

GULLIVER'S THREADS: RUSSIA'S REGIONS AND THE REST OF THE WORLD

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1. INTRODUCTION

The analysis of Russian foreign and security policy (RFSP) has changed surprisingly little since the collapse of the Soviet Union, especially considering the vertiginous changes the country itself and its foreign policy have witnessed in the past decade. Most articles that appear in the “specialized press” by and large continue to use the same methods they used during the Cold War to analyze RFSP rhetoric and reality. In this paper, I will try to broaden the analytical and political horizons of the analysis of RFSP by taking a more systematic look at the role Russia’s regions are playing in Russia’s interactions with the outside world.

In order to do so, I have structured this paper in four parts. In the first part, I will present a quick overview of some of the prevailing analytical approaches to RFSP research and will suggest an alternative conceptualization of RFSP as an equilibrium outcome of the strategic interaction between a wide range of powerful functional and regional actors. In the second part, I will survey the small but burgeoning literature on non-central international relations: the comparative study of how regions have increasingly become actors on the international arena. The third part will categorize and give some examples of the many ways in which Russia’s regions are already and increasingly internationally active; and in the fourth and final part, I will offer some thoughts on the policy implications of this relatively new trend.

2. THE STUDY OF RUSSIAN FOREIGN AND SECURITY POLICY

As pointed out above, the study of Russian foreign and security policy remains fairly traditional, with the most popular interpretations continuing to focus on a narrow circle of foreign policy actors and looking for a fairly narrow circle of policy questions.¹

Many analysts, particularly in media and in policy circles, continue to emphasize the key role played by narrowly defined actors, individuals or bureau-

1 Although, admittedly, the range of issues analyzed has widened considerably more than the range of foreign policy actors that are systematically examined.

cratic players at the highest level of government in RFSP.² The figure of President Yel'tsin is frequently seen as the incarnation of Russia's benevolent foreign policy. For a long time, Russia's accommodationist policies were attributed to the personal characteristics and preferences of former Russian foreign minister Andrei Kozyrev, who was widely seen as the personal guarantor of good relations with the West.³ His replacement by Evgenii Primakov was widely heralded as the definitive transition to a new, allegedly more assertive era in Russian FSP, something that has - at least so far - not materialized. Beyond the persona of the foreign minister, many apocalyptic scenarios continue to be painted about the alleged negative consequences for Russian-Western relations of a possible premature demise of the Russian president. More traditional Kremlinological studies also continue to be carried out, looking at the interplay of the various bureaucratic players in charge of FSP.

The second, and currently probably most popular explanation for RFSP focuses on *ideology* as the key independent variable in explaining changes in RFSP.⁴ In this view, we are currently witnessing a struggle between two perennially contending geopolitical "visions" for Russia: Westernizers and Slavophiles (or, in current terminology, Westernizers and Eurasianists). "Fundamentally, the political struggle within Russia is over whether Russia will be a national and increasingly European state or a distinctly Eurasian and once again imperial state."⁵ Even in the most theoretically-oriented edited volume on Russian foreign policy to date,⁶ five of the seven contributions in one way or another rely heavily on ideological variables to explain RFSP.

There are a number of problems with these approaches.⁷ Focusing on the

2 In some sense, this picks up the classical Sovietological approach, which focused on a small group of key decision-makers.

3 Whereby this view was clearly non-falsifiable: even when Kozyrev changed his rhetoric (an extensively documented empirical fact), this was widely seen as a tactical ploy that did not alter his overall accommodationist strategy towards the West.

4 In some sense, this literature follows the line of the large body of literature on the role of Leninist ideology and the operational code it inspired on Soviet FSP. The most influential author in this body of literature is certainly Nathan Leites. For a brief overview, see Celeste A. Wallander, "The Sources of Russian Conduct: Theories, Frameworks and Approaches," in: Celeste A. Wallander, ed., *The Sources of Russian Foreign Policy After the Cold War* (Boulder, 1996), pp. 5-6.

5 Zbigniew Brzezinski, "A Plan for Europe," *Foreign Affairs* 74:1 (January/February 1995), p. 31. On the dichotomy between these two, see also Aleksandr Rahr, "'Atlanticists' versus 'Eurasians' in Russian Foreign Policy," *RFE/RL Research Report* 1:22 (29 May 1992), pp. 17-22; Karen Dawisha and Bruce Parrott, *Russia and the New States of Eurasia* (Cambridge, 1994), pp. 199-203; Hannes Adomeit, "Great To Be Russia? Russia as a 'Great Power' in World Affairs: Images and Reality," *International Affairs* 71:1 (January 1995), pp. 35-68; Neil S. MacFarlane, "Russian Conceptions of Europe," *Post-Soviet Affairs* 10:3 (1994), p. 264.

6 Celeste A. Wallander, *The Sources of Russian Foreign Policy...*

7 For a more detailed analysis, see Stephan De Spiegeleire, "Analyzing, Predicting, and Influencing Russian Foreign and Security Policy: An Endogenous First Cut," Paper presented at the 1996 annual conference of the American Political Science Association.

key decision-makers and using declarations and debates as a proxy for actual intentions may have been a useful simplification in a ritualized and centrally controlled polity such as the Soviet Union, but in the current highly non-ritualized (cf. the various contradictory statements that are frequently made by different high-ranking officials on virtually every issue imaginable) and decentralized (with a plethora of relatively independent decision-making centers with clearly and openly diverging policy preferences) situation, this assumption has probably outlived its analytical usefulness. Furthermore, it must be observed that these more traditional analyses of RFSP leave out an increasingly large and important part of Russia's interaction with the outside world: the direct and indirect international contacts of subnational actors - be they functional or regional.

3. THE ROLE OF REGIONS IN THE INTERNATIONAL RELATIONS LITERATURE

In the wake of the post-Cold War turbulence that continues to shake the field of international relations theory, the study of subnational actors in international relations is acquiring some new vibrancy.⁸ Yet the issue is not an entirely new one: already during the Cold War, international relations (IR) scholars (and especially international political economy specialists) started looking with renewed interest at the importance of various types of non-state actors

8 Examples include: Andrew Church and Peter Reid, "Urban Power, International Networks and Competition: the Example of Cross-Border Cooperation," *Urban Studies* 33:8 (1996); Bob Jessop, "Regional Economic Blocs, Cross-Border Cooperation, and Local Economic Strategies in Postsocialism: Politics, Policies, and Prospects," *American Behavioral Scientist* 38:5 (1995); Brian Hocking, "Foreign Relations and Federal States," *Studies in Federalism* (London-New York, 1993); Douglas M. Brown and Earl H. Fry, *States and Provinces in the International Economy*, North American Federalism Project, vol. 2 (Berkeley, 1993); James Goldsborough, "California's Foreign Policy," *Foreign Affairs* 72:2 (Spring 1993); Jack L. Goldsmith, "Federal Courts, Foreign Affairs, and Federalism," *Virginia Law Review* 83:8 (November 1997); Earl H. Fry, "State and Local Governments in the International Arena," *Annals of the American Academy of Political and Social Science* 509 (May 1990), pp. 118-128; Keith Boeckelman, "Federal Systems in the Global Economy: Research Issues," *Publius: The Journal of Federalism* 26:1 (1996), pp. 1-11; Daniel J Elazar, "From Statism to Federalism: a Paradigm Shift," *Publius: The Journal of Federalism* 25:2 (1995), p. 5 (14); David B. Walker, *The Rebirth of Federalism: Slouching Toward Washington* (Chatham: NJ, 1995); John Kincaid, "The Competitive Challenge to Cooperative Federalism: A Theory of Federal Democracy," Daphne A. Kenyon and John Kincaid, eds., *Competition Among States and Local Governments: Efficiency and Equity in American Federalism* (Washington, D.C., 1991), pp. 87-114; Peter Trubowitz, *Defining the National Interest: Conflict and Change in American Foreign Policy* (Chicago, 1998); Peter Trubowitz, "Sectionalism and American Foreign Policy: The Political Geography of Consensus and Conflict," *International Studies Quarterly* 36 (1992), pp. 173-190.

both at the domestic and the international levels.⁹ This was especially the case for “new” actors such as multinational corporations, but scholars also started noting that the role of subnational regions was strengthening, as the forces that were driving globalization (such as improved transportation and communications) were at the same time also stimulating decentralization. Yet whereas economic interest groups quickly became an integral part of the IR curriculum, subnational territorial units (such as regions) remained very much outside of the mainstream of IR theory, as indeed they do today.

This is somewhat puzzling, since - contrary to what is sometimes maintained in the Russian debate on these issues¹⁰ - subnational regions are internationally quite active in many countries. In light of the many other similarities that exist between the US and Russia (not the least of which is the fact that the issue arouses similar feelings of political ambivalence in both countries¹¹), a more focused comparison of these two cases would certainly be useful for the study of the foreign activity of Russian regions. Yet also in the US, the literature

9 Key examples include: John Kincaid, “The American Governors in International Affairs,” *Publius: The Journal of Federalism* 14:4 (1984); Earl Fry, “Trans-Sovereign Relations of the American States,” Ivo D. Duchacek, ed., *Perforated Sovereignties and International Relations: Trans-Sovereign Contacts of Subnational Governments* (New York, 1988); Hans J. Michelmann and Panayotis Soldatos, *Federalism and International Relations: the Role of Subnational Units* (Oxford-New York, 1990); Ivo D. Duchacek, “Comparative Federalism; the Territorial Dimension of Politics,” *Modern Comparative Politics Series* (1970); Ivo D. Duchacek, “Federated States and International Relations,” *Publius: The Journal of Federalism* 14:4 (1984), pp. 1-153; Daniel Latouche, “State Building and Foreign Policy at the Subnational Level,” Ivo D. Duchacek, ed., *Perforated Sovereignties and International Relations: Trans-Sovereign Contacts of Subnational Governments* (New York, 1988); John M. Kline, “The International Economic Interests of U.S. States,” *Publius: The Journal of Federalism* 14:4 (1984).

10 V. Matvienko, “O pravovykh i ekonomicheskikh aspektakh razvitiya mezhregional’nogo sotrudnichestva sub”ektov Rossiiskoi Federatsii i zarubezhnymi partnerami,” *Vneshnyaya torgovlya* 7 (1997). Also Communist Party leader Zyuganov claimed that: “In every normal federal state, foreign policy activity is a prerogative of the central authorities. Everywhere, except in our country!” Gennadii Andreevich Zyuganov, “Muki tsentralizma,” *Nezavisimaya gazeta-stsenarii*, 13 March 1997, p. 1.

11 As Julie Blasé writes on the American case: “The increase of subnational activity in foreign affairs has been both celebrated and denigrated by different scholars. Two examples: Michael Clough sees the role of states and regions in foreign policy as a positive democratization of foreign policy once dominated by East Coast elites. Samuel Huntington blames subnational commercial interests for the ‘particularization’ of US foreign policy and hopes for a new external enemy to reinvigorate a sense of national purpose which will override subnational interests.” In Russia, former presidential candidate Martin Shakkum during the campaign criticized the development of Russia into a “republic of boyars,” where various local and regional elites have an interest in exporting “their” raw materials directly abroad under their own personal patronage. He even advocated reestablishing the monopoly on foreign trade and the total prohibition of any foreign political activity of the regions. Martin Shakkum, “Kak predolet’ krizis mnimogo federalizma,” *Nezavisimaya gazeta*, 3 December 1996.

on this topic is surprisingly scant. In a recent review essay on the role of US states in US foreign policy (a role which she calls "understudied"), Julie Blasé rightly points out that really only a small group of predominantly federalist scholars (i.e. not IR scholars) has so far examined the involvement of states in international relations.¹²

In this literature on federalism, foreign policy happens to be an important topic of the discussion: the degree of control by the federal center over foreign policy is one of the important yardsticks in differentiating between different types of federal systems.¹³ But the main focus of this literature is much more on the relationship between the center and its constituent units than on the impact of this relationship on the conduct of foreign and security policy.

This literature has revealed a wide range of subnational diplomatic activities, and much of the information that can be gleaned from it is quite interesting for comparative purposes. Although Article One of the U.S. Constitution prohibits the US states from entering into any "agreement or compact" with foreign powers,¹⁴ U.S. states have been and continue to be independently involved in international relations.¹⁵ US states and even municipal governments are signing direct (but non-binding and arguably even non-legal) agreements with foreign nations. In a statement that may be relevant to the current discussions in the Russian Duma about the delineation of authority between Moscow and the subjects of the Russian Federation, Earl Fry has written that "Congress has had few qualms about states signing international pacts, agreements, and understandings. Several hundred such arrangements have been ratified by state governments, mostly with their provincial counterparts in Canada."¹⁶ In the US,

12 The approach of second group of scholars who have looked at these issues is called "sectionalism" by Blasé. This approach is dedicated to showing how regional interests coalesce at the federal level via congressional representation. See: Richard Franklin Bensel, *Sectionalism and American Political Development: 1880-1980* (Madison, 1984); Peter Trubowitz, "Sectionalism and American Foreign Policy..."

13 For Duchacek, for instance, it is his *first* yardstick: "Has the central authority exclusive control over international relations as befits a nation-state in its relations with other states?" Ivo D. Duchacek, *The Territorial Dimension of Politics Within, Among, and Across Nations* (Boulder, 1986), pp. 118-124. One hotly disputed issue in the study of federalism that is also relevant to Russia concerns the relative importance of its formal, constitutional aspects versus the more informal bargaining relationships between intergovernmental actors in determining outcomes, including on foreign policy issues. Daniel J. Elazar provides an overview of this broader controversy in his *Exploring Federalism* (Tuscaloosa, 1987), pp. 14-18.

14 Article One states: "No State shall, without the Consent of Congress, lay any Duty of Tonnage, keep Troops, or Ships of War in time of Peace, enter into any agreement or Compact with another State, or with a foreign Power, or engage in War, unless actually invaded, or in such imminent Danger as will not admit of delay."

15 James Goldsborough, "California's Foreign Policy," *Foreign Affairs* 72:2 (Spring 1993), pp. 88-96; Hans J. Michelmann and Panayotis Soldatos, *Federalism and International Relations: the Role of Subnational Units* (Oxford-New York, 1990).

16 Earl Fry, "Trans-Sovereign Relations..." p. 56.

state governments have primarily addressed trade and foreign investment, transboundary environmental problems, and immigration, among other foreign policy issues. Every state government has an international trade office and several states have used the courts and lobbying to influence immigration policy.¹⁷ Most states maintain a tourism office seeking to capture part of the large foreign tourist market. And states are party, with the central government's encouragement, to many transnational compacts governing border and environmental affairs.

In Europe, the regional dimension of European integration¹⁸ has been developing quite actively in the last couple of years since the creation at Maastricht of a Committee of the Regions. As a consequence, European regions now have at least five main channels of subnational representation in the European Union: the Committee of the Regions, the Council of Ministers, the Commission, regional offices, and transnational associations. As one analysis of this development points out: "Political channels, both formal and informal, for regional actors have multiplied beyond recognition."¹⁹

Beyond these direct foreign activities of subnational regions, the latter can also exert an indirect influence on a country's foreign and security policy. During the Cold War, for instance, scholars of sectionalism such as V.O. Key, Richard Bense, and Peter Trubowitz argued that states and regions routinely influenced American policies and concepts of the national interest. Building on Bense's methods of analyzing congressional voting patterns,²⁰ Trubowitz shows how sectional economic interests affected lawmakers' support for "Cold War internationalism" policies, including free trade, defense spending, military alliances and intervention, and presidential prerogative in foreign policy.²¹ Interestingly enough, he found that support for the Cold War consensus policies fluctuated according to the economic needs of geographic regions, with the Northeast "manufacturing belt" showing the least support for such policies. Trubowitz argues the national interest has a geographic dimension; foreign policy is the result of intense domestic struggle to influence regional economic development. The same point can probably also be made about many other countries. For example, Bavaria has undoubtedly influenced the policy of the

17 Keith Boeckelman, "Federal Systems in the Global Economy: Research Issues," *Publius: The Journal of Federalism* 26:1 (1996), p. 3.

18 This dimension is also closely followed by Russian scholars. For an example, see Aleksandr Vladimirovich Kuz'mishchev, "Ispanskoe zerkalo Moskvu," *Nezavisimaya gazeta*, 13 September 1997.

19 Liesbet Hooghe and Gary Marks, "Europe With the Regions: Channels of Regional Representation in the European Union," *Publius: The Journal of Federalism* 26:1 (1996), p. 73 (19).

20 Richard Franklin Bense, *Sectionalism and American Political Development: 1880-1980* (Madison, 1984).

21 Peter Trubowitz, "Sectionalism and American Foreign Policy: The Political Geography of Consensus and Conflict," *International Studies Quarterly* 36 (1992), pp. 173-190.

Federal Government in Germany on a number of issues surrounding the issue of the Sudeten Germans.

Many questions that emerge from this literature are undoubtedly also of relevance for Russia. One of these is whether the new international activities of regions are cooperative or competitive in nature. On the one hand, globalization implies heightened competition for investment between subnational units, and in some cases, between orders of government. In the United States, for example, efforts to attract businesses across borders have intensified to the point that some states have set up recruitment offices in other states.²² On the other hand, as economic issues have become more salient foreign policy concerns for national governments, federations including the United States, Canada, Switzerland, and Germany have attempted to develop and encourage cooperative institutions that allow subnational input into policy-making.²³ Subnational units have also developed cooperative relationships among themselves, through organizations such as the National Governors' Association in the US, to influence federal economic policies. In this context, one challenge for researchers is to examine which circumstances encourage cooperation and which engender competition. As the discussion above illustrates, some developments in the global economy may encourage competition between jurisdictions and cooperation across units of government simultaneously.²⁴ Further, it is necessary to examine the outcomes of cooperation and competition. Neither is inherently desirable or undesirable. Cooperation can lead to effective policy and delivery of services or it can engender excessive complexity and high costs as relationships become entangled.²⁵ Competition can yield positive results, such as increased inward investment and better trained workers, or negative ones, such as destructive business-incentive wars.²⁶

4. RUSSIAN REGIONS AND RUSSIAN FOREIGN POLICY

Russia's regionalization has far-going and frequently underestimated consequences for Russian foreign and security policy (RFSP). The intent of this section is not to give an exhaustive overview of all the links between Russia's regions and the rest of the world, but merely to categorize them while offering some examples of the different categories.

22 Robert Guskind, "The New Civil War," *National Journal* 22 (April 1990).

23 Ivo D. Duchacek, *The Territorial Dimension...*, pp. 26-27.

24 John Kincaid, "The Competitive Challenge to Cooperative Federalism: A Theory of Federal Democracy," Daphne A. Kenyon and John Kincaid, eds., *Competition Among States and Local Governments: Efficiency and Equity in American Federalism* (Washington, D.C., 1991), pp. 87-114.

25 David B. Walker, *The Rebirth of Federalism: Slouching Toward Washington* (Chatham: NJ, 1995), p. 20.

26 Robert Guskind, "The New Civil War," pp. 817-821.

4-1. *Direct Economic Interaction*

In Soviet times, the state monopoly on foreign trade effectively precluded direct international activity by non-state actors. The liberalization of foreign trade totally changed this: as soon as the center loosened the reins, a plethora of economic actors started taking advantage of the new opportunities, be they legal or not. Regional actors were among these “new” actors, and they were greatly helped by the fact that whereas the Russian Federation had only eleven “border regions” in Soviet times, today it has thirty-five, and if coastal border regions are included as many as forty-three. This means that almost half of all Russian regions are directly adjacent to foreign countries, which has facilitated international contacts to an extent hitherto unknown. But also for non-border regions, the explosion of communication possibilities (through various media ranging from satellite television and telephony to the Internet²⁷; or also through the forty-three international airports that Russia possesses today²⁸) has greatly facilitated the establishment of foreign contacts. This process furthermore continues to gather steam.²⁹

It is important to point out that the legal basis of the direct international economic activities of the subjects of the Russian Federation remains in flux. Beyond the general provisions of the Federation Treaty, the federal center has signed separate agreements with a number of republics and regions giving some of them special rights to conduct their own foreign economic policy and to have their own trade representations abroad. Yet the many inconsistencies in these various provisions have led to new proposed legislation, especially the “Delineation of Competencies in the Sphere of Foreign and Foreign Economic Relations,” which has passed the Duma, but is awaiting final approval by the Federation Council (in July 1998); and the “Legal Status of Border Regions,” which is still in the Duma.

From 1992 to 1997, Russian foreign trade expanded quite significantly, if not spectacularly. The economic crisis of late 1997 was reflected in a sudden decrease of both imports and exports in January 1998, but since then the trends are upwards again.

27 Most Russian regions now have their own website. For an overview, see <http://www.amursk.ru/admin/gosorgan.htm> and <http://www.gov.ru/page6.htm>.

28 See L. R. Aulund, “Air Ambulance Plan Can Be Critical,” *Oil and Gas Journal* 94:18 (29 April 1996), pp. 37-41. Every flight to Russia must still be officially authorized by Moscow. According to Juhanni Missonen, President of Euro-Flite (an air evacuation company that has been flying business people in and out of Russia for 20 years), only 43 are entry-airports that have a customs- and passport control office as well as an English-language flight control system.

29 Valerii Shlyamin, Minister for External Relations of the Karelian Republic, deplores for instance that there are only two points of entry along the 730 km border between Karelia and Finland, and he compares this with the more than 10 points of entry in the German-Polish Pomerania Euroregion. Valerii Aleksandrovich Shlyamin, “K voprosu o novykh evroregionakh na Severe,” *Mezhdunarodnaya zhizn'* 5 (1998).

Increasingly, regional officials will be quick to point out the importance of foreign trade for their region. According to Karelian officials, for instance, in 1997, 45% of industrial production was export-oriented and 60,000 workplaces depend directly on orders placed by foreign firms.³⁰

For many regions, direct economic interaction with their immediate neighbors has become vitally important. As Sergounin puts it: "Regionalization in Russia is accelerated by [the] economic influence of the neighboring countries. Given the current economic decline and disruption of inter-regional co-operation, for many border regions, collaboration with foreign partners offers better prospects than with other Russian regions."³¹

The lifting of restraints resulted in different types of cross-border trade: (1) regular cross-border trade (much of it "wild"); (2) transnational contacts between local and regional administrations; and (3) more institutionalized forms in the Baltic Sea region, the Barents Sea region, the Black Sea area, Asia-Pacific region, Belgorod, and various proposals for Euroregions.³²

These new forms of cross-border exchanges initially started with typical arbitrage-type cross-border exchanges: in light of the existing price differences across borders, many families on both sides of the border started engaging in small import/export transactions, most of which are not captured in official trade statistics. Increasingly, however, proximity combined with openness meant that many issues could best be solved in cooperative ways, thus leading to a rapprochement between regional or local authorities on both sides of the border. In the Russian Far East, for instance, many regions are trying to develop contacts with their Asian neighbors: Khabarovsk and Primor'e cooperate with Japan, China, and North-Korea; Sakhalin has trade relations with Hokkaido and with Korea; and the Amur region is involved in cross-border trade with China.

Many of the new initiatives towards more "institutionalized" trade are supported by various international organizations such as the European Union, the Asia-Pacific Economic Co-operation (APEC) forum, the ASEAN Regional Forum (ARF), the Council of the Baltic Sea States, the Barents/Euro-Arctic Coun-

30 Ibid.

31 Alexander A. Sergounin, "Russia's Regionalization: The International Dimension" (Copenhagen Peace Research Institute Working Paper, 1998).

32 J.A. Dellenbrant and M.-O. Olsson, "Regionalization and Security in the European North," J.A. Dellenbrant and M.-O. Olsson, eds., *The Barents Region: Security and Economic Development in the European North* (Umeå, 1994), pp. 11-12, 29-30; S. Jervell, "A Report From Europe's Northern Periphery," M. Kukk, S. Jervell, and P. Joenniemi, eds., *The Baltic Sea Area - A Region in the Making* (Oslo, 1992), pp. 19-20; D. Kerr, "Opening and Closing the Sino-Russian Border: Trade, Regional Development and Political Interest in North-East Asia," *Europe-Asia Studies* 48:6 (1996), pp. 931-957; Ole Wæver and H. Wiberg, "Baltic Sea/Black Sea. Regionalization on the Fringes of the 'New Europe'," *Regionalism: Concepts and Approaches at the Turn of the Century* (Bucharest), pp. 221-228.

cil, the Black Sea Economic Cooperation, etc.³³ One of the most institutionalized (and probably the best-studied) examples of this new phenomenon is the cooperation between Russian and Finnish regions, which is based on a 1992 agreement signed by the Finnish and Russian governments on Finno-Russian cooperation between border regions. The agreement deals with economic, technical, and cultural cooperation, including academic, sports, and youth exchanges. This agreement concerns four Northwestern regions of the Russian Federation: Murmansk and Leningrad oblasts, the Republic of Karelia, and the city of Saint-Petersburg. The Finnish government has made some 540 million Finnish marks available for various projects within this framework.

As Valerii Shlyamin, Minister for External Relations of the Karelian Republic, pointed out: "The prospects of the enlargement of the European Union in the near future, the role of the Russian Federation in a changing Europe, and also the effectiveness of the participation of our country in economic integration processes - all of these are issues that worry politicians and analysts in Moscow, but increasingly also their regional colleagues, especially in the border regions." He has also shown a keen understanding of the European Union's internal kitchen by framing his proposal for a new Northern Euroregion against the background of the Finnish government's proposed "Northern Dimension."³⁴

The Barents Euro-Arctic Region (BEAR)³⁵ was established in January 1993 by the governments of the Nordic countries and the Russian Federation, and the European Union (EU) Commission. The main idea of the BEAR is to be a region and forum for international cross-border cooperation, and to decrease tension in the European North, especially over the Barents Sea, though the cooperation does not cover the sea areas. The BEAR is a political top-down concept with elements of region-building and regionalism. It is structured on two levels: the Barents Council, with representatives of the Nordic countries and Russia and the EU Commission, and the Regional Council which aims at regional cooperation between the provinces of the Region. Together with the provinces, the unified states are the main actors in the cooperation and are defining their own northern policy.

One of the most distinctive features of the Barents Cooperation is the way it is organized and the exercise of authority at regional level. The Regional Council is the supreme body in this cooperation, entirely independent and not subordinate to the Barents Euro-Arctic Council. It consists of the chairmen of the county councils of Finnmark, Troms and Nordland and the heads of the counties of Norrbotten in Sweden, Lappland in Finland, Murmansk and Archangel in Russia and of the Republic of Karelia in Russia, as well as a representative of the indigenous peoples of the region. It includes 80-90 different projects in a variety of fields, and is the result of extensive studies in ten regional sectoral

33 Alexander A. Sergounin, "Russia's Regionalization..."

34 Shlyamin, "K voprosu..."

35 See Kannele Pokka, "Barentsevo sotrudnichestvo," *Mezhdunarodnaya zhizn'* 2 (1998), pp. 42-45.

committees. The Barents Program is to continue until 1999 and is budgeted at some NOK 160 million, the bulk coming from Norway but with some Finnish and Swedish money as well. In the words of the Norwegian Foreign Minister in 1995: "To promote political control of developments in the region, the Government has deliberately given priority to encouraging the creation of networks in all sectors of society. Most of the people in positions of authority at both local and central level in the countries involved who can help to give the Barents Cooperation substance have established contacts with each other and discussed their respective problems, objectives and priorities."

Meanwhile, international economic contacts have gone far beyond the border regions cross-border trade. Already in 1996, every Russian region has signed an average of between 10 and 40 international economic agreements. Among them, for example, the City of Moscow plans to open commercial representations in Madrid, Paris, New York, Johannesburg, Singapore, and Buenos Aires. Tatarstan has plenipotentiary representations in a number of European countries, in the United States and in Australia, as well as in other Russian regions and CIS countries. Moreover, Tatarstan concluded international agreements with Hungary, Bulgaria, Poland, Turkey, and Iran. Tatarstan has the right not only to obtain official, bank and commercial credit lines under its own guarantees, but also to offer assistance to foreign partners, to develop and implement a policy of attracting foreign investments, to participate in the activities of international economic and financial organizations as well as to create free economic zones in the republic.³⁶

Some Russian regions have implemented special legislation to selectively encourage foreign investments. For instance, Primor'e passed a local Law "On Industrial Complexes in the Territory of the Nakhodka Free Economic Zone of the Primor'e Territory," which grants regional tax privileges to exporters and enterprises producing infrastructure. The Governor of the Sakhalin Region signed a resolution on granting tax privileges to enterprises with foreign capital participation engaged in the sphere of material production. In the Pskov Region, a law was passed "On Attracting Investments into the Economy of the Pskov Region."

Besides tax privileges for investors, mortgage funds for investments have been established (in the Region and the Areas) which can serve as security for investors. In Tatarstan the Republican Law "On the Status of an Approved Investment Project with a Foreign Investor's Participation" came into force. Projects with investment volumes exceeding \$100,000 can hope to get privileges after the project has been evaluated by the Republican inter-agency commission for structural and investment policy.³⁷

36 Vera Postnova, "Respublika nalazhivaet vneshneekonomicheskie svyazi," *Nezavisimaya gazeta*, 1 October 1997.

37 See for instance the website of the Foreign Investment Promotion Center of the Russian Federation at the Russian Ministry of Economy (<http://www.fipc.ru/fipc/improve.html>).

4-2. *Direct Political Interaction*

As was the case with economic interactions, border regions have acted as the harbingers to establish political international relations, while internal regions have also achieved significant results. Not surprisingly, the priority of border regions has been observed in trans-border microdiplomacy. Pskov and Belgorod have developed working contacts between various organs of local self-government across RF borders, a fact that has been well received by the central government. Chita, Irkutsk and Amur have developed ties with Chinese regions. It is obvious that the Russian Far East cannot ignore the proximity of two regional powers such as China and Japan. The Russian South has no alternative but to deal with the implications of the turbulent processes in its adjacent North Caucasian and Transcaucasian regions. And regions in the North-West are increasingly exposed to various outreach initiatives of the widening European Union. RF Foreign Minister Primakov spoke eloquently in this context about the creation of a "belt of good neighborliness" along Russia's perimeter.³⁸

In Tatarstan - to Tatars' great sorrow, an internal region - the republic Constitution adopted in November 1992 declared that Tatarstan is "a sovereign state, a subject of international law..." Even prior to that, in May 1992, Tatar President Mintimer Shaimiev had issued an edict on the creation of diplomatic missions abroad. According to the director of Tatarstan's Department of Foreign Contacts, Timur Akulov, in 1994 just one person worked in his department, while now eight do so, all with their own responsibilities. In 1996, for example, eighty-one foreign delegations visited Tatarstan, including French Prime Minister Alain Juppé. The President of Tatarstan, Mintimer Shaimiev, made official visits to Poland, Iran, Azerbaidzhan, Egypt and Malaysia.

In 1997, representatives from Bashkortostan, Dagestan, Sakha, Tatarstan, Tyva, Khakassiya, and Chuvashiya took part (contrary to the wishes of the central authorities) in a meeting in Istanbul of Turkic states and communities, and even co-signed the final communique which recognized the "Turkic Republic of Northern Cyprus." The Russian Ministry of Foreign Affairs has officially expressed its concerns about attempts by Turkey, Saudi Arabia, and other Moslem states to expand their influence in Russia's Turkic regions.

There is also a fair amount of anecdotal evidence on initiatives of other individual regional leaders to engage in their own global "proto-diplomacy" or "paradiplomacy" without paying much attention to the desires or injunctions of the center (with which they sometimes collide, sometimes not). Moscow mayor Luzhkov's personal foreign policy initiatives in Ukraine are well documented, as are the ties that various Russian regions (currently an unprecedented 55 of them) have established with Belarus.³⁹ First Deputy Prime Minister Igor'

38 "Pervaya vserossiiskaya nauchno-prakticheskaya konferentsiya 'Problemy i perspektivy razvitiya rossiiskogo federalizma'," *Diplomaticheskii Vestnik* (February 1998).

39 President Lukashenko is probably one of the most frequent foreign visitors to Russian regions.

Ivanov even explicitly expressed his disapproval of the attempts of regional authorities to circumvent the center "especially in the direction of the Baltic and the Caucasus," as well as in "relationships with territories whose statuses are the subject of international negotiations."⁴⁰

4-3. *Indirect Interaction: A Case Study Around the MID*

Regions are able to influence the Russian FSP through various central state institutions: MID (the Ministry of Foreign Affairs), the Federation Council, the Duma, and so forth. Here I would like to limit my analysis to interactions between Russian regions and the MID.

As in many other countries, the relationship between the federal center and the constituent units of the Russian Federation with respect to international contacts has been in constant redefinition for the past couple of years. In 1993, Russia's MID created a special department for contacts with the subjects of the Russian Federation. Its main task was to ensure that regional interests were taken into account in the development of Russia's foreign policy, to control their international contacts (to guarantee that federal and regional authorities would act in unison in implementing international agreements), and finally to incorporate international experience of regional cooperation into the transnational activities of Russia's regions. In that same period, the Ministry started opening offices in various Russian regions (currently there are twenty-six of them), while the latter were allowed to have their own official representation in the MID in Moscow.

In 1994, a Consultative Council of Federation Subjects for international and foreign economic relations was created. Initially, this initiative seemed to meet with little enthusiasm, as various regional leaders preferred to establish direct ties with potential foreign partners. Since 1996, however, the relationship between the federal center and regional leaders on these issues seems to have improved. The Consultation Council has a number of basic normative documents with standard provisions on trade, economic, scientific and cultural agreements, and on the modalities of signing such agreements. According to representatives of the Russian MID, some 90% of all agreements (more than 400 in the period between 1994 and 1996) now correspond to those "norms."

In certain cases, regions even received a mandate from the central government to act on its behalf. Thus a treaty between Russia and South Korea on economic cooperation was signed in 1995 by Sakha's president Nikolaev, and the same president also represented Russia to negotiate a new deal with De Beers on the sale of its own diamonds.

Acknowledged by Central government, on 16 December 1997, for instance, there was a special meeting between representatives of the Russian MID from

40 Yuliya Berezovskaya, "MID nedovolen samostoyatel'nost'yu regionov. Diletantizm gubernatorov kompromitiruet Rossiyu," *Russkii telegraf*, 4 June 1998.

Moscow and the regions on the coordination of their activities.⁴¹ Deputy Foreign Minister Ivanov claimed that attracting foreign capital into the Russian regions has become one of the priorities of Russian foreign policy. Increasingly, regional leaders accompany Yel'tsin or Primakov on state visits. Ivanov talked about presidential instructions (i.e. the presidential decree of 12 March 1996 on the coordination role of MID) to "help regions in establishing contacts with foreign partners and in developing mutually advantageous economic ties."⁴²

At the beginning of 1998, Primakov summarized the development concerned: "We in the MID operate under the understanding that federalism is the basis of Russia's state structure, that it will continue to grow and develop irrespective of any difficulties. That is also why Russia's foreign policy has to be seen through the prism of federative relations."⁴³ He went on to evaluate the regional dimension of Russian foreign policy in a positive way. According to Primakov, the foreign ties of Russia's regions have transformed themselves into an important channel of international cooperation from which both the center and the regions benefit; it offers new possibilities for a more "organic" cooperation with various international organizations such as the Council of Europe.⁴⁴

The fact that the balance between the federal government and the "Federation subjects" continues to be redefined could clearly be inferred from a conference that was devoted to the topic early in 1998 in the Russian Ministry of Foreign Affairs.⁴⁵ In his report to this conference, which one journalist argued was convened under the banner of the fight against *samostikhiinost'* [wild independence],⁴⁶ Deputy Foreign Minister Ivanov mentioned "certain complaints" by some regions about the degree of interaction between them and Russia's foreign representations. The point the federal government is clearly trying to make is that uncoordinated foreign activities are not the optimal way of defending all regions' (or Russia's) interests.⁴⁷ Ivanov gave the examples of Moscow and Novgorod, who would, through the intermediation of the Russian MID, have obtained better conditions for attracting foreign capital than other regions.⁴⁸

41 At this meeting, the local representatives complained about the lack of support they receive from regional administrations in obtaining housing, transportation and communication, which can be seen as a good indication of the continued strain between the two.

42 I.S. Ivanov, "Mezhdunarodnye i vneshneekonomicheskie svyazi sub"ektov Rossiiskoi Federatsii," *Diplomaticheskii vestnik* (February 1998).

43 "Pervaya vserossiiskaya nauchno-prakticheskaya konferentsiya..."

44 Ibid.

45 I.S. Ivanov, "Mezhdunarodnye i vneshneekonomicheskie svyazi..."

46 Yuliya Berezovskaya, "MID nedovolen samostoyatel'nost'yu regionov..."

47 The same point was also made by Foreign Minister Primakov in a January 1998 speech on the topic, in which he even spoke of "serious damage" to Russia's position in the world ("Pervaya vserossiiskaya nauchno-prakticheskaya konferentsiya...").

48 It will easily be understood that this argument was unlikely to convince the regional representatives at this conference, who were obviously clearly aware that the success of these regions has more to do with local factors than with the good services of the MID.

Also Yel'tsin in his most recent visit to the MID on 12 May 1998 made a point of devoting a couple of paragraphs to the international activity of Russia's regions, which he called "an important and extremely delicate sphere not only of foreign, but also of domestic policy." He emphasized the importance of "creative and respectful" assistance to the territories in their international contacts, but also to intersect (*presekat'*) any "wild" activities of regions.⁴⁹

Also from the regions' point of view, the new balance seems to be accepted. Thus, the director of Tatarstan's Department of Foreign Contacts, Timur Akulov, said that Tatarstan has not acquired any experience in establishing direct ties: "We work under the patronage of the Russian Ministry of Foreign Affairs, and we are very grateful to the representatives of the MID for their assistance. We are only just learning, we are looking closely at their work."⁵⁰ One of the examples of this assistance is that specialists of the Diplomatic Academy are assisting regional administrations by organizing special courses on the principles of foreign economic relations and practical issues of international marketing.⁵¹

5. RUSSIAN REGIONALISM AND RUSSIA'S (RE-)INTEGRATION IN THE INTERNATIONAL COMMUNITY

This paper has tried to demonstrate that Russian regions are already far more actively involved in international relations than is generally acknowledged. What does this process mean for Russia's role in the world?

Sergounin has pointed out that: "Many Western politicians and academics regard regionalization and transregional co-operation as the best way to tie Russia into the international co-operation system, to assist its domestic reforms and to prevent the rise of anti-democratic forces in the country."⁵² This paper essentially agrees with this view. The entire international community appears to be in agreement that the integration of Russia as a "normal" country into the intricate web of today's international system is one of the prime foreign policy priorities. It seems very unlikely that a country with the size, strategic importance, and political complexity of Russia can be integrated in a top-down process. In this sense the decentralization of the country in all its dimensions (including the international one) can probably be seen as a prerequisite for any genuine "normalization." The pragmatism that we are seeing in some of today's Russian regional leaders bodes well for this process of normalization, including that of its foreign and security policy.

49 Boris Nikolaevich Yel'tsin, "Mesto i rol' Rossii v period formiruyushchegosya mnogopolyarnogo mira," *Mezhdunarodnaya zhizn'* 6 (1998).

50 But he also added that the Tatar opposition sees this as an infringement of Tatarstan's sovereignty. See: Vera Postnova, "Respublika nalazhivaet..."

51 "Spetsialisty Dipakademii rasshiryayut svoyu auditoriyu," *Segodnya*, 21 February 1998.

52 J.A. Dellenbrant and M.-O. Olsson, "Regionalization and Security..." p. 12.

We should not, however, close our eyes to dangers that are equally inherent in such regional diplomacy, be it economic or political. Duchacek has pointed to certain dangers, all of which are present in the Russian case as well. First of all, subnational contacts with foreign centers of political power may become vehicles for various forms of trans-sovereign meddling. Already today, various outside powers are trying to take advantage of the aspirations of regional leaders to further their own political agendas. Secondly, Russian subnational foreign policy initiatives that have become visible have not helped in overcoming the chaotic fragmentation of foreign policy that is so obvious in today's Russia. Third, the cautious or negative attitudes on the part of central national elites towards subnational paradiplomacy reflect also their fear of provincial egoism at the expense of the national whole as well as the other territorial communities. Perhaps there is also a worry, not entirely unwarranted, about provincial officials' lack of training and experience in the harsh world of international relations.

Yet there can be little doubt that there is no alternative in today's Russia for the current relatively enlightened "laissez faire" policy towards the regions' international activities. It is only through a constant (political) recalibration of the respective rights and duties of the center and the regions that the nightmare scenario of a convulsive breakup of the Russian Federation can be avoided.⁵³ As Zbigniew Brzezinski has argued: "Given the country's size and diversity, a decentralized political system and free-market economy would be most likely to unleash the creative potential of the Russian people and Russia's vast natural resources. A loosely confederated Russia - composed of a European Russia, a Siberian Republic, and a Far Eastern Republic - would also find it easier to cultivate closer economic relations with its neighbors. Each of the confederated entities would be able to tap its local creative potential, stifled for centuries by Moscow's heavy bureaucratic hand. In turn, a decentralized Russia would be less susceptible to imperial mobilization."⁵⁴

Here again, the issue is not a uniquely Russian one: the aforementioned literature on subnational foreign policy also raises questions about whether the regions are challenging the nation's sovereignty, augmenting it, or acting as a proxy. There are no clear answers in the existing literature. John Kline acknowledges that "it was national government encouragement which initially

53 Foreign Minister Primakov clearly expressed this almost visceral fear in a recent speech to a conference on the future of federalism: "Either Russia, through a genuine and not a fictitious federalism, will reestablish its economic power, strengthen its statehood and act as a true great power whose voice will to a great extent determine the course of international events; or if it is enfeebled by weakness and disputes, it will inevitably be subjugated to some American, European or any other geopolitical center" ("Pervaya vserossiiskaya nauchno-prakticheskaya konferentsiya..."). The reactions in the Russian press to Zbigniew Brzezinski's provocative essay underscore this point.

54 The article was translated and published in *Nezavisimaya gazeta* on 24 October 1997.

helped stimulate state involvement in such activities," but he also wonders if "[g]rowing state promotional activity is thus raising some important questions regarding control over economic and political decision-making where international and domestic interests increasingly overlap governmental boundaries in the U.S. federal system."⁵⁵ Earl Fry writes that some subnational activities may "infringe" upon federal responsibilities.⁵⁶ But James Rosenau theorizes that the case is not that subnational actors are knowingly or intentionally challenging national sovereignty, but that the emergence of "transnational" issues such as pollution, drugs, and currency crises have "reduced (the) capability of states and governments to provide satisfactory solutions to the major issues on their political agendas, partly because the new issues are not wholly within their jurisdiction...with the weakening of whole systems, subsystems have acquired a correspondingly greater coherence and effectiveness."⁵⁷ Daniel Latouche echoes Rosenau's theory and writes: "Transnationalism is not the result of a failure or even of an attack on the nation-state, but a consequence of a new equation between state and society."⁵⁸ It is not yet clear what impact states are having on the foreign policy process and outcomes. More systematic research is needed to determine how states are influencing foreign affairs and policy, and to determine what role the Cold War's demise has played in seemingly accelerating the involvement of states in foreign relations.

Norwegian Minister of Foreign Affairs Bjørn Tore Godal in his statement to the Storting on the Barents Cooperation on 24 April 1995 said: "It is perhaps unrealistic to believe that significantly better conditions can be established for economic cooperation in the Barents Region than for cooperation with Russia in general. Nonetheless, the fact that local and regional authorities have responded so wholeheartedly to the cooperation is significant. This also inspires the local Russian authorities to take up specific obstacles to cooperation with the central authorities in Russia."

6. CONCLUSION: SOME POLICY IMPLICATIONS

The new pluralism in RFSP continues to be met with surprise or even exasperation outside of Russia. It has led to a *raznoglasie* [discord] in RFSP, and to a blurring of the distinctions between domestic and foreign policy. This requires additional analytical and political efforts to match the increased empirical complexity. What is sometimes overlooked here is that this new situation also opens up some unprecedented policy opportunities for new types of interaction with Russia. The key point here is that most regional actors are *no lens*

55 John M. Kline, "The International Economic Interests..." p. 88.

56 Earl Fry, "Trans-Sovereign Relations..." p. 64.

57 James Rosenau, *Turbulence in World Politics: A Theory of Change and Continuity* (Princeton, 1990), p. 13.

58 Daniel Latouche, "State Building and Foreign Policy..." p. 33.

volens political pragmatists: as they know their local situations better than anybody else (certainly better than decision-makers in Moscow), they undoubtedly recognize the difficult situation that Russia finds itself today.

One can assume that this pragmatic attitude also translates itself in many cases in issues of FSP. Contrary to many Moscow politicians, local politicians must be keenly aware of the opportunity costs of any foreign policy adventures, be they in Belarus or in the Far East. To put it even more concretely, they know that any ruble that is spent on foreign policy is a ruble that will not be redistributed to their constituency. They can therefore be expected to oppose any FSP initiative that they will interpret as harming their own regional economic or political interests. In this sense, the FSP preferences of many regional politicians are probably closer to those of the West than the preferences of many central decision-makers. The same almost certainly applies to the nature of these preferences, which are less likely to lie in the more narrow and traditional security area (such as NATO-enlargement and arms control) than in the fields of foreign economic policy, migration or the environment. This means that it is in our interest to stimulate the further "normal" decentralization of international interactions as well as the more accurate aggregation of regional interests into central foreign policy.

Already today Russia's foreign policy is much more multi-faceted and more integrated into the international community than is widely recognized. Increasingly, Russia is moving from a "shallow" to a "deep" integration into the world community,⁵⁹ especially at the regional level. This change is occurring in a "natural" way: it is primarily driven by economic rather than political motives, and it emerges more out of the decentralized aggregation of the decision-making processes of non-central actors than out of the voluntaristic decisions of single states.

These many little strings ("ligatures" in Jonathan Swift's words) that are increasingly binding the Russian Gulliver to the rest of the world are thus increasingly being transformed into more organic ties. Further stimulating this essentially functional process may provide a useful complement to the West's strategy of tying Russia into a complex institutional web. Multi-level sovereignty, the extension of international rules and norms and the anchoring of democracy may prove the best guarantee for a more normal and benevolent Russian foreign and security policy and against neo-imperial adventures.⁶⁰

59 See: Stephan Haggard, "The Adjustment of National Policies Around a Negotiated Norm," Stephan Haggard, ed., *Developing Nations and the Politics of Global Integration* (Washington, D.C., 1995).

60 Jeffrey Sachs and Andrew Warner, "Economic Reform and the Process of Global Integration" (Harvard Institute of Economic Research Institute Working Paper, no. 1733, August 1995).