

Nordic-Baltic Cooperation: Old-New Trends or Possible Balance for Challenged European Integration Processes?

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The transnational cooperation is seen as important research object especially in the light of today's world challenges such as war in Ukraine, Covid-19, Euroscepticism, migration and others. In this context intensive cooperation among the Nordic and Baltic countries can be discovered as new normal for transnational development. The rationale of Nordic and Baltic countries cooperation is common interest in stability, security and welfare in the Baltic Sea region and beyond, and has existed for quite some time. It should be emphasized that the cooperation in the Nordic and Baltic region has overcome many challenges. Nevertheless, the idea of cooperation in this region is stronger than ever. In the light of global and regional political instability, it is crucial to maintain political dialogue, strengthen and develop cooperation between the Nordic and Baltic countries. A spread of stronger populism uncovered an existential tension of European integration processes. In response to the European-wide crisis it is the possibility for Nordic States react to emerging challenges by deepening the integration between the Nordic countries in the light of European integration processes during their critical moment. With reference to the context described above, the purpose of the research is to identify the added value of cooperation of Nordic and Baltic countries for further regional development. The tasks of the research were set as follows: 1) to identify benefits of cooperation among countries in the context of different theories and practices; 2) to analyse the cooperation of the Nordic-Baltic countries in the period from 1990 - 2020 and its implications for growth of Baltic sea region; 3) to discuss the EU macro-regional strategies and identify their added value for further regional development.

RESEARCH METHODS: scientific literature analysis, analytical interpretations of the EU documents as well as future prognosis on cooperation in the Nordic-Baltic region.

Ongoing globalization process emphasizes the importance for countries not only be different in order to have competitive advantage (for example, ideas of smart specialization), but also to find similar points with other countries. In this light, the idea of cooperation among countries appears. The cooperation process among countries is analyzed in many scientific articles (Hansen, 1983; Milner, 1992; Lamasheva, 2004; Tursie, 2015; Mikhaylov, Bolychev, 2015; Perkmann, 2007; Friman, Ojala, Lorentz, 2019; Basboga, 2020; Mikhaylov Matthew J. Spaniol, Nicholas J. Rowland, 2022). The main idea of effective cooperation is that each country has its strengths and can contribute seeking common goals, especially in region to which it belongs.

The cooperation as the effective process should be ensured through engagement of national, local

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Abstract

Introduction



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authorities and other stakeholders, which are interested in effective cooperation. Added value is achieved through collective endeavor mobilizing of countries strengths.

The European Union has its unique attitude towards the cooperation and treats this process as the main precondition to deeper European integration. Moreover, nowadays, Europe suffers from different challenges such as security issues in the region, Brexit, crisis in health sector, unanswered questions about refugees and migrants integration. In this light cross-border cooperation becomes even more important and territorial cooperation can be an effective platform to deal with challenges in particular regions.

With reference to the context described above, the purpose of the research is to identify advantages of cooperation among countries in the Nordic-Baltic region, to analyze the EU macro-regional strategies and to identify their added value for further regional development.

The tasks of the research were set as follows:

- » to identify benefits of cooperation among countries in the context of different theories and practice;
- » to analyse the cooperation of the Nordic-Baltic countries in the period from 1990 - 2020;
- » to discuss the EU macro-regional strategies and identify their added value for further regional development.

APPROACH: The paper conceptualizes cooperation among countries in the same region as the strategic approach of international policy in the context of nowadays challenges. The belongingness to the same region is the prerequisite to stronger cooperation and collective action for common interest in stability, security and welfare.

RESEARCH METHODS: theoretical insights, analytical and statistical interpretations of the EU documents as well as future prognosis on cooperation in the Nordic-Baltic region.

KEYWORDS: macro-region; cooperation; Nordic-Baltic region; European integration; processes.

Cooperation among countries: theoretical view

Scientists from different disciplines such as political sciences, economy, and international relations analyze the phenomenon of cooperation among countries. The current changing context makes countries interdependent among each other, especially countries which appear in the same geographical area. Cooperation among countries can be a relevant instrument in order to develop economic, political and societal issues and to achieve regional cohesion. This cooperation is strongly related to political as well as economic integration, and security assurance.

In this context, the discussions about regionalism appear. Regionalism is defined as a multidimensional process in which the clear aspects of economic, political, social and cultural spheres are involved. The process of regionalism is based on countries' interests and focus on common issues in order to fulfill its interests.

Regional cooperation helps to meet and solve raising regional and/or global challenges (Hettne, Söderbaum, 2004). Furthermore, regional cooperation could be seen as an efficient instrument to pilot different challenges in specific regions. The scientists such as Dubois et al. (2009) argue that the process of regionalization brings a wide scope of benefits such as the use of joint challenges as a common denominator, the stimulation of territorial cohesion, new possibilities for multi-level governance, and subsidiarity.

Regarding to this context and looking from the pragmatism paradigm, the process of cooperation is always interest-led. Each country has a motive why is it worth to be in relations with others (see in [figure 1](#)).

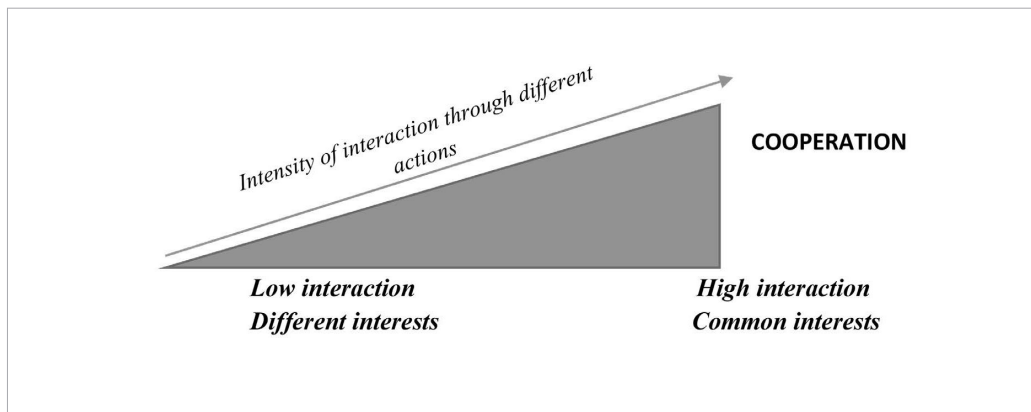


Figure 1

Cooperation phenomenon through interaction (made by authors)

Regional cooperation can have different instruments. Cooperation can be based on different types of agreement between countries' institutions as well as regional organizations. One of them can be focused on specific fields or policies; the other – more comprehensive agreements involving different fields or policies. Hettne, Söderbaum (2004) present the typology of regional cooperation according four dimensions: organization/network/ unidimensional/multidimensional.

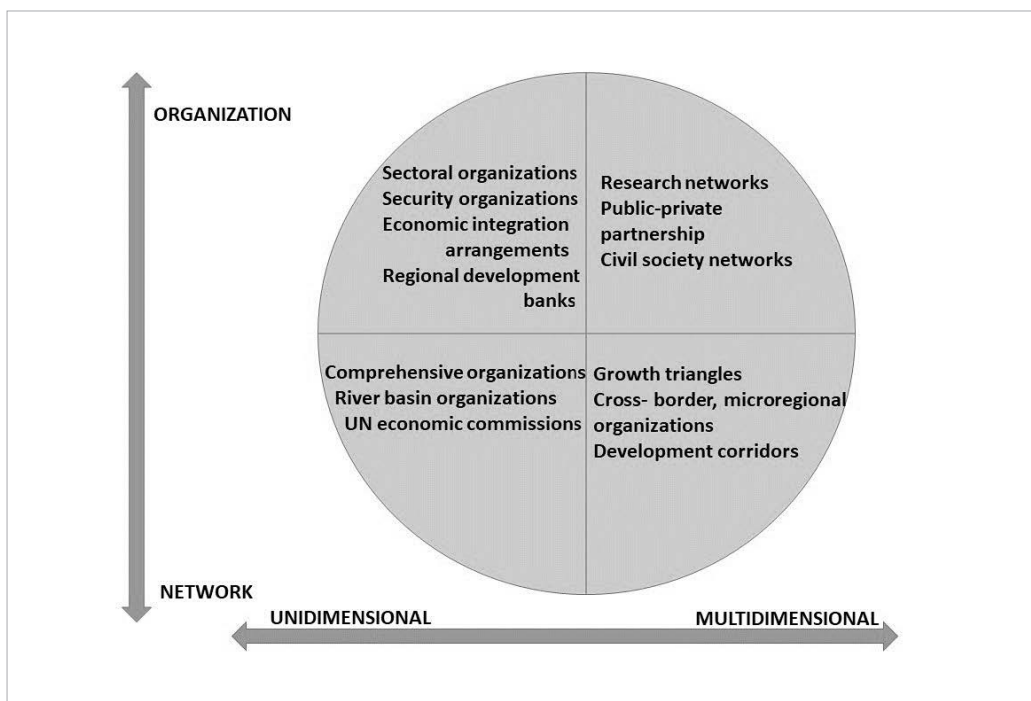


Figure 2

Typology of regional cooperation instruments (Hettne, Söderbaum 2004)

Analyzing more deeply, it is rational to identify the concept of a macro-region. Scientific analysis shows that a macro-region is the platform for different countries, which have common denominators, for instant history, challenge, and problems and seek synergy effect from acting together. The European Commission describes the macro-region as “an area including territory from a number of different countries or regions associated with one or more common features or challenges” (EC, 2009).

The importance of cooperation between countries in regions is essential in our contemporary, fast changing and complex world. According to scientific literature, several rationales for cooperation within regions could be identified as the following:

- » Decreasing inequalities in the region;
- » Stronger identity of the region in the regional and global arena in the context of globalization, especially for small countries;
- » Higher level of regional integration;
- » Joint recourses (intellectual, financial and etc.) for development;
- » Impulse for policy development;
- » Better accessibility to information and knowledge base;
- » Better territorial governance;
- » Security of the region.

Effective cooperation based on trust and common vision achievement helps get benefits from synergy effective for the whole region.

More than 30 years of successful cooperation in the Nordic and Baltic region

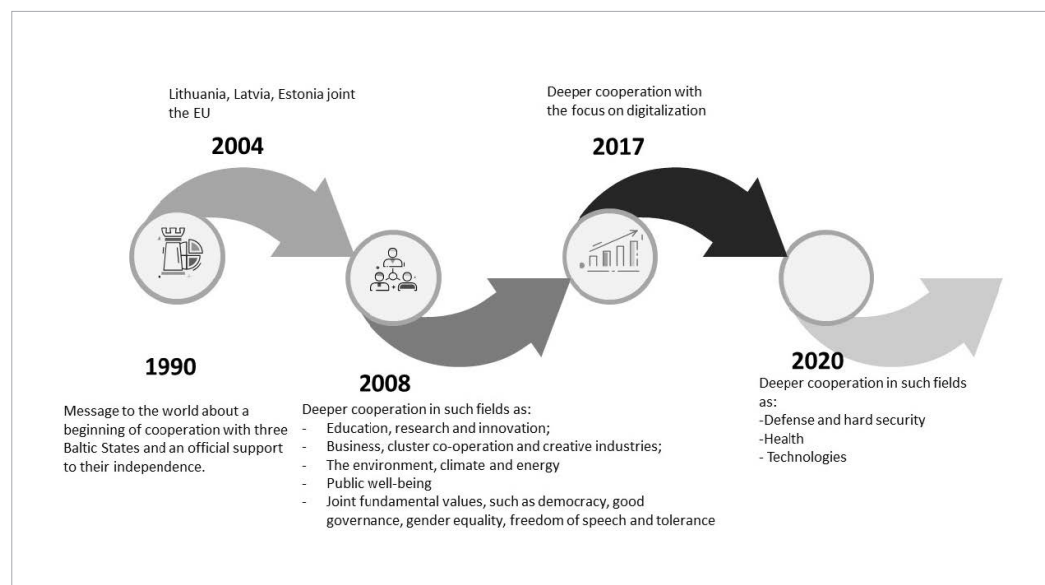
Cooperation, just as competition, is part of human nature and a driving force for evolution. Working together has a purpose that allows individuals, entities and states to form strong groups and to achieve common goals. Even an *ad hoc* cooperation has its own origins, reasons and quite often long-lasting traditions.

One example of a regional cooperation with long traditions, which even reaches the Viking Age and Hansa, is the Nordic-Baltic cooperation. Fighting and competing with each other, Nordic-Baltic countries not once in the past joined their knowledge and power towards common goals: to fight common enemies, to invade lands and eventually to trade goods and become competitive merchants in the region.

The Nordic-Baltic official cooperation started in the early 1990s. The main ideas and cooperation areas are identified in [figure 3](#).

Figure 3

Main spheres of Nordic-Baltic cooperation (1990 – 2020) (made by authors)



A new revival of Nordic-Baltic cooperation could be considered the early 1990s, when the three Baltic States became independent. The Nordic Council of Ministers launched its bureaus in Tallinn, Riga and Vilnius. Nordic countries sent a message to the world about a beginning of cooperation with three Baltic States and an official support to their independence.

Initially, cooperation began with the establishment of contacts, promotion of Nordic culture and social values as well as democracy and gender equality in the Baltic region. After the Baltic countries joined the EU in 2004, it was determined that co-operation should be on equal terms.

The Nordic Council of Ministers' work with Estonia, Latvia and Lithuania is directed today by the guidelines adopted by the Nordic Ministers for Co-operation on 13 November 2008, and updated on 13 October 2013. These express a desire to develop Nordic-Baltic cooperation in areas of common interest, and thus strengthen work towards political stability and a strong economy in the Baltic Sea Region. The subject areas in which the Nordic Council of Ministers particularly wants to develop cooperation are as follows (Guidelines for the Nordic Council of Ministers' co-operation with Estonia, Latvia and Lithuania from 2014):

- » Education, research and innovation;
- » Business, cluster co-operation and creative industries;
- » The environment, climate and energy (including environmental conditions in the Baltic Sea and the promotion of effective environmental technologies and renewable sources of energy);
- » The international challenges faced by welfare societies (combating human trafficking and the spread of HIV/AIDS; improving cooperation between police forces and public prosecution services; developing hospital services; addressing demographic challenges in relation to, for example, labour-market policy;
- » Cross-border regional cooperation to promote joint fundamental values, such as democracy, good governance, gender equality, freedom of speech and tolerance – both under Nordic-Baltic auspices and in relation to other neighboring countries.

After more than 30 years of very successful cooperation, thousands of activities have taken place related to social welfare, gender equality, trafficking, sustainability, the environment, culture, the media, and other issues. Project administration of the joint Nordic-Baltic Mobility Programmes for Public Administration and Culture greatly contributed and continues to contribute to a successful Nordic-Baltic cooperation.

In recent years, the cooperation has been tightened and extended, adding further policy areas to the group's activities. Among others, cooperation within the field of hard security has become more relevant within the Nordic-Baltic context (Etzold, 2017; Henningsen, 2017). In April 2017, Nordic and Baltic ministers responsible for digitalization adopted a declaration "The Nordic-Baltic region: a digital frontrunner" which forms the basis for cooperation between the Nordic and Baltic countries. The declaration is aimed at the digitalization of public services and within the business sector across borders, as well as strengthening the development of a regional digital market, contributing to the EU's ambitions for a digitally integrated Europe.

Etzold (2017) also highlights that if defense and hard security was not a priority area for regional cooperation until 2014, it has become more important recently and, therefore, it might be useful to establish new regional formats with a stronger hard security focus.

Regional cooperation is a dynamic process, which does not take place in isolation. Thus, countries as well as the regional institutions have to react and adapt to new international circumstances and challenges. A spread of Euroscepticism and stronger populism as well as number

of difficulties, among which, the Greek financial crisis, the refugee problem, and challenges of the Eurozone and Schengen Area, threats of Brexit uncovered an existential crisis of European integration processes (Penttilä 2016). In response to the Europe-wide crisis, Penttilä (2016) introduced one idea that the Nordic States should react to emerging challenges by deepening the integration between the Nordic countries. Penttilä also proposed an idea of a new Nordic Treaty, which could replace the Helsinki Treaty of 1963 (the framework treaty of Nordic cooperation). With reference to their proposal, a new Treaty would show a regional way forward for European integration as well as prepare the Nordic countries for the possible scenario that the European Union would disintegrate even further.

With reference to Etzold (2017), in uncertain times, the multilateral cooperation around the Nordic-Baltic region and their related institutions remain important for the region's development and prosperity. They, however, need to adapt and adjust constantly and continuously to new external circumstances and challenges to remain relevant for their stakeholders, to be able to tackle the challenges, and to contribute to finding solutions.

In response to the ongoing processes and challenges, the EU strengthens its focus on macro-regional cooperation. The successful start of the first macro-regional strategy for the Baltic Sea Region has followed with three others.

Added value of the EU macro-regional strategies for further regional development

Macro-regions have become a new level of policy dialogue in different parts of the world and particularly in Europe. Macro-regions combine two main features (Ketels, Helge, 2016):

- » they include countries and regions that are through their proximity the most natural partners for trade and investment;
- » often compete together for a position in global value chains.

During the last decade, the EU has strongly supported an idea of cooperation among different countries in the same geographical area. The idea of macro-regions in the EU first came from member states seeking to cope with common issues together and taking on board players of different levels (local, national as well as regional). The idea of macro-regions in the EU is closely related to theory of differentiated integration (Warleigh-Lack, 2015; Kölliker, 2001). In terms of theory of differentiated integration, state cluster formation is seen as an alternative for the integration process. Currently EU has four macro-regional strategies:

- » The EU Strategy for the Baltic Sea Region (EUSBSR) (2009);
- » The EU Strategy for the Danube Region (EUSDR) (2011);
- » The EU Strategy for the Adriatic and Ionian Region (EUSAIR) (2014);
- » The EU Strategy for the Alpine Region (EUSALP) (2015).

Nowadays in this framework, there are different EU member state participants. The biggest achievement is the integration of non-EU members into this framework. In the EU, macro-regional strategies are seen as beneficial instruments for bringing added value for regions in different spheres: social, economic as well as territorial cohesion. The EU is ready not to investigate new finance instruments, legislation or institutions (EC, 2016) in order to ensure the development of the EU macro-regional strategies.

It should be emphasized that the EU macro-regional strategies and their priorities closely corresponded with the EU strategy for Europe 2020. The priorities of Europe 2020 are shown in [picture 4](#). The implementation of these priorities in smaller regions can be seen as an alternative way for better integration in the region and efficient achievement of the pre-defined Europe 2020 goals.

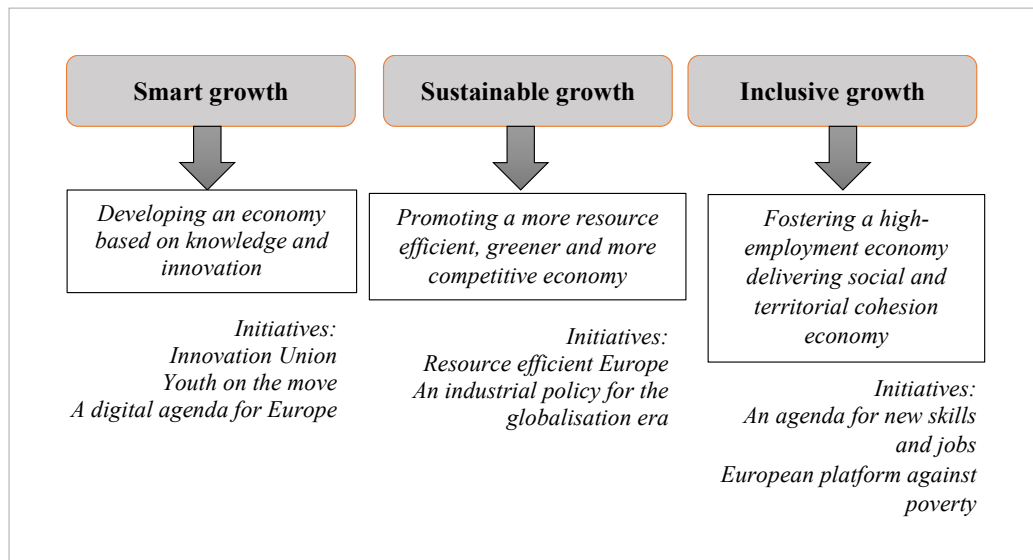


Figure 4

The priorities and flagship initiatives of Europe 2020 (EC, 2010)

The Interact programme¹ has been providing support services to the EU macro-regional strategies since early 2010. During this time, Interact has followed the developments of macro-regional strategies, broadened its knowledge and has gained valuable experience. Interact launched in early 2016 a study called 'Added value of macro-regional cooperation: collecting practice examples'. The study aimed at collecting evidence on the benefits of working for a macro-region. The focus of the study was on projects implemented in the Baltic Sea and Danube regions as well as on their funding instruments, analysing where these projects and funding sources see the added value of macro-regional cooperation (European Regional Development Fund, 2017).

With reference to the above mentioned study, main added values of macro-regional strategies could be identified as follow:

- » Macro-regional strategies focus on progresses that can stimulate and bring change;
- » Macro-regional strategies can further improve policy-orientation, efficiency and coherence of projects and funding programmes (see Figure 5);
- » Benefits projects have from linking to a macro-regional strategy: in the project development phase, in the implementation phase and in the post project life;
- » Macro-regional strategies help programmes with strategic framework and wider coordination mechanism, larger audience, enhanced visibility, extended outreach of the programmes.

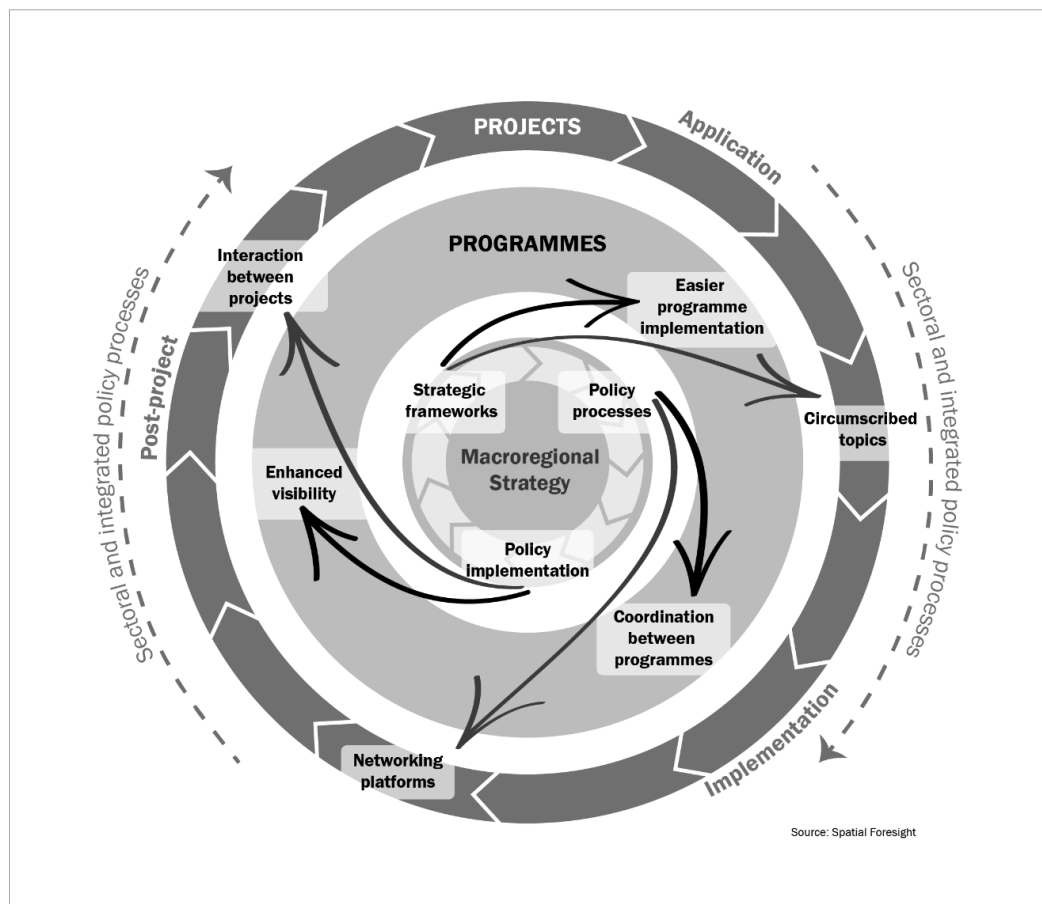
Summing up, the EU macro-regional strategies create added value through deepening integration among states, in particular geographical areas including non-EU members as important partners. Region countries develop the internal policies through connecting their resources and strengths.

¹ INTERACT is a network, which, since 2003, provides practical support, training and advice to European Territorial Cooperation Programmes on management techniques, financial issues, European regulations, communication, strategic orientation and policy development. It also offers a unique forum for European Territorial Cooperation stakeholders by supporting institutional and thematic networks on topics of common interest. INTERACT supports Managing Authorities, Joint Technical Secretariats, Monitoring Committees, National Contact Persons, First Level Controllers, Certifying Authorities and Audit Authorities etc. across Europe.

On 4 December 2007, the European Commission approved INTERACT II for 2007-2013 and on 13 August 2015 INTERACT III for 2013-2020 a European Territorial Cooperation Programme that covers the whole of the European Union, plus Norway and Switzerland.

Figure 5

Macroregional strategies as driving forces of changes – How do macro-regional strategies support programmes and projects? (Spatial Foresight 2017)



Conclusions

- » Cooperation of countries in a determined geographical area or region is essential in today's world. With reference to the made analysis of scientific works and documents can be stated that macro-regional cooperation is a joint action of countries with similar interests and their individual contributions towards common political, economic and social as well as cultural and security goals. Macro-region wherein is a platform for macro-regional cooperation and macro-regional strategy is a tool for its successful implementation.
- » One of examples of successful regional cooperation is the Nordic-Baltic region. Cooperation of Nordic and Baltic countries went through many historical challenges. Nevertheless, in the context of the EU crisis, the idea of cooperation in this region is stronger yet again. In the light of global and regional political instability it is crucial to keep the political dialogue, strengthen and develop cooperation between the countries in the region. Therefore, the EU macro-regional strategy for the Baltic Sea Region greatly contributes to the development and prosperity of Nordic and Baltic countries through their cooperation in the region. The main added value is achieved through connecting countries' resources and strengths in order to reach stability, clear identity of the region and stronger voice in regional and global arena.

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