 24 June 2002.

³⁶ Lee Miles and Bengt Sundelius, "EU Icing on a Baltic Cake": Swedish Policy towards the Baltic Sea and EU Northern Dimension", in *Sweden and the European Union Evaluated*, edited by Lee Miles (London and New York: Continuum, 2000: 33-48), p. 39

³⁷ <http://www.utrikes.regeringen.se/inenglish/policy/balticbillion/billion1.htm>. Downloaded 24 June 2002.

³⁸ <http://www.utrikes.regeringen.se/inenglish/policy/balticbillion/index.htm>. Downloaded 24 June 2002.

Therefore, there is not only cooperation but also a natural element of competition between the EU member states. This is so on the general level of activities where not only businesses but also governments compete for markets and influence in the region. This seems to be the case also in the case of the Northern Dimension where the northern member states seem to have diverging interests and expectations concerning where the emphasis should be put in terms of the actual content of the initiative.

When one compares the different interpretations given by Sweden and Denmark in their EU presidency programmes with the view put forth originally by Finland, one can easily discern some clear differences. Whereas Finland emphasized the role of the northwestern parts of Russia, Sweden has given a much more southern interpretation stressing the importance of the Baltic Sea region and especially Kaliningrad.³⁹ By contrast, the first version of the Danish programme puts the emphasis once again in the North but with a different twist compared to Finland: the Danes speak of an 'Arctic Window' where Greenland plays a major role.⁴⁰

The waters can be, however, muddied even further, as the Northern Dimension is not the only initiative of its kind in the region. In fact, since its inception, the ND has had its almost identical counterpart in the form of the American 'Northern European Initiative'.

The US Northern European Initiative

The birth of the Northern European Initiative (NEI) coincides with the Northern Dimension, as the Assistant Secretary of State Marc Grossman introduced it to the Nordic and Baltic foreign ministers in Bergen, Norway, in September 1997.⁴¹ It has, however, at no point achieved the same level of publicity, or academic interest, as its EU counterpart.

³⁹ *Programme of the Swedish Presidency of the European Union*, p. 23.

http://eu2001.se/static/pdf/program/ordfprogram_eng.pdf. Downloaded 21 April 2002.

⁴⁰ *The Danish Presidency in 2002*.

<http://www.um.dk/english/presidency/prec.asp>. Downloaded 28 April 2002.

⁴¹ Christopher S. Browning, "A Multi-Dimensional Approach to Regional Cooperation: The United States and the Northern European Initiative", *European Security*, Vol. 8, No. 4 (2001), pp. 84-108, p. 84.

Whereas the Northern Dimension explicitly excludes security policy from its agenda, the NEI largely has its origins in issues of security of the hardest kind. It is often seen as a response to the perceived impossibility of extending NATO membership to the three Baltic countries during the first round of NATO enlargement in 1997-99. The NEI is, however, based on a different logic than the military alliance, as it stresses the soft spectrums of security and sees cooperative security through growing integration and cross-border networking as a means to achieve security.⁴² In this respect, the similarities between the NEI and the ND are striking. In addition, like its EU counterpart, the NEI stresses the role of increased coordination in bringing the desired benefits. Moreover, the NEI identifies six priority areas for action: business and trade, law enforcement, civil society, energy, environment, and public health – all identical to, and/or compatible with, the objectives of the ND already discussed above.⁴³

The NEI has been seen as a testing ground for the United States in developing entirely new approaches to international relations, aimed at transcending the power politics and resulting in growing regional integration. Indeed, those few scholars who have been engaged in doing research on the initiative have been eager to read many 'post-modern' qualities into the US approach.⁴⁴ This interpretation has also been given some support by the US officials. This was so especially during the Clinton administration, when on numerous occasions the qualitatively new role of the NEI in abolishing the "most

⁴² Christopher S. Browning, 'A Multi-Dimensional Approach...', pp. 84-108, p. 87.

⁴³ <http://www.state.gov/p/eur/rt/nei/c2214.htm>. Downloaded 21 April 2002.

⁴⁴ Cf. Christopher S. Browning, "A Multi-Dimensional Approach..."; Edward Rhodes, *The United States and the Northern Dimension: America's Northern Europe Initiative*, a paper presented to 'The think-tank seminar on The Future of the Barents Euro-Arctic Co-operation and the Northern Dimension of Europe', Björkliden, Lapland, Sweden, June 14-17, 2001.

<http://www.bd.lst.se/dimensionen/rapport/rhodes.pdf>. Downloaded 29 April 2002; and Peter van Ham, "Testing Cooperative Security in Europe's New North: American Perspectives and Policies", in Dmitri Trenin and Peter van Ham, *Russia and the United States in Northern European Security* (Programme on the Northern Dimension of the CFSP No. 5, Helsinki and Berlin: Finnish Institute of International Affairs and Institut für Europäische Politik, 2000).

failed principle of international politics... which is the balance of power itself” – as one official put it⁴⁵ – was repeatedly emphasized.

During the new Bush administration the continuation of the NEI has been put under question. The apparent increase in US unilateralism has been seen as boding ill for the concept. Indeed, and despite the fact that the new administration has continued to pay some lip service to the concept⁴⁶, even a superficial glance at the web pages dedicated to the NEI reveals the changed situation when compared to the Clinton era as the amount of material available concerning the initiative has experienced a dramatic drop.⁴⁷

Despite its relatively modest manifestations so far, the NEI has not been an easy thing for the European Union. As Christopher Browning has pointed out, negative views or at least a total lack of interest in the NEI has been apparent on the EU side.⁴⁸ According to David Arter, part of the ‘blame’ for this state of affairs goes to the French who have been suspicious of US actions in the region.⁴⁹ Also, the Commission has been less than enthusiastic about the NEI preferring to keep the ND as a EU exercise only. However, the EU side is not in unison even in this respect, as the Nordic member states prefer a stronger US role in the region. For example, Lipponen’s original initiative made the links to the United States, and to a lesser extent to Canada, explicit. In addition, Lipponen has continued to emphasize the role of the United States and the NEI in the Northern

Dimension.⁵⁰ Also, Sweden sees the continued US presence as beneficial for the region.⁵¹ It is, however, good to take note that this emphasis does not necessarily have anything to do with the soft security dimensions spelled out in the Northern Dimension, but rather can be seen as closely related to the two non-aligned countries’ wish to balance the predominance of Russian military power in the region.⁵²

The Northern Dimension and the triple challenge of dimensionalization, externalization and pillarization

On a more general note, the Northern Dimension has highlighted three problems in the way the EU conducts its external relations. Firstly, it has revealed a growing ‘dimensionalization’ in the external relations of the European Union. It would be perhaps too simplistic to argue that there is a clear-cut North-South divide within the Union, but it is evident that the previous enlargements, together with the present one, do bring increased diversity into the Union. This is unavoidable and it is in a sense ‘natural’ as the member states (both old and new) do of course bring their own priorities and national interests to the common table. The question that does, however, emerge from all this is how these different sets of priorities can be made to fit together in the future into an entity that would deserve the label ‘European foreign policy’?

⁴⁵ Cf. speech by Robert E. Hunter at the Second Annual Conference on Security and Cooperation in the Baltic, Stockholm, Sweden, December 1997.

<http://www.usis.usemb.se/bsconf/hunter.html>. Downloaded 24 June 2002. For a lengthier account of the US rhetoric, see Christopher S. Browning, “A Multi-Dimensional Approach...”, esp. pp. 91-97.

⁴⁶ Cf. the remarks of Under Secretary of Political Affairs Marc Grossman to the foreign ministers of Estonia, Latvia and Lithuania in Washington in December 2001. <http://www.state.gov/p/6918.htm>. Downloaded 24 June 2002.

⁴⁷ Clinton era: <http://www.state.gov/www/regions/eur/nei/>; Bush era: <http://www.state.gov/p/eur/rt/nei/>. Downloaded 21 April 2002.

⁴⁸ Christopher S. Browning, “A Multi-Dimensional Approach...”, pp. 84-108, p. 101.

⁴⁹ David Arter, “Small State Influence Within the EU: The Case of Finland’s ‘Northern Dimension Initiative’”, *Journal of Common Market Studies*, 38, 5 (2000), p. 689.

⁵⁰ For example, in August 2000 he drew positive links between the ND and the NEI. See Paavo Lipponen, *The European Union Policy the Northern Dimension from an Arctic Angle*. A speech to the Fourth Conference of Parliamentarians of the Arctic Region, Rovaniemi, 28 August 2000.

<http://www.valtionevosto.fi/vn/liston/vnk.lsp?r=1996&k=en&old=953>. Downloaded 24 June 2002.

⁵¹ Lee Miles and Bengt Sundelius, “EU Icing on a Baltic Cake’: Swedish Policy towards the Baltic Sea and EU Northern Dimension”, in *Sweden and the European Union Evaluated*, edited by Lee Miles (London and New York: Continuum, 2000: 33-48), p. 39.

⁵² This point has been made in Christopher S. Browning, “A Multi-Dimensional Approach...”, pp. 84-108, p. 102. For an in-depth analysis of Finnish security strategies, see Tapani Vaahtoranta and Tuomas Forsberg, “Finland’s Three Security Strategies”, in Mathias Jopp and Sven Arnsward (eds), *The European Union and the Baltic States: Visions, Interests and Strategies for the Baltic Sea Region*. Programme on the Northern Dimension of the CFSP No. 2 (Helsinki and Bonn: Finnish Institute of International Affairs and Institut für Europäische Politik, 1998).

In this respect, the Northern Dimension represents only one of the different 'dimensions' that the EU will have. The other, already well-established one is the 'southern dimension', which includes the Mediterranean as well as the Middle East. This dimension already has its own mechanisms in the form of the so-called Barcelona Process and the MEDA fund. In addition, there is also an emerging 'eastern dimension' where the new neighbours that the EU will have with the current enlargement, Belarus, Moldova, Ukraine, but also increasingly Russia, will require special attention in the future. For example Poland has already made clear that it intends to advocate a policy for this 'eastern dimension'.⁵³

The dimensionalization does not by any means stop there. In fact, it is equally easy to foresee that the memberships of Bulgaria and Romania will result in a 'southeastern dimension' where the Black Sea will become significant. One can also already discern a southwestern dimension where the Balkans can be seen as presenting the EU with their challenges. Moreover, the possible membership of Turkey would present the EU with a host of new geographical dimensions, as the EU would not only become to share a common border with such countries as Armenia, Georgia, Iran, Iraq and Syria but would also become more directly engaged in the 'great game' over the resources of the Caspian Sea and the conflicts in the Caucasus.

One of the biggest issues behind this divergence in member state interest between these different dimensions will be the competition for scarce (financial) resources in the external relations of the European Union. There already seems to be a certain North/East-South divide in the Union where the northern member states are eager to increase spending in the North, whereas the southern member states are naturally concerned with being increasingly sidelined in the future use of funds, especially in an enlarged Union.⁵⁴ In addition, according to a study conducted by the Trans-European Policy Studies Association (TEPSA) in 1998, the southern member states perceive the existence of a Northern Dimension

as a potential threat to their own national interests.⁵⁵ As a consequence, the southern member states have a strong, although mainly 'negative' (or obstructive), interest in the ND in the sense that their main priority lies in keeping the importance of northern issues on the European agenda in check when compared to the relative importance of the 'southern dimension'.

Secondly, the Northern Dimension has blurred the clear demarcation between inside and outside in policy formulation and implementation within the European Union. The partner-orientated approach in the ND has meant that the EU has been required to not only accommodate, but also allow outsiders' (the 'partner countries') views to affect what EU policies should entail in the North.⁵⁶ This externalization of EU policy-making has proved to be problematic. It has not been greeted with enthusiasm in the EU camp but there are also increasing signs that the EU door is not ajar enough to satisfy the outsiders either. Especially Russia has repeatedly voiced its frustration over its inability to influence policy-making in the Northern Dimension.

Thirdly, and as Hanna Ojanen has argued, the Northern Dimension injects EU external relations with an entirely new logic which requires a vastly increased amount of internal coherence and coordination between EU programmes and policies. Therefore, and in order to be implemented successfully, the Northern Dimension requires a multilevel approach where not only the European Union and its member states, but also other existing actors in the North, must play a significant role.⁵⁷ Moreover, the Northern Dimension requires horizontal coordination and co-operation within the EU across previously separate programmes, pillars and initiatives. Although there have been some attempts at increased coordination and complementarity of the existing instruments, such

⁵³ *Financial Times*, 19 February 2002.

⁵⁴ Esther Barbé, "Balancing Europe's Eastern and Southern Dimensions", in Jan Zielonka (ed.), *Paradoxes of European Foreign Policy* (Hague, London and Boston: Kluwer Law International, 1998), p. 126.

⁵⁵ Wolfgang Wessels, "National vs. EU Foreign Policy Interests: Mapping 'important' national interests" (Cologne/Brussels: TEPSA, 1998), p. 15.

⁵⁶ Hanna Ojanen, "Conclusions: Northern Dimension – Fuel for the EU's External Relations?", in Hanna Ojanen (ed.), *The Northern Dimension: Fuel for the EU?* Programme on the Northern Dimension of the CFSP No. 12 (Helsinki and Berlin: Finnish Institute of International Affairs and Institut für Europäische Politik, 2001), p. 225.

⁵⁷ For more on multilevel implementation of the Northern Dimension, see Nicola Catellani, "The Multilevel Implementation of the Northern Dimension", in Hanna Ojanen (ed.) *The Northern Dimension...*

as two inventories on current activities⁵⁸ and the guide on how to combine INTERREG and TACIS funding⁵⁹, results have so far been fairly modest. Indeed, overcoming the sectoral logic of the Union has proved to be an extremely difficult challenge for the Northern Dimension, which seems to be effectively bogged down in the infighting of the Brussels bureaucracy.⁶⁰

Conclusions

The Northern Dimension is an ambitious political initiative. It has sought to raise the EU's awareness of the peculiarities of northern Europe while simultaneously seeking to promote change in the way the EU conducts its external relations and foreign policy. It also puts special emphasis on the EU's relations with Russia, seeking avenues through which increased cooperation and even modest integration between the two could take place.

Yet, despite its ambitions – or perhaps precisely because of them – the Northern Dimension has been only a partial success. It has managed to raise awareness of the North in general in the EU and the very fact that it has managed to secure its place on the EU's highly competitive agenda can be considered a victory in its own right. But, instead of changing the rules of the game, it has just managed to highlight the various bottlenecks

and internal contradictions that the EU as an international actor faces.

As a EU policy, the ND itself has become a victim of these weaknesses. So far it has suffered from a lack of truly strategic perspective that would allow the EU to devise an action plan with clear priorities and guidelines. Instead, it often seems that the ND has lost most of its momentum due to bureaucratic inertia in the Commission.

The fact that the EU is not the only relevant player in the implementation of the ND makes the matters even more complicated. As has been shown in this article, there is a host of regional and sub-regional actors in the North. There is competition as well as cooperation between these actors, which easily leads to sub-optimal results, unnecessary duplication and wasted resources. Moreover, as recent studies concentrating on the activities of the northern organizations have suggested, there is often a lack of knowledge concerning the actions of other actors.⁶¹

Therefore, at first sight, the Northern Dimension would seem to serve a good purpose as the 'organizing principle' for cooperation in the North. Although the idea itself is laudable, the realization of this objective has proved to be very difficult – mere presence is clearly not enough. In fact, the 'presence approach' reveals the very constraints that the EU faces in using power in the region. Despite its supremacy in terms of financial and political resources, combined with its institutional finesse, the EU has not been able to impose its will on either the regional organizations or the main 'target' of the Northern Dimension, Russia. Instead, there seems to be an on-going debate between the main actors and it is a debate that is increasingly being conducted in a polemical and even confrontational fashion. This is true in the context of the EU-Russian relationship but it has also relevance on the level of regional councils as well which are growing increasingly frustrated with the lack of concrete projects bearing the ND label.

This has been partly due to the fact that, despite the rhetoric, the European Union has been rather passive in taking part in the work of the regional councils, the Commission in particular being at

⁵⁸ A Northern Dimension for the Policies of the Union: An Inventory of Current Activities, April 2001.

http://www.europa.eu.int/comm/external_relations/north_dim/conf/formin2/invent_01.pdf; and A Northern Dimension for the Policies of the Union: An Inventory of Current Activities, September 1999. http://www.europa.eu.int/comm/external_relations/north_dim/doc/inventory.pdf. Both Downloaded 28 April 2002.

⁵⁹ *A guide to bringing INTERREG and Tacis funding together* (Luxembourg: Office for Official Publications of the European Communities, 2001).

http://www.europa.eu.int/comm/external_relations/north_dim/conf/formin2/intreg_tac_en.pdf. Downloaded 28 April 2002.

⁶⁰ The external relations commissioner Chris Patten and the foreign minister of Sweden Anna Lindh acknowledged this in a joint article published on the eve of the Swedish EU presidency when they wrote that "it has been absurdly difficult to link money from [these] different sources". Chris Patten and Anna Lindh, "The Northern Dimension of EU foreign policy: from words to action", *Financial Times*, 20 December 2000.

⁶¹ Pekka Haavisto, assisted by Teemu Palosaari, "Review of the Arctic Council Structures. Consultant's Study"; and Mariussen, Aalbu and Brandt, "Regional Organisations in the North".

times half-hearted in its attempts at working at the regional level. For example, in the case of Baltic Sea cooperation, it has confined itself to a passive role, enabling rather than spurring regional cooperation.⁶² Moreover, the Commission has been reluctant to take an active part in the work of the Arctic Council, although it has been present in the work of the other two major organizations (BEAC and CBSS) in the region. As a consequence, the potential of the Northern Dimension, and the European Union, in coordinating and encouraging regional cooperation in the North, has been largely under-utilized.

To be fair, however, it is worth keeping in mind that the main bulk of funding for interregional cooperation in the North does come from EU sources. In fact, the European Union has devised a multitude of different funding mechanisms for interregional cooperation with Russia with a growing emphasis being put on northwestern parts of the country. There is a whole family of TACIS funds which can operate in conjunction with other Community instruments, such as Phare and INTERREG. Therefore, the EU has one instrument above others that it can use in order to ensure coordination and complementarity of actions in the North: money. So far EU money has, however, remained a rather scarce commodity in the Northern Dimension.

It is, however, only fair to point out that the apparent shortcomings can also be explained by the sheer vastness of challenges that the EU is facing in the North. Part of that challenge is that the effectiveness of the EU's policies is dependent on the actions, or rather inaction as often seems to be the case, of another actor – Russia. In addition, the EU's policies in the region are of very recent origin, making them very much a work-in-progress.

Nevertheless, it is through its increased presence in the North that the European Union has become increasingly exposed to the multitude of different threats that emanate from Russia. In addition, this exposure will only grow larger with the on-going eastern enlargement making the need for working solutions more urgent in the coming years.

Therefore, the current situation creates both an opening and a demand for the European Union to

⁶² Joenniemi, *Bridging the Iron Curtain...*, p. 7.

take the lead in northern Europe. This does, however, have two prerequisites that have to be filled. First, the European Union has to be willing to assume this role. This means that the EU and its member states have to come to an agreement about the importance of the North for the EU in general and what the European Union wants to achieve in the region in particular. Second, this requires devising a more coherent strategy for the region. This strategy would have to entail a clear set of goals and priorities as well as a list of concrete steps that the EU proposes to take in order to achieve these goals. In this respect, the Northern Dimension can be seen as a good start – but nothing more. It remains too vague and under funded as it is.

There is, however, a paradoxical 'danger' that the increase in the EU's presence in the region could be the undoing of the Northern Dimension as we know it. In the next few years dealings with the Baltic countries and Poland will become part of the internal dynamics of the European Union. Therefore, in the near future Russia will be the main 'partner country' in the North, accompanied by the small and problem-free Iceland and Norway, and even they have a more important forum for discussions with the European Union in the form of the European Economic Area (EEA).⁶³ Therefore, there is a risk that the most ambitious, as well as most problematic, features of the Northern Dimension will lose their relevance as it risks becoming a mere regional component of the EU's policy on Russia.

This is already a problem, as at times it is extremely difficult to discern the impact of the Northern Dimension as such from the overall dynamics of the EU-Russian relationship. For example, Prime Minister Lipponen has argued that the Northern Dimension has played a role in the development of the so-called Energy Partnership between the EU and Russia.⁶⁴ However, when proposing the partnership in October 2000 in Paris, the Commission President Romano Prodi did not make a single reference to the Northern Dimension. Indeed, it is the price of crude oil and/or the overall political situation in

⁶³ The debate on Icelandic EU membership has been picking up in the recent months. This might, in turn, make the ever-reluctant Norwegians reconsider their position as well in the coming years.

⁶⁴ Paavo Lipponen, a speech at the Research Seminar on the Northern Dimension...

the Middle East that explains the advances taken in this field rather than the existence of the Northern Dimension.

This should not be seen in entirely bleak colours. It is possible that the Northern Dimension could reach its apex in a more subordinated role. Its stated emphasis on concrete projects could indeed compliment the EU's otherwise empty Russian strategy very well. What is more, the ND could act as a model for the other emerging 'dimensions' in the post-enlargement EU: fostering positive mutual interdependence, making the EU external border more 'porous' and conducive to cross-border cooperation are all mechanisms through which functional integration can be encouraged. If this should be the case then the ND could help the EU to devise a strategy for its neighbouring areas. It would not be a strategy in the sense that it has been traditionally understood. But then again, the EU is not an actor in a classical sense either.