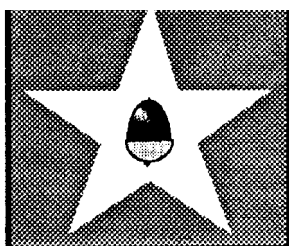# Conflict Studies Research Centre

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Strengthening 'Soft Security': What Is To Be Done?

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Strengthening international mechanisms will not solve the soft security challenges which Europe faces. The internal condition of East-Central European states and the EU's detached and reactive approach to its neighbours must change first.

The principal source of soft security problems is not weak international mechanisms, but weak and ineffective states. My role in this paper is, first, to discuss this uncomfortable truth and its implications, which are serious. Differences in political orders, business cultures, law enforcement and security systems are creating new dividing lines in Europe, and the policies of the European Union and the Russian Federation are now deepening and formalising that divide.

A question immediately arises. How can anyone possibly call Russia or Ukraine weak states? Their state structures are highly developed, possibly even over developed. By some calculations, the number of government employees, particularly at regional and local level, is greater than it was during the Soviet period. Those who work inside executive structures in Moscow and Kyiv are for the most part highly educated and many of them are very expert and professional in the work they do. The foreign visitor crossing a border, the investor seeking an investment opportunity, the ordinary Russian or Ukrainian citizen certainly does not feel that these states are weak. But the people *we* are concerned with – the black market businessman, the supplier of contraband, the arms merchant, money launderer and human trafficker – often do. What is more, many of these people feel that the state is their silent partner. Since this is true of the region's 'strongest' post-Communist states, it makes sense to focus on them, because in doing so, we will underscore the problems faced by others.

The Source Of The Problem

To rephrase an old morsel of wisdom, 'nothing is more important or more difficult to discover than the pedigree of ideas'. So it is with institutions and their practices. The pedigree of the problem of 'soft security threats' lies in the illicit continuities between Communism and post-Communism. Most people know little about these continuities. Many who do know prefer to ignore them. We should not. Let us cite three:

First, the Communist ('socialist') political order denied legitimacy to virtually all private enterprise, but in practice private enterprise and intermediaries between the legal and illegal economies were essential to the functioning of the 'system'. Shadowy individuals and, in time 'shadow structures' became well connected with local governments and, progressively, central governments too. Because their activity was criminal, their mentality was criminal, and it still is.

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Second, the collapse of this system reversed the roles of authority and accomplice. The destruction of the old system of authority legalised nearly everything that had been illegal before. As a result, new capital and its allies in new state structures proceeded to privatise nearly everything in sight – a process which, *de facto*, included creeping privatisation of public authorities and the state itself. Before Boris Yel'tsin and Leonid Kuchma shut them down, anti-corruption commissions provided abundant evidence of these trends. The style of this newly privatised business reflected its totalitarian, undemocratic and criminal roots. Wealth creation became predatory rather than entrepreneurial. Economies became, indeed remained, producer rather than consumer orientated. Methods of business, like earlier methods of administration, remained inbred, collusive and opaque. Networks rather than markets drove economic activity. As a result of all these factors, many ordinary people continued to equate 'business' with immorality, as they did under socialism – now with good reason, because in this Darwinian environment very few have treated business as a transaction designed to benefit both buyer and seller.

Third, the collapse of state budgets has proved to be even more important than the collapse of the Soviet Union. In this context, the old Soviet curse, 'may you live on your salary', has acquired an obvious importance. Bureaucracies have become rent seeking entities for the sake of survival. Yet the obvious remedy – 'better fewer, but better' (and better paid) – has been ignored. Thanks to their private entrepreneurship, bureaucracies have grown in size. In turn, the legal order has become more complex, justifying more bureaucrats and more regulation. Official security structures have also proliferated. In the Russian Federation, 14 state security structures – not branches or departments, but separate ministries, services, agencies and committees – had come into existence by 1995, each of them with their own component of troops. A similar development took place in Ukraine. If the state cannot finance these structures, is it not obvious that somebody else will?

These developments are not only mutually reinforcing. They have plunged society into vicious circles that seem almost impossible to break. What causes black markets and crime? The absence of an attractive white (legal) economy. What makes the white economy attractive? Incentives and security. Who provides security? The state. Who provides finance for the state? Taxpayers in the white economy.

These supposedly economic and social problems are the major generator of soft security threats: threats which Ukraine's first (1997) National Security Concept rightly attributed to the weakness of state and society and the strength of those who would undermine both. Since 1997 many positive trends have emerged alongside the negative ones. The fact remains that in much of East-Central Europe, the right people are weak and the wrong people are strong. This imbalance gives point to the Russian and Ukrainian distinction between a country's *nezavisimost'/ nezalezhnist'* ('independence') and its *samostoyatel'nost'/samostiynist'* (its 'ability to stand'). Unless the state is properly financed, it will not have this ability. But finance cannot solve the problem by itself. To what ends should finance be directed? And by what means?

Civic States, Weak States & Pathological States

The end must be the establishment of a state which is both legitimate and effective. That much is obvious. Less obvious is the fact that unless legitimacy and effectiveness *both* exist, neither will exist. Effectiveness does not depend upon 'powers', even if they are properly financed; it depends upon the 'powers' being trusted by those they are meant to protect. When, as in Ukraine in early 2000, 20 per cent of the population trust the security services and fewer than 12 per cent trust the police and the courts, more power will not produce more effectiveness, just more of the same.[1] For its part, legitimacy does not depend upon a national or state 'idea', because ideas will not protect people in their daily lives. For this, a country requires institutions: competent ones, motivated by an ethos of professionalism and furnished with the tools to act within the spheres entrusted to them. In sum, alongside the development of civil society, efforts must be made to develop a civic state. Today these efforts are hindered not only by the obvious factors of insolvency, incompetence and inertia, but by a number of serious misunderstandings. Chief amongst these is the belief that the democratisation of state structures will weaken, rather than strengthen their ability to do their jobs. In at least three areas, democratisation and effectiveness are inseparable:

Accountability. If military policy is simply the brainchild of a head of state, rather than the outcome of broad deliberation by executive structures and independent experts, how good can it possibly be? If the supervision and monitoring of force structures is not entrusted to elected institutions, but to an individual person – democratically elected or not – will a country be able (*pace* Leonid Kuchma) 'to pull together at a crucial moment'?

Transparency. In their respective attitudes towards transparency we find one of the greatest differences between post-Communist and liberal democratic states. In the post-Communist, as in the Communist world, information still tends to be seen as a strategic commodity. In the liberal democratic world, it is seen as a public good, as vital to the health of the state and economy as blood circulation is to the body. So long as these distinctions exist, economic systems will remain distinct.

Transparency implies knowledge of what decisions are made, where they are made, by whom they are made and why. The inability to know these things leads, at best, to confusion, duplication of effort and loss of money. At worst, it leads to illegality, threats to national security and conflict. It takes very little time for *bor'ba za informatsiyu*, the struggle for information, to become *informatsionnaya bor'ba*, the struggle to control and manipulate information for economic or political gain. Who gains when one of the largest corporations in the world, United Energy Systems of Russia, has no budget (as Anatoliy Chubays discovered when he became its chairman)? Without a budget, how is it possible to know who is making money, who is losing money, who is wasting money and who is stealing it? Who gains and who loses when the owners and shareholders of energy production and distribution companies are concealed? How is it even possible to know who owns what – or who owes what to whom – in a Russian-Ukrainian energy 'market' characterised by arbitrary price levels, hidden payment mechanisms, invisible partners, front companies, tax fraud and an extensive barter trade? In many Central and Eastern European countries, the unfortunate truth is that transparency is often absent just where it is most needed.

Delegation of Authority. The classic Soviet approach to the inertia and opacity of institutions – and the intrigues within them – has now been revived by President

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Putin: 'strengthening the administrative vertical'. This may strengthen the subordination of institutions, but it does nothing to strengthen *horizontal integration* inside them. For this, delegation of authority is needed. Without authority, officials will not assume responsibility. Often, they will not even take decisions. They will wait for orders, and once orders are given, they will wait for orders about how to implement the orders. This not only explains why, to this day, many post-Soviet administrative institutions are considerably larger than their Western counterparts (at an enormous real or hidden cost). It explains why people inside these institutions tend to work very hard and do very little. The administrative culture in most NATO countries does not always diverge sufficiently from this pattern, and it can be criticised, even satirised, on many fronts. Yet relatively speaking at least, Western practices tend to be far more efficient. To take one example, inside NATO Headquarters, much policy is initiated and much of it made at mid level by committees: committees that are civil-military and interdepartmental in composition, with access to all information relevant to their responsibilities. Similar working practices exist in a number of Whitehall ministries. These practices result in a clear relationship between ideas from below and directives from above. They help to break down departmental barriers and knit institutions together. They also help to ensure that decisions are implemented swiftly and intelligently, because subordinates have participated in the process and therefore have enough information to know what they are doing and why.

What is the future for a country that allows post-Soviet practices and their analogues – 'shadow structures', 'subjective interests' and 'financial-informational struggle' – to go unchecked? The consequences are plain to see in the former Soviet Union's four well entrenched, but unrecognised political entities: the Pridnestrovian Moldovan Republic, the Republic of Abkhazia, the Republic of South Osetia and the Nagorno-Karabakh Republic. In these entities the merger between business, crime, security services and state structures is complete. Whereas the more limited connections between these spheres constitute a source of weakness in Russia, Ukraine, Moldova, Armenia, Azerbaijan and Georgia, for these entities this merger is the source of their strength. For this reason, unrecognised states like Pridnestrov'ye can fairly be described as pathological states. Yet these pathologies are not simply a local problem. They feed on the state and civic weaknesses of their neighbours, as much as a parasite feeds on an unhealthy host. The containment and eventual eradication of these entities depends on the strengthening of state and society in neighbouring states. If this does not happen, the pathologies will spread. If there is any doubt that democracy is relevant to security, one need only look at Pridnestrov'ye. Perhaps it is time for its neighbours to do so with open eyes. But it is also time that the European Union did so as well.

The International Factor

By enlarging NATO and the European Union, the member states of these bodies enlarged their definition of the West, as well as their commitments, interests and vulnerabilities. This combination of ambition and vulnerability has infused enlargement with two impulses: integration and exclusion – or, to use a Cold War term, 'containment'. The European Union, to be sure, is committed to enlarge the European Economic Area. But it is even more determined to maintain the integrity of this area and protect the institutions and practices that make up the Single Market. This market is defined not only by a compatibility of political and economic systems, but of political and economic cultures. The EU's *acquis communautaire* – whose documents now stretch to approximately 100,000 pages – is an absurdly and

possibly insanely complex way of codifying what cannot be codified: a culture of civic mindedness, accountability, judicial integrity, transparency, entrepreneurship, openness and business. For this reason, the EU is not fundamentally interested in the foreign policies of its neighbours and candidates. It is interested in their internal policies, and it judges these not by declarations and programmes but by how institutions behave in practice. The same has become true of NATO, as its focus has broadened beyond 'deterrence and defence' to the strengthening of security against unconventional (soft security) threats. For both institutions, compatibility and effectiveness in the law enforcement and security realms are vital, and both institutions are convinced that without wider economic and political reform, reforms in these spheres will fail.

Understandable, even necessary, as these approaches are, the European Union has shied away from a vital question. Does it wish to be a magnet or a barrier? The case for barriers against illegal migration, organised crime, arms and drugs is unanswerable. But must this necessarily translate into barriers against countries and, if it must, then for how long? Within the past year (October 2002), the President of the EU Commission, Romano Prodi, spoke for the first time about *a priori* geographical limits to EU expansion. The good news is that, despite his position, Mr Prodi has no authority to speak for the EU on this matter, and his position plainly contradicts that set out in the EU's principal (and founding) documents. What is more, the latest EU summit produced a far more encouraging message.

The bad news is that 'dividing lines' are being drawn *de facto* by the differences in political, security and business culture already discussed. Worse, the policies of the EU – notably the Schengen accords and the Common Agricultural Policy – are strengthening these divisions and, what is more, adding some new and highly arbitrary ones. Few could claim that internal conditions in Albania and Bosnia-Herzegovina warrant a status for these countries superior to that afforded Moldova or Ukraine, yet in some respects they enjoy such a status. Few could claim that these discrepancies strengthen the 'European impulse' in, let alone the security of Moldova or Ukraine. But the EU needs to ask a more radical question. Will its policy towards these eastern neighbours strengthen the influence or the security of the EU itself? There are three reasons to doubt this.

First, the EU Schengen border has the potential to create a false sense of security. The lesser but still very serious problem will be posed by the contradictory and often harmful regimes on the remaining borders of EU neighbour states. Moldova's border with Ukraine and Ukraine's border with Russia are salient, but not exclusive examples. Up until 2003, Russia's official position has been that the Ukraine-Russia border should be delimited (drawn on maps) but not demarcated.[2] If it is true (as alleged by the State Committee on the State Border of Ukraine) that this border is the point of entry for two thirds of contraband and 90 per cent of illegal migrants into the country, Russian border policy not only places a huge burden on Ukraine; it is likely to put strains upon the Schengen system as well. Obviously, the elimination of Schengen would not diminish this problem. But the Schengen system creates the illusion, echoed in EU policy, that the eastern border of Ukraine is a bilateral issue rather than an issue for Europe. This leads to the greater problem. For if neighbouring states perceive that the EU regards their vulnerabilities and pressures as somebody else's business, that business will certainly grow and the spectre of the EU's future neighbours as sources of 'additional threats to European countries in terms of drugs, weapons, illegal immigrants, prostitutes and ecological disasters' (and, one might add, money

laundering and terrorism) could become a reality.[3] In sum, the Schengen system, seen as a 'new iron curtain' in much of Eastern Europe, could become Europe's new Maginot line instead.

Second, the EU's detached and reactive approach to negative developments in neighbouring states ignores the powerful connection between its own policies and these very developments. Dated, protectionist mechanisms (notably the Common Agricultural Policy) deprive the Union of the greatest lever it possesses to encourage transformation in neighbouring countries: trade.   Adherence to these mechanisms also undermines the Union's moral authority and puts in a cynical light the demand that *others* reform. In post-Communist countries, 'reform' is not a set of technical and administrative challenges. It is a political undertaking that can only advance by challenging relations of power. In these countries, those called upon to mount these challenges are being asked to risk their careers, livelihoods and in some cases their own safety. They will not entertain these risks without the moral conviction that their efforts are valued, supported and joined by more powerful partners. This requires the EU to present a hard-headed, conditional but clear perspective of EU membership over the long term. By declining to offer such a perspective to neighbours, the EU signals that whatever the latter do to solve their problems, the 'greater Europe' will be built without them. For this reason, it demoralises its natural supporters and swells the ranks of those who believe that meaningful change is not possible. Until it re-examines its own policy, the EU will not only fail to broaden its constituency in these states, it will weaken the constituency it has.

Third and consequently, EU policy not only fortifies the impression that the Union is a closed bloc. It gives credibility to efforts to create an alternative. The Eurasian Economic Union (*EvrAzES*), relaunched this year as the Eurasian Economic Zone is testimony to the vigour and effectiveness of President Putin's integrationist policy, as well as his success in diminishing 'multi-voicedness' (*mnogogolosiye*) in the Russian Federation itself. Within several CIS countries, the enterprise is also in step with the thinking and interests of several national elites, and it has a definite economic logic. But for better or worse, its logic is contrary to that of the enlarging European Union, where norms of business are not only different from, but largely incompatible with the trans-national business culture dominant in 'former Soviet space'. Today many claim that President Putin understands that this business culture is an obstacle to Russia's integration with Europe. That might well be so. But Putin has consistently relied upon this business culture in his efforts to create 'a good-neighbourly belt along the perimeter of Russia's borders',[4] and for the most part his business partners in Belarus, Ukraine and Moldova come from the ranks of those who have obstructed the introduction of EU standards of transparency, openness, law and contract enforcement in their own countries. In several CIS countries, these integrationist efforts have been a source of tension, and they could prove to be a source of instability.

Conclusion

Foreign policy and international relations definitely aggravate the soft security challenges besetting Central and Eastern Europe, and changes in these policies can definitely improve them.   But the reflexive response to these problems, 'strengthening international mechanisms', is largely irrelevant to their causes, dynamics or solutions. Today there is an abundance of such mechanisms, perhaps a super-abundance of them, yet the underlying problems are not improving. The

fundamental source of these problems lies in internal policies and the internal condition of states. International integration will not succeed until governments become legitimate in the eyes of their own people, countries become integrated within themselves, and states develop in compatible directions. Where soft security is concerned, the future will depend less on the nature of ties between Moscow and Brussels or even Moscow and Kyiv than between Moscow and Makhachkala, Lviv and Donetsk, Chisinau and Tiraspol. Today Western European and Russian policy on the one hand and East-Central European practice on the other are dividing Europe. If we continue to take refuge in mechanisms and avoid political struggle and urgent practical steps, this process will continue, and we will merely confirm the homespun American truth: 'keep doing what you're doing, and you'll keep getting what you've got'.

ENDNOTES

1   National Security and Defence, No 11, 2000 (Kyiv: Ukrainian Centre for Economic and Political Studies), p10.

2   The standard principle was reiterated by the Russian Federation Foreign Ministry on 16 August 2001, when it stated that 'the Russian-Ukrainian border should be a border of peace, accord and interaction; it should unite not separate the people of our countries… The formation of artificial barriers and obstacles would contradict these objectives and complicate contacts between people and cooperation between economic entities, especially in frontier areas.' (Interfax, BBC Summary of World Broadcasts 16 August 2001.)

3   Anatoliy Grytsenko, Civil-Military Relations in Ukraine: A System Emerging from Chaos (Groningen, Netherlands: Centre for European Security Studies, Harmonie Paper 1, 1997), p1.

4   This is the objective defined in Russia's Concepts of Foreign Policy, approved by President Putin on 28 June 2000.