

8th German-Nordic Baltic Forum

Conference Report:

German, Nordic and Baltic Views on the Future of the EU: Common Challenges and Common Answers

Vilnius, 17-18 November 2016

The 8th annual meeting of the German-Nordic-Baltic Forum took place in Vilnius on 17 and 18 November 2016. This year the event was organized by the Institut für Europäische Politik in cooperation with the Institute of International Relations and Political Science in Vilnius and with support from the German Federal Foreign Office, the Ministry of Foreign Affairs of Lithuania, the Konrad-Adenauer-Stiftung and the Embassy of the Federal Republic of Germany in Lithuania. 54 experts from academia and think tanks as well as planners from national ministries and embassies convened in the Lithuanian capital to offer their perspective on “German, Nordic and Baltic Views on the Future of the EU: Common Challenges and Common Answers”. Since its establishment in 2008, the annual Forum aims at providing a platform for debates between scholars and practitioners in a capital of one of the represented countries.

During the two days of the Forum the participants focused on the following points of discussion:

- European Asylum and Migration Policy
- The EU’s Energy Policy and Energy Security
- Prospects of EU-Russia relations in light of the Crises in Ukraine and Syria
- Future integration challenges for the EU

This year’s Forum commenced with the traditional welcoming remarks by the directors of the Institute of International Relations and Political Science and the Institut für Europäische Politik. Thereafter, Raimundas Karoblis, Vice-Minister of Foreign Affairs of the Republic of Lithuania, and H.E. Thomas Ossowski, Ambassador and Director for bilateral relations with EU Member States, regional and transborder cooperation at the German Federal Foreign Office, discussed “The Future of the EU: Common Challenges and Common Answers” in the

opening debate. The two discussants touched upon the relations with Russia, the challenges migration poses to EU Member States and the possibilities for a better communication within the EU and the conveying of European themes to the citizens. Moreover, the question of a clear leadership in the EU was raised. It was argued that there were too many leading positions within the EU and neither of those could fulfill the task of true guidance. In this respect the question of a stronger Germany in the world and in the EU came up as well. Touching both upon leadership and communication concerns, it was discussed in how far the EU could act in more coherent as well as transparent, democratic and efficient ways. Specifically the last point raised some concerns and it was thus, argued for the necessity of an increasingly efficient European Union.. Concluding, the unique character of the EU was emphasized and the potential as well as the suitability of a closer cooperation within (regional) groups - e.g. in security questions – was evaluated.

Following the opening debate, the Forum continued with the *first panel* discussion, on the topic of “European Asylum and Migration Policy: German, Nordic, and Baltic Answers to the Refugee Crisis”. The discussion focused on ways to control migration, find common solutions and reduce concerns within the population through better communication. There was a general agreement that the so-called EU-Turkey deal of March 2016 was a first step in the right direction. However, it would now also be necessary to implement faster procedures on the Greek islands in order to assure a smooth implementation of the deal. Regarding the countries of origin of the refugees, new incentives had to be implemented to prevent them from migrating to Europe. However, the concern was raised that increased living conditions in those countries could have an adverse effect, as it might enable more people to gather enough financial means to pay their journey to the EU. Thus, push and pull factors had to be taken into consideration thoroughly and a close cooperation with the countries of origin was necessary to make sure that the numbers of refugees would not increase. Although it was mentioned that the current migration situation is of a different magnitude than what Europe experienced in its recent history, the discussants also referred to the sometimes excessive reactions by the populations towards some few refugees within their countries. It was highlighted that an improved communication was inevitable in order to hinder populism and disproportionate rejections of refugees in certain countries.

Most discussants agreed on the necessity of finding common solutions to the current situation. However, the details of as well as the path towards such

solutions was disputed. The Baltic States and Poland hoped that other states would take the concerns of their population into account. It was argued that some of those states did not have any recent history of immigration and had not been exposed to the Muslim world during the Soviet rule. Thus, the population was not used to foreigners and could feel uncomfortable. Moreover, they mentioned their confined financial means and their lack of capacity because of size. Regarding Germany's role in the recent migration developments, concerns were raised that its influence was being misinterpreted. The migration crisis had not been created by Chancellor Angela Merkel, but had existed before her decision. Thus, it was argued that Germany found a humanitarian solution to a humanitarian problem and did not, as would often be argued, invite people from all over the world to Europe.

The issue of unity was raised in respect to the allocation and financing of refugees in the EU and discussants advocated for more solidarity within the European Union. This caused a reaction from the Baltic side, saying that they wished for more security cooperation in exchange for concessions in dealing with migration. Furthermore, it was argued that decisions on this topic should not be made through majority voting decisions, but through consensus decision-making. However, it was also pointed out that majoritarian decision-making was not established to overrule certain states, but to give incentives for all participants to make concessions and find a compromise. Overall, there was a disagreement about the necessity of more intergovernmental decisions against the necessity to take those decisions through the supranational institutions.

The second panel focused on "Energy Policy and Energy Security: Possibilities for a German-Nordic-Baltic Compromise?". The discussants argued about different aspects of the Energy Union, the dichotomy between security and economic aspects in the field of energy and the Nord Stream 2 project. Finding a compromise takes strength and patience and it was thus, not surprising that the discussants' opinions differed considerably. However, a general consensus could be found on the overall rightfulness of the approach to bring the EU's energy sectors closer together through the creation of the Energy Union. Nevertheless, differences between the participants were obvious in most aspects of the discussion. While some highly valued the possibility of renewable energies, others were more skeptical. Polish and Baltic participants argued that in order to create sufficient energy security, renewable resources would not be sufficient at this point. Thus, conservative energy sources, including coal, still had to be used. Another main point of discussion was the question of whether or whether not the

security dimension of energy policies should be emphasized in comparison to the economic dimension. Particularly the common border of some of the participating states with Russia made the topic controversial. It was argued that for such states the importance of minimizing the energy dependence on Russia increases.

The dichotomy between security and economic perspective became especially obvious in the discussion about the Nord Stream 2 pipeline. In the opinion of many participating states, the approval of such projects would support Russia's strategic interests in Europe. Nord Stream 2 was said to be pushed by the state-owned and state-influenced Russian firm Gazprom. Moreover, because of the lack of new diversification of supply, the project would not be compatible with the goals of the Energy Union. In addition, it would be in Russia's interest to bypass Ukraine to deliver gas. However, there were also different views offered on the issue. Some argued that the project was not state driven, but undertaken by private entities. Thus, there was limited scope of action for EU Member States to interfere in the project. It was pointed out that there must be an economical profitability to the project, if European companies participated in it. In addition, the concern was raised that many involved countries were not actively trying to hinder Nord Stream 2 in their actions, but that it was still only Germany, which was blamed for not acting against the pipeline.

The participants were afterwards able to continue their discussions in an informal setting at the residence of the Ambassador of the Federal Republic of Germany to Lithuania, H.E. Jutta Schmitz.

The next day started with the *third panel* on "Security Policy and Relations with Russia: Prospects and Challenges in the light of the Crises in Ukraine and Syria". The overarching themes in the discussion covered a broad range of topics such as the impact of the recent US elections, the possibility to work with Russia and the Russian civil society as well as the prospects of a stronger cooperation in security questions within the EU. Different views were offered on the question of whether or whether not Europe had to critically look at the election of Donald Trump as president-elect. While some discussants pointed out that the general uncertainty would also apply for Russia and that it was not as positive for them as perceived, others claimed that the Russian President Vladimir Putin would know how to use such windows of uncertainties to his advantage. Overall, the participants could agree on the fact that America needs to be strong in Europe in order to be 'great again'.

Because of the situation in Syria and the Ukraine and Russia's general behavior, the prospects for cooperation in the near future were regarded as low. One planner structured the possibility of future EU-Russia relations into three different blocs: confrontation, continuation of the tense relations or upgraded cooperation. Out of these three, only the former two were regarded as realistic. Moreover, the discussion touched upon prospects and challenges of working with the Russian civil society. It was mentioned that the establishment of a prosperous and democratic Ukrainian state would yield the chance to influence Russian citizens. In this respect many participants also warned about the dangers of Russian propaganda within Europe and the necessity to build effective counter-mechanisms and offer a better communication for the own population. Lastly, closer European security cooperation was seen positively by the discussants. However, there was also an agreement that this should not lead to a less important role of NATO, but rather be a supplement to the existing possibilities. The increased role of NATO was unanimously regarded as a stabilizing factor and Baltic participants pointed out how important both the EU and NATO are for their security.

On a more general note, the discussants agreed that the security of the EU was indivisible. Therefore, there was a need for a joint vision of a common security and defense policy. This common policy would be established in a world of a "new normal". Therewith, it was referred to an increased frequency of combined external and internal crises and the rise of populism throughout the Western World. In order to successfully manage those tasks, there was also a need for strategic communication. Moreover, it was emphasized that a credible deterrence was often cheaper and more effective than having to actively defend oneself in the end.

The *last panel* focused on "The Future of the EU: Integration Challenges and Strategies". The discussion included the results of the BREXIT referendum, the challenge of communication towards EU citizens and the question of leadership within the EU. Emphasis was put on the fact that the British side consisted of tough negotiators, which in return demanded unity and clear positions from the remaining European Union Member States. Moreover, it was pointed out that Great Britain possessed characteristics and strengths that will be missed in the EU. It was said that a new balance within the Union had to arise, especially in regards to Germany after the BREXIT. In addition, the military strength of Great Britain and especially its airforce capacities had to be seen as a loss.

The discussants agreed that to prevent the EU from drifting further apart, it had to step up its communication towards its citizens. It was mentioned that the EU played an important role in solving the financial crisis, but ultimately ended up with being blamed for something it had not caused. Moreover, to satisfy its citizens, the EU would have to make sure that it created prosperity, offered security and ensured democratic participation. This led to an outlook on the next steps that had to be taken after the BREXIT negotiations. In the medium-term the EU had to concentrate on the Bratislava process. In the long-term it would be forced to work on its self-conception. This could then answer what role the EU is ready to play in the 21st century and with which model of integration and model of compromise it wants to achieve its goals. Considerable discord was visible when the discussion turned to the aspect of globalization, which was said to be a concept of the past. However, many disagreed and pointed out that globalization was a fact that could not be reversed anymore.

This panel took up on the discussions during the opening debate regarding the question of leadership and leaders in the EU. After BREXIT and with the results of the US election in mind, the leadership question within the European Union focused on the German Chancellor Merkel. Discussions highlighted the discrepancy between expectations towards Germany and its self-perception.

In this vein, it was mentioned that the problems faced were too big to be solved by Berlin alone and thus, increasing cooperation was necessary. At the same time the question whether there were already too many leaders within the EU was discussed. The EU could find the solution in deciding on less, stronger and more recognizable leadership.

The Forum concluded on the fact that the European Union faced many internal and external challenges. Overall, there was a new normal in the form of a general rise in majoritarianism, a series of external crises and internal challenges. This new status-quo had to be accepted and dealt with. People were in general interested in those problems, as it would increasingly affect them. This again touched upon the more general need for an improved communication that was mentioned throughout the Forum. The Participants encouraged a better internal communication, as well as a better delivery of results to the European citizens.