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"The world - as we know it - passes away.
Contours of a new global order emerge along new challenges.
One of them is a fundamental change of roles of an individual
and society in cyberspace."
(Adam D. Rotfeld).

**A new world order** becomes reality. The present "old" order is falling apart. Factors defining power and dominance as well as standards in various spheres of life are changing. An attempt to discuss and reflect upon current changes has to be multifaceted and address issues that can hardly be contained in one volume only.

Papers included in this volume cover the US world leadership and transatlantic relations, US-Russia conflicts over the spheres of interests and influence, Russia's attempts to reconstruct its superpower role, China's new role and more.

The next volume will be dedicated to challenges Europe faces now, its changing role in the world and different perspectives of European integration.

An attempt to evaluate the current situation and prospects of the Federal Republic of Germany on the global arena in the world heading toward multipolarity will follow.

The authors will try to answer various questions, considering many problems in a wider perspective. In their research papers they will focus on three main issues:

How does the power system in the world change and what determines it?

What will the role and place of Europe and the European Union be in the new constellation?

What place can the Federal Republic of Germany take in the world of differentiated powers?

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*Hanka Dmochowska*

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# US GLOBAL LEADERSHIP AND THE PLACE OF EASTERN EUROPE

## METHODS FOR INTERPRETING THE GLOBAL HEGEMON STATUS

In times of globalisation, the phenomenon of leadership may be discussed in terms of geopolitical power evolving top-down and in terms of power usurpation. For example, the "centre-periphery" theory argues that geopolitical power of a state follows from its economic and military power. This power is used to enroot economic and political relationships whereby underdevelopment of other states is sustained and profitable for the leader.[1] From another point of view, a geostrategic power emerges bottom-up and is a function of states' readiness to accept the leadership of one of them. In that case, states of evidently lesser power are interested in containing the chaos of global market and political relationships. The hegemon guarantees stability of principles and rules and permanence of international institutions. The hegemon "supervises" what markets cannot ensure, i.e. distributive justice[2]. Although both perspectives are equally well substantiated empirically, in this study greater emphasis will be placed on the latter perspective.

## SOURCES OF GEOPOLITCAL POWER: ECONOMY, STRUCTURE, NETWORK

Geopolitical power is a phenomenon which is quite ambiguous and difficult to capture. Carlo Jean highlights that it has various constituents such as military and economic strength, but also constituents impossible to measure e.g. credibility, ethnical, cultural, ideological kinships, geographical location, access to raw materials, etc. Among them, the so called inviolable power factors can be distinguished,

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[1] S. Amir (1974), *Accumulation on a World Scale, "*Monthly Review Press" New York; T. Evers, P. Vogan, "*Dependencia". Latynoamerykański wkład do teorii niedorozwoju,* in: *Ameryka Łacińska. Dyskusja o rozwoju* (1987)*,* Warsaw; A. G. Frank, *Rozwój niedorozwoju,* in: *Ameryka Łacińska. Dyskusja o rozwoju* (1987)*,* Warsaw; M. Hardt, A. Negri (2005), *Imperium,* Warsaw; R. Prebisch (1959), *Commercial Policy in the Underdeveloped Countries,* "American Sociological Review" Vol. 49(2), pp. 251-273; I. Wallerstein (2007), *Analiza systemów-światów. Wprowadzenie,* Warsaw.

[2] Ch. Chase-Dunn, Y. Kawano, B. Brewer (2000), *Trade Globalization since 1795: Waves of Integration the World System*, "American Sociological Review" Vol. 65, No. 1.

i.e. economic power and power symbolic dimension, that is credibility, prestige and trust in a given state.[3] P. Kennedy, having quite widely reviewed various political power factors, arrives at the conclusion that it is the size of the state's share in global economy which is decisive.[4] His conclusion appears to be quite convincing as it is beyond doubt that efficiency in generating wealth supporting armed forces and prosperity of citizens is an important factor conditioning international prestige. It tends to be copied by other states which seek cooperation with and support of a political power. Also Polish researchers argue that the economic factor is crucial for a geopolitical power. They claim that the decreasing US share in global GDP points to the unipolar world coming to its end.[5]

In international relations, power derives from money. In 2008, the US military budget was 4.8% of the US GDP.[6] To illustrate its size, let us mention that in 2008, Poland's GDP constituted 3.75% of the US GDP (author's own calculation based on *United Nations Statistics Division* 2008, current prices in USD). The absolute size of domestic wealth is quite fundamental as the cost of military equipment grows, and smaller and especially poorer states cannot afford even relatively simple military arms and devices. During World War II, for example, the cost of 1 ton of a submarine amounted to USD 5.5 thousand, whereas in the 1990s it was USD 1.6 million; similarly fighter planes cost now 100 times more and bombers 200 times more.[7]

Rich countries, however, may overestimate their own capabilities setting themselves excessively ambitious goals as it happened during the presidency of Bush Jr. In such a case, bad politics may reduce national prosperity and lead to a decline of its economic and political power.[8] F. Zakaria expresses similar opinion while analysing the place and perspectives of the American empire. For a strong empire, the condition of its economy and its future dynamism are of key importance. Internal political dysfunctions in the United States are counterproductive to sustaining its imperial strength. Moreover, as new powers emerge, the US should change its international policies making them more multilateral.[9]

Money is important, but having great wealth may not lead to having equally great geopolitical power. The power status depends also on innovativeness, productivity and attractiveness of the goods generated in a given state. According to the author of *The Rise and Fall of the Great Powers*, the ups and downs of empires are driven by

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[3] C. Jean (1995), *Geopolitica*, Bari.

[4] P. Kennedy (1993), *Preparing for the Twenty-First Century*, London.

[5] J. Białek, A. Oleksiuk (2009), *Gospodarka i geopolityka. Dokąd zmierza Świat?* Warsaw.

[6] Agencja Lotnicza, *Lotnictwo i obronność w Polsce,* http://www.altair.com.pl/start-371 (accessed 31.01.2008).

[7] P. Kennedy (1987), *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000*, New York [Polish translation: (1994), *Mocarstwa świata. Narodziny, rozkwit, upadek. Przemiany gospodarcze i konflikty zbrojne w latach 1500-2000*, Warsaw].

[8] Ch. A. Pleble (2009), *The Power Problem*, Cornell University Press.

[9] F. Zakaria (2008), *The Future of American Power. How America Can Survive the Rise of the Rest*,"Foreign Affairs" May/June.

developments in the fields of economy and technology. An intellectual breakthrough and the increase or decrease in innovativeness precede the rise and fall of empires.[10] The spatial metaphor of the centre-periphery model of capitalist labour markets points to huge differences in the location of core production processes. Peripheral production processes generate peripheral products whereas central (core) processes deliver more technologically advanced products. Core production is characterised both by its novelty and substantial share in the global market of commodities. (In the 18th century, central processes included textile production, while in the year 2000, they included development of software, pharmaceuticals and genetic engineering). Moreover, core production has a higher productivity indicator, and the goods rarity or producer's monopoly allow core producers to impose high prices that contribute to the wealth of the producing state. Such states have high budgetary surplus that may be used to finance political activities of impact and strengthen their military power.

The size and effectiveness of the economy are not always directly proportional to the geopolitical causative role of a country. It may happen that multilateral alliances, international treaties and extensive economic relationships between a strong partner and several somewhat weaker ones determine the choice option which depends on the support of weaker partners. That was the approach adopted by the "founding fathers" of the EU. They gave much thought to the role of Germany, a state larger and more powerful than other states in the future European Community. In order to "embed" Germany in Western Europe, they began with integrating defence industries of Germany and France. So far those efforts proved successful. Thus not only the size of economy and its effectiveness but also the structure of relations have an impact on the shape of the geopolitical stage and the actual causative power of its actors.

Prominent practitioner and theoretician of global geopolitics Henry Kissinger argued that similar measures were applied earlier in Europe and gave positive results. He analysed the so called Concert of Europe in 1815-1914. The concert was conducted by three states: the UK, Austria and Russia. The international legal infrastructure for the concert of powers was established at the Congress of Vienna (1815). During the Congress, a new European political order was agreed in such a way so that none of the participating states would consider itself wronged and that all the states would be more or less equally strong. To this end, an effort was made to consolidate but not unify Germany that, according to Kissinger, would be too powerful and could easily succumb to the temptation to upset the balance. The structure developed that way could be overthrown only with a huge joint effort requiring cooperation of several countries. Proceedings of post-Congress meetings were somewhat similar to European governmental sittings. In the end, apart from the Crimean War incident (1854), the Concert (agreement) was played until 1914 with no armed clashes between the three conductors.[11] It should also be noted that according to

[10] P. Kennedy (1987), *The Rise and Fall…* [Polish translation: p. 428, 429]

[11] See: H. Kissinger (1994), *Diplomacy,* New York [Polish translation: (1996) *Dyplomacja*, Warsaw, pp. 83-95].

Henry Kissinger, there are two factors determining permanent international balance which are physical and moral (common values) strengths. Of those two factors the latter seems more important.[12]

Roman Szul argues that "international political relationships are determined by two factors: structures and ideas. Structures are power relations between various political entities: states, nations, rulers, groups of interests, etc. Ideas, on the other hand, are concepts regarding how to approach those relations"[13]. Ideas determine, inter alia, whether the powerful state undertakes expansion and how the weaker state approaches it. In the opinion of Szul, history of the world is filled with civilisations and inside each of them one can find divisions into the leading centre and less well-off peripheries. Relations between them may be based on domination but also on equality. It depends on the combination of ideological and structural factors.[14] It follows that for the geopolitical order it is important how ideas are transformed into operational strategies and how strong the determination to implement them is.

It may happen that one's determined implementation of a strategy becomes the source of its geopolitical power that is disproportionately great if compared to its material resources. The example of the USSR and its role in the victory over the Third Reich proves it. Norman Davies in his fundamental work on World War II analyzes, inter alia, the size of Allied aid to the Soviet Union, and concludes that "the Soviet role was enormous and the Western role respectable but modest"[15]. In 1940, the year preceding Germany's attack on the USSR, Soviet absolute GDP in international dollars[16] (420,091 million) was higher than German GDP (377,284 million). At the same time Soviet GDP per capita amounted to 2,217 international dollars and German to 5,403. German potential was additionally increased by the economies of occupied states e.g. France. Then the USSR became one of the two superpowers. At the climax of the Cold War (in 1952), Soviet GDP amounted to 545,792 million in international dollars and GDP of allied China was 305,854 million. US GPD was 1,625,245 million and GDP of 12 allied states of Western Europe was 1,408,010.[17] In terms of GDP *per capita*, domination of the West was also quite evident e.g. in the USSR it was 2,937 dollars while in the US it was almost four times higher, i.e. 10,316. Nevertheless, a combination of Soviet strong determination, atom bomb and strong relations with its own allies gave the USSR much greater causative power

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[12] *Ibid.*

[13] R. Szul (2010), *Światowy system polityczny. Struktury i idee,* "Studia Społeczne" No. 2, p. 42.

[14] *Ibid.*

[15] N. Davies (2006), *Europe at War, 1939-1945,* London, p. 483.

[16] The author of those calculations, Angus Maddison, used the so called International Dollar. This is a unit referring to purchasing power parity of USD in 1990. For more information about the methodological background of those calculations, see: A. Maddison (2001), *The World Economy. Millennial Perspective,* "Development Centre Studies OECD" p. 171.

[17] A. Maddison, *Historical Statistics of the World Economy,* http://www.ggdc.net/maddison (accessed 07.01.2008).

than judged on its share in global economy and citizens' wealth. Thus let us note that the source of Soviet power was a different combination of factors conditioning geopolitical strength than the one that made the US the leader of the Western world.

An interesting and inspiring example of structural analysis is offered by three American authors - Chase-Dunn, Kawano, and Brewer - who studied economic globalisation processes beginning from 1795. They write that the first wave of globalisation was related to the domination of the UK. The second globalisation wave occurred after 1918 and the third one started in 1975. Let us take a closer look how the authors link structural factors with ideological ones. The basic measure of globalisation is the share of trade in global GDP. Trade globalisation is possible if the global order is relatively stable. The best explanation of "inflows and outflows" of trade globalisation is structural, i.e. a hegemonic stability or its absence. And how do ideological factors work? Hegemony of one or more states gives what the markets themselves cannot generate, i.e. distributive justice. A hegemonic state has an outstanding share in endorsing some intellectual repertoire while developing standards of international law. It exerts influence on international institutions so that they adhere to its rules, and, finally, it has the power sufficient to ensure and enforce arrangements advocated. After 1918, transport was cheaper and it was one of many factors which created the basis for the second globalisation wave. The UK could no longer be the hegemonic leader, and the United States, which had sufficient economic resources to take over, was not willing to accept leadership. The void provoked some countries to fight for global leadership which led to the outbreak of World War II.[18] Let us add that for globalisation, it is not necessary that the global order complies with interests of all the participants; it suffices that it is predictable.

## PAX BRITANNICA AND PAX AMERICANA AND CONCLUSIONS ON ECONOMIC SOURCES OF GEOPOLITICAL POWER

The term *Pax Americana* means that in international economic and political relations the United States dominates. In the course of further deliberations based on the identified above factors determining geopolitical power, we will try to diagnose the geopolitical place and role of the US and give some thought to the nearest future.

According to the 2006 forecast, in 2020, the US share in global GDP is to amount to 19.0%, China's share to 19.4% and the EU's to 19.1%.[19] According to latest forecasts, in 2025, the US GDP will equal 82.4% of China's GDP.

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[18] Ch. Chase-Dunn, Y. Kawano, B. Brewer (2000), *Trade Globalization...*

[19] *Foresight 2020. Economics, industry and corporate trends, Economist Intelligence Unit* (2006) "The Economist" London/ New York/ Hong-Kong, p. 9.

Table 1

*GDP projection for selected states according to purchasing power parity (in USD bn)*

| States | 2011 | 2025 | 2050 |
|---|---|---|---|
| USA | 15 051.17 | **21 010.83** | **38 060.89** |
| China | 10 656.45 | **25 501.22** | **57 784.54** |
| India | 4 412.91 | **10 721.09** | **41 373.68** |
| Japan | 4 322.31 | 5 535.43 | 7 641.40 |
| Russia | 2 948.64 | 4 635.98 | 7 422.46 |
| Brazil | 2 265.08 | 3 950.27 | 9 771.54 |
| United Kingdom | 2 338.80 | 3 208.02 | 5 616.50 |
| Germany | 3 108.00 | 3 834.14 | 5 629.18 |
| France | 2 235.54 | 3 046.22 | 5 339.13 |
| Italy | 1 962.14 | 2 557.97 | 3 805.81 |

Source: PwC main scenario model projections for 2010-50, as cited by Guardian News and Media, http://www.guardian.co.uk/news/datablog/20ll/jan/07/gdp-projections-china-us-uk-brazil#data (accessed 25.09.2011).

So far *Pax Americana* has had relatively solid economic grounds and the role of the US is clearly dominant. Forecasts for 2025, however, point to a strong erosion of the US economic domination and to China's emerging leadership. It can be assumed, that if the EU remains passive politically, the world in 2025 will have two hegemonic leaders of more or less comparable power. However, such a conclusion is premature. As argued above, the size of the economy does not translate automatically into the state's geopolitical power. In order to better understand the transformation of money into political potential, I will refer to the well described case of the British Empire. We will trace the evolution of key economic indicators in the heyday and during the decline of the UK's political power to find regularities and outline the nearest future of *Pax Americana.*

What does the adopted method consist in? Where should it lead?

Already at the beginning of the 19th century, the UK enjoyed the status of a global superpower. Then its domination grew until the end of the 19th century when erosion processes started. The UK dominated politically because it was the leader in industrial revolution at the time. The revolution started in the UK in 1760.[20] Other European countries followed that path several dozen years later

[20] G. Clark (2007), *A Farewell to Alms. A Brief Economic History of the World,* Princeton/Oxford, p. 194.

Table 2

*GDP of selected states in the 19th century (in international dollars)*

| States | 1820 | 1850 | 1890 |
|---|---|---|---|
| Western Europe | | | |
| Austria | 4 104 | 6 519 | 13 179 |
| France | 35 468 | 58 039 | 95 074 |
| Germany | 26 819 | 48 178 | 115 581 |
| United Kingdom | 36 232 | 63 342 | 150 269 |
| North America | | | |
| USA | 12 548 | 42 583 | 214 714 |
| Asia | | | |
| China | - | - | 205 379 |
| India | - | 125 681 | 163 341 |
| Japan | 20 739 | 21 732 | 40 556 |
| Eastern Europe | | | |
| Russia | 37 678 | 73 750 | 110 664 |

Source: Data for Western Europe, USA and Russia based on: A. Maddison, *The World Economy: Historical Statistics,* "Development Centre Studies OECD" 2003, pp. 47-49, 71, 85, 95, 96; for Asia after: A. Maddison, *Historical Statistics of the World Economy: 1-2008,* http://www.ggdc.net/maddison.

Adhering strictly to the directive stating that geopolitical power derives directly from money, one can draw the conclusion that the greatest power were India in 1850, and in 1890 the US and China. However, history teaches us that such a conclusion is inversely proportional to the actual state of affairs. In the mid of the 19th century, the UK accomplished its conquest of India. At the time the GDP of the UK was 50% of India's GDP. In the end of the 19th century, gross domestic products of the UK and India were about identical. At that time the situation was quite similar to the forecast for 2020, when gross domestic products of the US and China are expected to be about the same. Some commentators claim that this will be tantamount to the end of *Pax Americana* on the global political stage. At this point, let us recall that the status of the largest global economy of the 19th century did not protect China against its defeats in opium wars, the imposition of extraterritorial zones and military interventions of European states. Not much later, in 1911, the collapse of the Chinese Empire started.[21]

[21] J. Fenby (2008), *The History of Modern China: The Fall and Rise of a Great Power*, New York, [Polish translation: (2009) *Chiny. Upadek u narodziny wielkiej potęgi*, Kraków, p. 196 ff.].

At this point, we can refer to relations between political power and military strength. Military power is usually financed with taxes. They, in turn, depend on how much the state can "take away" from its citizens and they will still manage to survive. Here statistics on GDP *per capita* is useful as from rich citizens more can be taken to finance armaments. Let us compare gross domestic products per capita of the states that interest us in the years 1890 and 2008. It will be useful to assess trends relevant to the relative geopolitical potential of different countries.

Table 3

*GDP per capita for selected states in 1890*, 2008 (fixed prices in 1990 in USD) and in 2020 ( % of US GDP per capita; USA = 100)*

| Years | GDP per capita | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | UK | USA | France | Ger-many | Russia | India | China | Comparison |
| 1890 | 4009 | 3 392 | 2 376 | 2 428 | | 584 | 540 | UK/China= 7.42 |
| 2008 | 43 544 | 45 230 | 44 675 | 44 363 | 11 858 | 1 061 | 3 292 | USA/China = 13.74 |
| 2020 USA= 100 | 78 | 100 | 72 | 70 | 33 | 12 | 24 | USA/China = 4.17 |

* International dollars, see footnote 16.

Source: Data for 1890 based on: A. Maddison, *Historical Statistics of the World Economy: 1-2008,* http://www.ggdc.net/maddison; data for 2008 based on: United Nations Statistics Division, http://unstats.un.org/unsd/snaama/selQuick.asp; data for 2020 based on: *Foresight 2020, Economics, industry and corporate trends* (2006), Economist Intelligence Unit "The Economist" London/New York, Hong-Kong, p. 15.

In 1890, China's economic situation measured with GDP *per capita* was more favourable if compared to the then leading superpowers than it is today (2008). Nevertheless, in 1890, China was not a superpower. According to the forecast referred to above, by 2020, China will substantially reduce the gap between itself and both the US and Europe. Nonetheless, China's economy, on which its power is to be built, will still be not very impressive as the ratio of China's GDP *per capita* to the US GDP *per capita* will be 1 to 4. However, the average level of citizens' affluence (GDP *per capita*) does not fully explain the development of geopolitical power. A very important factor is the delivery of most technologically advanced products which requires both high skills and production efficiency. Such a competitive advantage facilitates development of more effective military equipment.

Let us go back to Table 2 above. After the conquest of India in the19th century, the British Empire was at the peak of its power. *Pax Britannica* prevailed in the world. However, the British preponderance over its European rivals in terms of the

absolute value of wealth was not too overwhelming. In 1850, the British GDP was not much higher than the French, in 1890 it was clearly lower than the American, and still *Pax Britannica* continued to prevail. Under *Pax Britannica*, the leading role of the UK was due its economy which derived its strength from the production of most advanced industrial goods at that time. Industrial production was the sector generating a sustainable increase in work output while the priority given to innovation and development kept increasing profits of producers of desired commodities.

Table 4

*Share of selected states in global industrial production in 1860 and 1890 (in %)*

| Year | China | India | UK | USA | Germany | France | Russia |
|---|---|---|---|---|---|---|---|
| 1860 | 19.7 | 8.6 | 19.9 | 7.2 | 4.9 | 7.9 | 7.0 |
| 1890 | 6.2 | 1.7 | 18.5 | 23.6 | 13.2 | 6.8 | 8.8 |

Source: Data based on: P. Kennedy (1987), *The Rise and Fall…* [Polish translation: (1994) *Mocarstwa świata. Narodziny, rozkwit, upadek. Przemiany gospodarki i konflikty zbrojne w latach 1500-2000,* Warsaw, p. 154].

As we can see, it was not the high value of wealth that was the key factor conditioning the strength of a country on the geopolitical arena. The geopolitical domination of the UK in 1860 is much better explained by its superiority in industrial production globally. The UK delivered most advanced products at that time. Its share was over 2.5 times higher than those of the US and France. The high level of affluence *per capita* allowed for a relatively higher military expenditure without impoverishing the citizens. It was in the UK where technological innovations regarded as ground-breaking were invented and developed e.g. the steam engine (1768), steam turbine (1884), coke smelting (1709), the Bessemer process which was the first inexpensive industrial process for the mass-production of steel (1856), and many more.[22] In addition to the production of most technologically advanced products, the other factor sustaining *Pax Britannica* was British innovativeness and relatively fast industrial development of new inventions. At that time, the US profits were largely due it being a large country and, at the beginning of the 20th century, from groundbreaking organisational changes in work management, usually associated with Frederick Taylor. Therefore it was not at all surprising, that at the beginning of the 20th century, in 1913, productivity (efficiency) measured with the value of production per one employee in the US was already slightly higher than in the UK.[23] It can be concluded that the loss of the leading role by the UK was tantamount to the end of *Pax Britannica*.

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[22] D. S. Landes (1998), *The Wealth and the Poverty of Nations*, London [Polish translation: *Bogactwo i nędza narodów*, Warsaw 2000, p. 218ff.].

[23] G. Clark (2007), *A Farewell to Alms*..., p. 336.

The above brief review of statistical data points to **innovativeness and fast development of industrial production of technologically advanced goods which appear to be most important factors determining the emergence of a geopolitical power and sustainability of its strength. The absolute value of wealth appears to be somewhat less vital than GDP *per capita.*** How do these patterns relate to the present and future condition of *Pax Americana?* To answer this question, I suggest to consider the location of production of most advanced products and innovativeness globally. Nowadays both innovativeness and production of new goods are equated with development of knowledge-based economy.

According to the OECD, *knowledge-based economy* (KBE) is reflected in the trend in OECD economies toward growth in high-technology investments, high-technology industries, more highly-skilled labour and associated productivity gains. Knowledge and high skills gain on importance and the demand for access to new resources grows both in private and public sectors.[24] For the purpose of this paper, I assume that KBE consists in bringing science and research closer to further development of goods production and services delivery, emergence of new knowledge absorptive industries, and expansion of ICT including its various applications in all areas of human activities.

Among most important indicators of an emerging knowledge-based economy are closer links between scientific research and the development of mass-produced goods and services offered. Growing investment in R&D is one manifestation and another is the growing knowledge demand on the part of enterprises. For example, in 1980, the expenditure of US companies on research and development was about the same as that of the US administration (government), i.e. about USD 30 bn. By 2007, companies' expenditure on R&D increased over eight times, i.e. to USD 245 bn, whereas the expenditure of the federal government grew thrice, i.e. to USD 98 bn and thus it was over 2.5 times lower than the expenditure of private companies.[25] Along the high growth rate of investments in R&D in the US, the increase of the number of patents granted was only slightly lower. It 2006, it was over two times higher than in 1990.[26]An extremely important element of knowledge-based economy are *Information and Communications Technologies* (ICT). Not only have they been recognised as a new industry. In result of that industry growth, its products become omnipresent also in traditional industries and, in turn, contribute much to old industries capable to join knowledge absorptive economy. In 2008, the global spending on ICT amounted to USD 3.7 bn[27] and was 76% higher than in 2001.[28] If we separate IT from commu-

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[24] OECD Knowledge-Based Economy. Definition, http://stats.oecd.org/glossary/detail.asp7ID=6864 (accessed 5.06.2011).

[25] US Census 2009 Statistical Abstract: Science & Technology, http://www.census.gov/compendia/statab/cats/science_technology.html (accessed 24.05.2011).

[26] Patents and Trademarks: 1990-2006, http://www.census.gov/compendia/statab/2008/tables/08s0753.pdf (accessed 26.06.2011).

[27] JCN Network 2008 JCN Network Japan's Corporate News, http://www.japancorp.net/Article.Asp?Art_ID = 18281 (accessed 05.05.2012).

[28] Digital Planet 2006: The Global Information Economy, http://www.witsa.org/DigitalPlanet/2006/WITSADP2006page.doc (accessed 25.01.2012).

nications, the profitability of telecommunications was even higher. In 2005, profits generated by telecommunication services constituted 274% of the 1999 revenue.[29] In the development of ITC, the US comes first and its strong domination is proven by the number of patents obtained. In 2004, the US owned 33.6% of ICT-related patents issued world-wide while the EU25 owned 27% and Japan 20.1%.[30] ICT is used at home as well as by national administration, non-governmental organisations, etc. In OECD member states, the GDP in 1993-2006 grew by 2.6% annually. In 1990-1995, in four OECD member states which lead in the development of knowledge-based economy, namely in Sweden, the US, Denmark and Australia, ICT investments increased their GDP growth rate by about 1/5 and in 1995-2003, the contribution of ICT grew to over 1/3 (author's own calculations)[31]. The impact of the new economy on domestic production yield is striking.

Table 5

*Productivity in industries related to ICT development in EU and US in 1990-2000. Average annual value added growth rates per one employee*

| *ICT* industries | 1990-1995 | | 1995-2000 | |
|---|---|---|---|---|
| | EU | USA | EU | USA |
| *ICT Producing Industries* (production + services) | 6.7 | 8.1 | 8.7 | 10.1 |
| *ICT Producing Manufacturing* (production only) | **11.1** | **15.1** | **13.8** | **23.7** |

Source: B. van Ark, R. Inlier, R.M.C. Gucci (2003), *ITC and Productivity in Europe and the United States. Where Do the Differences Come From?* "Casio Economic Studies Oxford Journals" vol. 49/3, p. 57.

Data in Table 5 demonstrates that the advantage of the US over Europe in the ICT area has been relatively stable. Research on years after 2000 points also to a relatively high and stable place of Japan. Fifty largest global companies in the ICT market were examined in terms of their achievements and key features of their market strategies. It appeared that Japanese and American ICT companies used relatively most effective strategies. Moreover, there is a gap between those two countries and Europe in corporate management strategies in the ICT sector.[32]

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[29] Telecommunication Service 2007 Telecommunication services revenue in total for OECD, Directorate for Science Technology and Industry, OECD Key ICT Indicators, http://www.oecd. org/LongAbstract/0,3425,en_2649_34449_33987543_1_1_1_1,00.html (accessed 28.08.2012).

[30] OECD 2004, http://www.oecd.Org/dataoecd/20/9/34083345.xls (accessed 4.04.2009).

[31] Based on: OECD 2005. OECD Productivity Database, September 2005, http://www.oecd. org/statistics/productivity (accessed 16.05.2010) and OECD 2008. OECD Factbook 2008: Economic, Environmental and Social Statistics, Economic growth, Macroeconomic trends, Evolution of GDP, Long-terms trends, http://oberon.sourceo-ecd.org/vl= 1048075/cl = 17/nw= l/rpsv/factbook/020201.htm (accessed 17.05.2010).

[32] G. E. Halkos, N. Tzeremes (2007), *International Competitiveness in the ICT Industry: Evaluating the Performance of the Top 50 Companies,* "Global Economic Review" Vol. 36, No. 2.

Today, the US domination in the ICT sector is still visible and possible competitors do not seem to be devoted to bridging the gap. Nine out of ten largest IT companies have their seat in the US and six out of ten fastest growing IT companies are American enterprises. In 2009, the US sold software worth USD 450 bn, the next country on the list, India, sold software worth over 13 times less, i.e. USD 34 bn. Canada's profit was USD 32 bn[33]. Another important sector of knowledge-based economy is biotechnology that 20 years ago was but an area of laboratory research.

Table 6

*Total expenditure on biotechnological R&D in commercial business sector in selected OECD countries (in USD mio, according to purchasing power parity) in 2006 and the share in global patents in 2006 (%)*

| | USA | France | Canada | Germany | Korea | China | Slovakia | Slovenia | Poland |
|---|---|---|---|---|---|---|---|---|---|
| Expenditure | 25,101 | 2,353 | 1,404 | 1,198 | 709 | - | 13 | 11 | 0.32 |
| Patents % | 41.5 | 3.6 | 3.2 | 7.0 | 3.0 | 1.9 | - | - | 0.1 |

Source: B. Beuzekom, A. Arundel (2009), *OECD Biotechnology Statistics 2009,* OECD, Paris, p. 25 and 71.

The US advantage in the spending on biotechnological research and development over France is over tenfold and France comes second. Strikingly, in Poland the spending is over 30 times lower than in Slovenia. Also in the area of patents, the US primacy is unquestionable. Biotechnology expansion on the US market was preceded by a fast increase in the number of patents granted, the number of which, in 2003, was 6,995 and was 230% of the number of patents granted ten years earlier.[34] That growth was followed by revolutionary changes in product commercialisation. The market of biotechnological products increased over 9 times in 1994-2004, whereas its capitalisation in 2004 amounted to USD 399 bn.[35] Almost in front of our very eyes, a new industry sector - nanotechnology – emerged. Nanotechnology is a peculiar synthesis of scientific research and production with stunning prospects and equally stunning growth rate. In 2006, global public (governmental) expenditure on nanotechnology amounted to USD 6.4 bn and private (companies) spending was USD 5.3 bn[36], in total USD 11.7 bn. The US and Japan are global leaders in this industry. In 2004, the share of the US in global private expenditure was 46% and 35% in global public spending. The share of Asia was 36% and 35% respectively and the share of Europe was 17%

[33] J. Kotkin, S. Parulekar (2012), *The State of the Anglosphere, "*City Journal" http://www.city-journal.org/2012/22_1_anglosphere.html (accessed 2. 01.2013).

[34] InvestBio, Inc 2001-2008, http://www.investbio.com/biotechnology_investing.asp (accessed14.04.2009).

[35] *Ibid.*

[36] Top nations in nanotech 2007. Top Nations in Nanotech See Their Lead Erode.

and 28% respectively.[37] Only in the US and Japan private (businesses) spending exceeded public (governmental) expenditure. It follows that in both the US and Japan, research and production links are much stronger than in other countries and that in those two countries, production highly depends on new knowledge. In China, the situation is different. The nanotechnology sector is financed primarily by the government, i.e. USD 906 mio in 2006, while private funding is five times lower.[38] In 2007, the US global primacy was visible both quantitatively and in the growth rate as the US public and private investments in nanotechnology amounted to USD 4.5 bn. [39] Being a geopolitical hegemonic leader is demanding and thus it is not surprising that in 2000-2008, the US public spending on military applications of nanotechnology increased over five times, i.e. to USD 375 mio, and it would increase further, had the Congress not reduced it by USD 42 mio[40].

Among most important institutions of the new economy are investment banks and investment funds. In the following part of the analysis those terms will be used interchangeably. Investment banks and funds have a long history and the question is in what sense they are components of new economy. They are for two reasons. The first one is that without the key product of the new economy, i.e. information and communications technologies, investment banking would not grow fast in quantitative and qualitative terms. According to Charles Geisst, the author of *Wall Street: a history*, thanks to the technological revolution in the late 1970s, stock exchange transactions started to climb sky-high levels.[41] In the following years the progress in data processing and telecommunication technologies facilitated structural changes and expansion of global financial markets.[42] The Internet offered the possibility of incessant global stock exchange operations. An outstanding increase in the number of investment banks was recorded, and traditional lending banks and all other financial institutions started to establish their own investment funds.

Another dimension of the relationship between banking (investment funds) and knowledge-based economy is that investment banks (funds), which are classic economic entities, generate new knowledge about market dynamics and, somewhat automatically, they transform that knowledge into a market product called a collective investment scheme. To sell more products, they have to amalgamate more knowledge about new markets.

The expansion of investment banking started with very little money for American standards. In 1993, US private investment funds managed "only" USD 22 bn.

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[37] Spending on nanotechnology 2004 Spending on Nanotechnology to Top $ 8.6 Billion in 2004, http://www.azonano.com/News.asp7NewsID = 282 (accessed 19.04.2009).

[38] Top nations in nanotech 2007. Top Nations in Nanotech See Their Lead Erode.

[39] Ch. Pellerin, *Nations Worldwide Pour Billions into Nanotechnology*, http://newsblaze. com/story/2008092510261 ltsop.nb/topstory.html (accessed 12.03.2009).

[40] M. Berger, *Nanowerk,* http://www.nanowerk.com/spotlight/spotid = 2100.php (accessed16.02.2010).

[41] Ch. Geisst, *Nowego Roosevelta nie widać*, "Gazeta Wyborcza" of 27.10.2008.

[42] E. Gostomski, *Jak rynki zarażają się kryzysem finansowym*, "Gazeta Bankowa" of 26.09.2008.

However, six years later, they accumulated the amount which was five times bigger, namely USD 108.1 bn.[43] Even more impressive was the development of American venture capital funds which started with USD 3.9 bn in 1993 and in six years increased their funds nearly twelvefold, i.e. to USD 46.6 bn.[44] The extremely fast development of investment banking in the 1990s was equally fast in the early 21st century.

In 2007, global investment banking generated revenue as high as USD 84.3 bn which was more over twice higher than in 2003. Only in 2006-2007 that revenue increased by 21%. Like other sectors of knowledge-based economy, global investment banking has been dominated by the US, where 53% of its capital came from. The share of Europe, Africa and Middle East amounted to 32%, and the share of Asia was 15%.[45]

ICT solutions contributed much to the fast development of investment banking. Subsequent innovations in the banking sector stimulated new research and development in the ICT sector to meet the demand for increasingly more advanced hardware and software. The era of innovations in risk management and increasingly sophisticated financial engineering began.

Innovative solutions in financial engineering consisted in the fact that risk was divided and shared by many bodies participating in the financial system. **Another development favourable to financial engineering was the creation of investment capital by aggregating and mixing real money with derivatives. In result, investment funds increased their investment capital assets and could supply much more capital than traditional lending banks.**

The crisis of 2008 started with the collapse of the US mortgage market but its global spread resulted from the collapse of global financial engineering and the market of derivatives, which was a flagship sector of knowledge-based economy. It should be noted, however, that before the crisis, double-digit annual increases described above were recorded in industries and sectors of the new economy. Undoubtedly the derivatives created "casino capitalism" but they also increased the size of venture capital and the number of innovative investment products and projects described above. **Derivatives were fake but investments were real.**

Let us move now to geopolitical conclusions. So far, the US has led in creating the new economy. From the data quoted above, it follows that the US advantage in creating new economy sectors is at least stable, and its advantage in the delivery of new knowledge-based products grows slightly. We could observe that the statistics on the new economy are given for traditional superpowers, i.e. the US, Japan and

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[43] V. Craig, *Merchant Banking: Past and Present,* "Federal Deposit Insurance Corporation Banking Review", http://www.fdic.gov/bank/analytical/banking/2001sep/article2.html (accessed 11.02.2010).

[44] *Ibid.*

[45] IFSL Research Banking 2008, http://www.ifsl.org.uk/upload/CBS_Banking_2008.pdf (accessed 12.02.2011).

some old EU states, and not for countries that are "trendy" among economic commentators, such as Brazil, China or Russia.

The new economy develops parallel to the traditional one. Let us now take a closer look at the productivity of economy as a whole. From 1970 to 1995, the growth of GDP per hour worked was clearly lower in the US than in Japan and G-7 states. However, in 1995, the situation changed. In 1995-2007, the value of GDP per hour worked increased annually by 2.1% in the US, by 2% in Japan, by 1.9% in G-7, and in by 1.5% EU-15 ("old" Europe).[46] Assuming that the value of the GDP per hour worked in the US in 2007 equalled 100, then in Japan it amounted to 71.2, in G-7 to 89.9 and in the old European Union to 86.6. It follows that despite the previous drop, since 1995, the **US advantage in productivity has been stable and visible.**

The most important factor determining geopolitical power is undoubtedly military strength. Also in this area, the US primacy is still unquestionable. In 2009, the US share in global military expenditure was 43%. The share of France share was 3.8%, Japan's 3.3%, Germany's 3.0% and the share of Saudi Arabia was 2.7%. China's expenditure was top secret, but it was estimated to be at the level of USD 100 bn, which constituted 6.8% of global spending. The size of the US military budget on research, development, tests and evaluation substantiates the long US military primacy. That budget increased from USD 40.5 bn in 2001 to USD 69.6 bn in 2008.[47] That money constitutes 2/3 of China's total defence expenditure and is higher than military expenditure of France.

The number of competitors grows. Till not long ago, some of them had little causative power due to their poverty (India) or deliberately isolated themselves from the world (China until the end of the 1970s). It is increasingly difficult for the dominant superpower to respond with force to the growing number of potential conflict area. A similar conclusion, inter alia, is reached by Roman Szul. He argues that today the world of geopolitics disintegrates and an economic power may not be a political power. The growing political power of China and India, long treated as peripheral states, is an example.[48] In the future, Japan, the traditional Asian superpower, will be confronted by India and China - two states the strength of which keeps growing. This Asian triangle may be the triangle of partnership or conflict, nonetheless it will be very powerful and influential on the global political stage. According to Henryk Szlajfer, the fate of American global leadership will to a large extent depend on what happens within the Asia triangle.[49] In the opinion of American political scientist Fa-

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[46] OECD 2008 OECD Factbook 2008: Economic, Environmental and Social Statistics, Economic growth, Macroeconomic trends, Evolution of GDP, Long-terms trends, http://oberon.sourceoecd.org/vl= 1048075/cl = 17/nw= l/rpsv/factbook/020201.htm (accessed 22.03.2011).

[47] P. Stalenheim, C. Perdomo, E. Skolis (2008), *Military Expenditure,* in: *SIPRI Yearbook 2008,* Stockholm, p. 180.

[48] R. Szul (2010), *Światowy system...,* p. 43.

[49] H. Szlajfer, *Stany Zjednoczone: wielka strategia i co dalej?* in: A.D. Rotfeld (ed.) (2008), *Dokąd zmierza świat,* Warsaw, p. 340.

reed Zakaria, nowadays the importance of geopolitical ideas and strategies for an empire sustainability grows at the expense of its economic power, which does not mean that economic power ceases to be important. The British Empire collapsed due to its economic inefficiency. The US maintains its economic growth but is threatened by political challenges, mainly its aversion to multilaterialism[50].

## FORECASTED TENDENCIES

It is beyond doubt that empires do not last forever and that the US domination will also end one day, but its decline would take a long time. The superbly documented work by Niall Ferguson reads that the US domination is an element of Western domination over the rest of the world which started around 1500 and was most evident in the 19th century. Then, Asian countries started to copy various Western institutions and that advantage started to decrease. However, that process has not been strictly linear for the height of wealth disparity between the US and China was recorded at the beginning of the 1990s.[51]

Today, we are witnessing the emergence of a new global division of labour. The US and other Western countries focus on knowledge-based economy while China, India, and Vietnam invest in their industrialisation. Gradually, the old exchange of raw materials for industrial products becomes replaced by the exchange of industrial products for knowledge-absorptive ones. In this new labour division, the US unquestionably plays the leading role. The US will continue (for next 10-15 years) to dominate on the market of technologies necessary for the development of knowledge-based economy. So far, the pace at which the new economy creates new jobs is slow but the new economy generates high added value. That is why it contributes to creating new workplaces in service industries, which happen to be lower-paid that the gone jobs for highly skilled workers in traditional production industries. So far, we do not see any symptoms of the twilight of the US advantage in innovativeness and advanced technologies which are a potential source of geopolitical power[52].

Relatively most threatening to the future place of the US are its external liabilities and especially its foreign debt to China. In November 2011, the US public debt amounted to USD 15 bn, which constituted 99% of its GDP.[53] About 46% of the debt was owned by foreigners, including foreign banks and governments. China is the largest single creditor of the US and holds 8% of the US total public debt. Other large creditors are the UK and Japan.[54] Equally threatening are US budget deficits which in

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[50] F. Zakaria (2008), *The Future*...

[51] N. Ferguson (2011)*, Civilization. The West and the Rest,* The Penguin Press, New York.

[52] See also: T. Łoś-Nowak, *UE w niepewnym ładzie międzynarodowym,* paper read at the 22nd European Scientific Conference: Europe of 21st century, Słubice, February 2, 2012.

[53] "Biznes. Gazeta Prawna" of 18.11.2011.

[54] US Government Info 2012, http://usgovinfo.about.com/od/moneymatters/ss/How-Much-US-Debt-Does-China-Own.htm (accessed 9.05.2012).

2011 fell to 8.7% of GDP as compared to 9.0% in the previous year.[55] The situation is quite unique as usually a high debt is the affliction of backward economies of low productivity. It appears that the threat stemming from the deficits mentioned above is reduced by the strength of US real economy. Sooner or later, however, the US will have to reduce all its public debts, which will be done most probably at the expense of military expenditure and involvement abroad.

The data provided in Table 1 suggests that around 2025-2030, China's potential will be greater than the American one. However, the Chinese potential will be mainly built on industrial production poorly saturated with cutting-edge technologies.

What are the prospects for *Pax Americana* in the next 10-15 years? The causative role of the US will gradually decrease but will not be marginalised. "The concert of one superpower" played in the 1990s is increasingly likely to give the floor to "a global concert of superpowers". In the new world order, the US (in the perspective of 10-15 years) will still lead but its power will gradually be counterbalanced by the strength of its greatest rivals.

In the next 10-15 years and later, the US will be the leading superpower in the Western world, unless the EU becomes more integrated in its political and military dimensions. So far, however, there are no signs of this actually happening in the EU. In the future the US causative role will increasingly depend on the extent to which the Western world will be willing to acknowledge that its interests match key interests of the US. Probably that consent will be reached as, in the US, the need for multilateralism in international relations is increasingly highlighted.[56]

The causative role of *Pax Americana* will gradually diminish against the expansion of new superpowers such as China and India, but probably it will still be the orientation point or structure for non-Western countries which politically and culturally are far removed from China and for which the US leadership is more attractive than Chinese. It can be expected that in the future, for many countries which are not considered superpowers, their participation in *Pax Americana* will be their political choice, be it permanent or temporary. Most likely, the *Pax Americana* group will include European states, and from time to time for example Russia.

Another potential threat to the power of the United States is long-term and cultural. Samuel Huntington in his book *Who We Are?* presented quite a controversial thesis of cultural disintegration of the US, resulting from large Hispanic immigration and the policy of multiculturalism.[57] The following conclusions can be drawn. Mass behaviours of people create institutions. Culture is the source of mass behavioural patterns. Economically effective institutions in the US are products of the WASP culture (White Anglo-Saxon Protestant). Popularisation of other cultural patterns will gradually produce different institutions and limit the outreach of traditional US insti-

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[55] "Puls Biznesu" 2012, http://www.pb.pl/2505072,42642,usa-deficyt-budzetowy-niemal-bez-zmian (accessed 10.05.2012).

[56] F. Zakaria (2008), *The Future*...

[57] S. Huntington (2005), *Who We Are? America's Great Debate*, London.

tutions. New institutions will be less oriented toward innovativeness and productivity. Critical assessments of Huntington's diagnosis are better argued than those of Huntington's advocates. Nonetheless, even if his thesis has been accurate, it would not come true in 15-20 years due to the high inertia of cultural developments.

## TWO METHODS OF GEOPOLITICAL POWER EMERGENCE

So far recent economic development of the People's Republic of China have been the result of deindustrialisation of the West and transferring industrial production of low profitability to locations where it is more profitable because of low labour cost. Thus the economy of modern China grows but its development is based on industries of low profitability and only to a small extent stems from the implementation of state-of-the-art technologies.

The example of the USSR has shown that our earlier conclusions on factors favourable for one's geopolitical hegemony are not of universal nature. It seems that it has been quite well explained why the UK and the US became hegemonic leaders, but in the case of the USSR the configuration of factors was different. In the Soviet Union, military production was emphasised at the expense of investments in civilian economy. Economy was both "centralised and planned", meaning that necessary supplies and resources were directed to military industries. At the same time most technologically advanced foreign products were copied if useful to the military, and hardly made accessible to the civilian sector of Soviet economy. Due to that insular nature of economic development, armaments could not be produced by combining various products already manufactured. To produce a new military device, a new factory, designs and machinery/equipment were needed. That is why its production was much more costly than in the US. The cost was covered by reducing citizens' average income. The burden was justified by communist propaganda claiming that the West neared its end. The same ideology used at home had a strong consolidating power that legitimised the centralist power system and strong economic and political subordination of the satellite states. **At this point, let us note that there is a way different than the Anglo-American one to become a geopolitical power. That other pattern may be called Euro-Asian.**

How does the above relate to recent forecasts of geopolitical developments? **Factors that contribute to the US enjoying its superpower status in the Western world in the next 15-20 years have, probably, been quite well identified.** Let us assume now that GDP forecasts quoted earlier are accurate. The gap between China and the US, measured with GDP per capita, will be 1 to 4 in 2020.[58] It means that it will be about the same as the gap between the Soviet Union and the US at the climax of the Cold War. We can assume, that the Cold War gap in the production of most

[58] Calculations based on: *Economist Intelligence Unit (The Economist) Foresight 2020,* "Economics, industry and corporate trends" London, New York, Hong-Kong 2006.

technologically advanced goods between the USSR and the US and the production gap between the US and China around 2020 will be comparable. In the nearest future, China will profit from the rising tide of its own economic successes as long as no internal and external perturbations disturb the situation. As "a rising tide lifts all boats", the Chinese elite will get a psychological impulse to judge the US and rest of the Western world weak and going backwards. From the Chinese perspective, there may be a strategic void. According to American political scientist Robert Kagan, the lack of rivalry between superpowers immediately after the Cold War was a brief period of disorder and at the same time a prelude to another wave of rivalry between Russia, the EU and the US. At the same time the importance of China grew.[59] Defining the world in categories of political void will sooner or later make the emerging superpower fill the void.

Already today, China enjoys recognition in Africa. Its role in African economy and on the political stage there is significant. China enjoys its authority and popularity. The Chinese-African summit held in July 2006 in Beijing proved it. The summit was attended by representatives of 48 African states, i.e. only five states did not join it. On the African stage, China has an advantage over the West because it does not require implementation of reforms, financial transparency, adherence to human rights, etc. from the borrowers. In 1996-2005, China's share in Africa's trade increased from 0.8% to 9%, and in 2010 China was already Africa's largest trading partner. 77.6% of Africa's export to China are raw materials[60]. China's demand for raw materials will grow, especially for crude oil. Thus it is possible that China will pursue a kind of neo-colonial policy toward Africa, i.e. a policy oriented at establishing an exclusive Chinese zone of influence there with a view to exercise political control over resources of raw materials. This will exacerbate the rivalry and conflicts between superpowers. The other potential factor increasing China's aggressive policy is in another region of the world, namely the situation of Siberia. Already in 2008, Russian commentators drew attention to territorial claims of Chinese leaders concerning Russian eastern Siberia and the Far East. Such territorial "messages" are also included in Chinese history and geography textbooks.[61] To reinforce the impact of its geopolitical power, China may considerably strengthen its military potential in the way similar to that of the Soviet Union, i.e. at the expense of its citizens. However, the Chinese growth is exposed to internal and external threats. At home, China is threatened by possible democratic aspirations of its citizens and by the likely mis-

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[59] R. Kagan, *History's back*, "The Weekly Standard" of 25.08.2008, http://www.weeklystandard.com/Content/Public/Articles/000/000/015/426usidf.asp (accessed 12.10. 2009)

[60] A. Rządkowska, *Chiny w Afryce,* "Rurociągi" No. 1-2/52, 2008.

Share of ICT 2007 Share of ICT-related occupations in the total economy, broad definition, http://www.oecd.org/document/23/0,3343,en_2649_34449_33987543_1_1_1_37441,00.html, p. 31 (accessed 9.12.2011)

[61] W. Miłow, B. Niemcow, *Chiński agent Putin*, "Gazeta Wyborcza" of 30-31.08.2008.

match between the communist state system and the needed adoption of a new management style. External threats include e.g. globalisation limits, pressure to renounce the excessively rigid Yuan exchange rate and possible imposition of customs duties on exported Chinese industrial products. If that happens, Chinese popular expectations regarding further growth of living standards and inclusion into urban prosperity would turn into frustrated hopes. In result, the regime will quickly lose its legitimisation and rebellious movements may surface. Such a situation preceded the French Revolution, i.e. standards of living grew markedly and then suddenly deteriorated.

One way or another, exacerbated rivalry between superpowers in the next dozen or so years is conceivable but not inevitable. It is likely that the US will occasionally be forced to make its policies more multilateral. Nonetheless, the United States will still be the main geopolitical actor of the West. The US may also reach a conclusion that its involvement in easing Euro-Asian tensions disperses its resources and that Europe should ensure security of European states itself. The European Union may decide to become a stronger military and political power or decide for "a concert of powers".

## US NATIONAL AND GLOBAL INTERESTS AND THE PLACE OF EASTERN EUROPE IN *PAX AMERICANA*

A global hegemon tends to be involved in various regions of the world and to "expose" weaknesses of the others. To understand those inclinations, one should distinguish between the leader's **national and global interests**. In the case of the US, its national interest is the situation where prosperity of American citizens grows in all spheres of life and that growth is vital to electors' evaluation of the national government ergo administration. US global interest is a balance in international relations which is favourable to sustaining the US leadership on the geopolitical stage. For example, if the US is involved in oil wars in countries which have the largest share in US imports of crude oil, the US involvement is to safeguard its national interest. If the US is interested in the condition of, for example, Ukraine, the US pursues its global interest. Empirically, it is very difficult to separate those two categories of interest, intuitively, however, we may assume that the US relatively devotes more attention and determination to issues or developments directly relevant to its national interest.

The core objective of US geopolitics, and of any empire, is to prevent the emergence of a rival, be it a competing superpower or alliance of several powers. After the shock of the 11th of September 2001, much emphasis was put on armaments so that it would be possible to carry several wars simultaneously.[62] The US global strategy consists in its more or less visible presence in major conflict areas and geopolitical events on all the continents. Recent US geopolitical initiatives have focused

[62] H. Szlajfer, *Stany Zjednoczone*..., p. 310ff.

on combating global terrorism, preventing nuclear proliferation and ensuring energy security. The US involvement in the last issue is less visible because supply routes have recently been relatively secure.

From a global geopolitical perspective, most relevant international issues concern Euro-Asia. According to prominent practitioner and theoretician in the field of American geopolitics Zbigniew Brzezinski, the importance of Euro-Asia stems, inter alia, from the fact, that 75% of global energy resources is located there and exercising control over Euro-Asia automatically gives control over the Middle East and Africa. The US should actively participate in the development of a transcontinental security system. That is why it is impossible to adhere to the current division of geopolitics into European and Asian ones.[63] His observations and arguments well reflect the essence of the US approach to global geopolitics. Another practitioner and theoretician Henry Kissinger expressed a similar view and underlined the threatening weight of potential submission of Asia or Europe to the control of one superpower[64].

What is the place of Eastern Europe in American geostrategy? Eastern Europe, together with Russia, seems to be an important element of the Euro-Asian geostrategic and economic jigsaw due to vast energy resources referred to above. However, the US approach to Eastern Europe gives priority to Russia, i.e. *Russia first*. This it is no surprise that Henry Kissinger in his analysis of the new, post-Cold War global order dedicates much more space to Russia than to the rest of Eastern Europe[65]. It appears that for many American politicians and analysts, Russia's role in Euro-Asia is of primary importance. One reason is that cooperation with Asia will encounter obstacles and barriers due to cultural differences[66]. Russia is the key to exert control over Central Asia. The importance of that region is due to its rich resources of energy raw materials, and also because its instability involves the risk of further spread of radical Islam which the US perceives as the main source of global terrorism. As the US has declared fighting global terrorism to be its main geostrategic objective, **Russia plays an important role in the effective execution of the American national interest.** Hence the confrontation-oriented rhetoric is used while debating whether local Russian militant actions will be revealed by the US or not due to overriding national objectives. Russian nuclear warheads do matter as well.

In the US, Russia is perceived as the key actor in Euro-Asian geopolitics whose favours are worth fighting for. This is the context of recent publications on the need for revisiting the concept of the victorious Cold War. US triumphalism underlying that the arms race and containment doctrine led to the US victory is no longer acceptable. Actually, as Jack Matlock argues, the Cold War ended with negotiations the outcome of which was beneficial to both parties. In Russia, American triumphalism feeds the opinion that the collapse of the Soviet Union was a disaster and strengthens

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[63] Z. Brzeziński (1997), *A Geostrategy for Eurasia*, "Foreign Affairs" September/October.

[64] H. Kissinger (1994), *Diplomacy* [Polish translation: (1996) *Dyplomacja,* p. 894].

[65] *Ibid*., p. 887ff.

[66] *Ibid.,* p. 912.

Russia's hostility toward the US. Hence there is a need to stop enlarging NATO as the more elements are in its structure, the higher are Russian unpredictability and thus risk, not to mention Russia's decreasing willingness to cooperate with the US[67].

Not long ago, in 2005, it was expected that American natural gas resources would be exhausted shortly and that in 2020 the US would import natural gas to meet around 1/4 of its consumption. Relying on such forecasts, the Russian *Gazprom* developed plans for seizing 20% of American natural gas market within 4-5 years. However, with new technologies, exploitation of shale gas deposits has become increasingly profitable and in 2009, the US was the global leader in gas extraction (625 bn $m^3$) followed by Russia (583 bn $m^3$). The largest world deposits of shale gas are in the US and Canada. The costs of their exploitation may be even twice lower than of the Shtokman field, which is the key asset and element of the Gazprom export strategy.[68] **Russian energy resources will not become an element linking Russia with the US national interest but they will influence the way in which the US pursues its global interests.** However, Russia's chances of becoming a key partner of the United States will diminish.

It should be noted that if the estimated volume of shale gas deposits in Poland is confirmed, European natural gas resources will increase by 47%. The volumes of shale gas deposits in the Baltic States are awaiting confirmation too. In France, the Netherlands, Sweden and Germany test drilling was performed and relevant environmental and legislative issues are debated. It is possible, that Russian gas export monopoly Gazprom will lose 25-30% of the market.[69] This may affect Russian chances for transforming its role of the main supplier of energy resources to its geopolitical power in Europe.

The weight of eastern European countries that are members of the EU (new Europe) in *Pax Americana* is incomparably lesser than the weight of Russia. **They are at most pieces in the US jigsaw of its global interests.** It is not surprising as GDP of Poland, which is the largest country in the region, is less than 8% of the US annual military expenditure. These countries are more of a problem to be solved or pieces in the geopolitical jigsaw puzzle than real partners to the US. Let us now take a closer look at the US evaluation of the new Europe's fitting the *Pax Americana* architecture in 2006. It seemed that after the enthusiasm of the 1990s, some American politicians and analysts were clearly disappointed with Eastern Europe (excluding Russia for it is a separate case). Eastern European leaders of around 2005 were compared with the leaders of Western Europe at a historic turning point, i.e. after World War II and a dozen or so years later. According to F. Stephen Larrabee, Western European leaders of the time built an effective and stable cooperation structure.

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[67] J. F. Matlock (jr.) (2010) *Superpower Illusion,* Yale University Press.

[68] D. Dokuczajew, D. Kryłow, *Kopali aż dokopali,* "The New Times" of 19.04.2010, as cited in: "Forum" of 24.05.2010.

[69] *Ibid.*

De Gasperi, Monnet, de Gaulle and Adenauer were able to guide their nations to the future without painful recourses to the past; they introduced qualitative changes to European politics and developed structures open to the future that stood the test of time. In comparison, the second generation of Eastern European leaders: Kaczyński (his election was a typical example of the trend), Fico, Klaus and Paksas[70], to point out the most blatant examples, acted in a completely different way. **According to Larrabee, the mentioned leaders of new EU member states harmed US interests and wasted its investments in building a free and strong Europe able to assist the US in maintaining global peace.** While in "old" Europe economic integration progressed and cross-border integration of companies advanced, Eastern Europe strongly emphasised the need to protect homely "truths". What was worse, in Eastern Europe, old conflicts, populist nationalism and mutual hostility were reborn. Such developments strengthened the role of Russia in the region[71]. Those perturbations did not mean that the US was willing to recognise Russia's leadership ambitions. The place of eastern new EU members in *Pax Americana* reflected the US's efforts to maintain a European balance by its cooperation with European powers. In this context, issues of key importance were whether Germany would cooperate and possibly deepen its integration with Western Europe and whether the mutual attraction of Germany and Russia would weaken.[72] To this end, during the presidency of Bush Jr., Germany was offered a partnership in leadership.[73] It is still difficult to assess how appealing that offer has been to Germany but there is no evidence that the mutual attraction of Germany and Russia diminished. Let us note, that after launching the *Nord Stream*, 80% of German gas imports would be from Russia (currently it is 44%). Kissinger's solution to the issue of Central-Eastern Europe was to enroot it in old EU structures in such way that it would cease to be no-man's-land torn by internal conflicts which encourage both rivalry and cooperation to win influence in the region.[74] Interests of the US definitely include a strong and cohesive Europe and therefore one of key tasks of the US-Germany partnership is integration of Eastern Europe with the "old" EU. Relations between Poland and Germany are especially important to the region's stability.[75]

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[70] After his election, he resigned from the office for procedural and constitutional reasons.

[71] F. S. Larrabee (2006), *Danger and Opportunity in Eastern Europe,* "Foreign Affairs" November/December.

[72] H. Kissinger (1994), *Diplomacy* [Polish translation: (1996) *Dyplomacja,* p. 912ff.].

[73] H. Szlajfer, *Stany Zjednoczone...,* p. 317.

[74] H. Kissinger, (1994), *Diplomacy* [Polish translation: (1996) *Dyplomacja, ...,* p. 906ff. ].

[75] F. S. Larrabee (2006)*...,* p. 130.

ABSTRACT

*This paper offers an analysis of economic grounds of Pax Americana in the perspective of next 10-20 years and a prediction of the future place of Eastern Europe in the constellation of the US's interests. In the first part of the article factors conditioning geopolitical power of selected countries are identified and weighed using network and structural analyses. Crucial factors of geopolitical power include wealth (total and per capita), production of leading goods and innovativeness. The next part contains a comparative analysis of Pax Britannica and Pax Americana in order to establish a gradation of power factors. It appears that domination in the production of leading goods is the crucial factor. Analyses of the contribution of various countries to the development of a "new economy" shows that around 2020 the US will still be the most important power of the Western world. The place of Eastern Europe in Pax Americana will be defined by its place in the global strategy of the US, weak links of the region with the US's national interest and the "partnership in leadership" relations between the US and Germany. Fluctuations in the energy market will make the American elite discuss its regulations which can mark the beginning of a new and different outlook regarding also other sectors of global economy.*

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# THE UNITED STATES IN THE WORLD OF DIVERSIFIED POWERS

Questions about new trends in the US foreign policy, its objectives and rationales have always been asked whenever the world experienced strong turbulences and shocks. This is due to the dominant role America has played in the international arena ever since World War II. On the other hand, the international community has been interested in the condition of the United States and the readiness of Americans to bear responsibility for the course of events in the world. The turn of the first and second decade of the 21st century was one of those special moments for the United States. It was not only because of the worsening financial situation in the country and the world, which made America and many other countries face the most serious economic crisis since decades. The situation was special also in a political, or rather, geopolitical sense. Above all, the order which emerged after the Cold War, i.e. a unipolar world, dominated and largely shaped by *Pax Americana*[1], seemed to be passé. That order was not questioned in the 1990s when the USA enjoyed the status of a superpower with its unprecedented military, economic, technological, cultural and political capabilities.[2] At that time, one could have an impression that the United States set standards, norms and values, shaped global international relations, had a decisive impact on resolving main conflicts, and positively affected the condition of the transatlantic community. The latter was important not only in the area of European security but also for America's global rank. The above has prompted some analysts to call that period the Age of Optimism.[3] To the end of the first decade of the 21st century, the absolute indicators of American power were still impressive. Despite difficult interventions in Afghanistan and Iraq, the United States kept increasing its military capability (the annual cost of the U.S. military presence in those two countries was USD 125 billion which then equalled less than 1 per cent of US GDP). US budgetary

[1] The concept of unipolarity as an order dominated by the US was introduced by Charles Krauthammer two decades ago. He also foresaw the coming of multipolarity: "In perhaps another generation or so there will be great powers coequal with the United States, and the world will, in structure, resemble the pre-World War I era." Ch. Krauthammer (1990) *The Unipolar Moment* „Foreign Affairs").

[2] Cf. Z. Brzeziński (1998), *Wielka szachownica. Główne cele polityki amerykańskiej,* Warsaw, pp. 27-28.

[3] This phrase was used by G. Rachman (2010) in his work: *Zero-Sum Future: American Power in an Age of Anxiety* ("Foreign Affairs" May/June, No. 3) and referred to the years 1991-2008.

expenditure on defence exceeded USD 500 billion (excluding operations in Iraq and Afghanistan), nearly amounting to 50 per cent of global expenditure on defence (and more than the total expenditure of next 14 countries spending much on defence).[4] In result, the dominance of the United States' land, maritime and air forces, continued. American armed forces were the only ones able to operate in distant regions of the world, having at their disposal suitable logistics, supplies and means of transport.

American economic and technological capabilities seemed strong in spite of the already surfacing financial and economic problems: a weak dollar, turbulence in the real estate market and American mortgage debt, and finally US high budget deficit (exceeding USD 400 billion in 2008). Nevertheless, the US economy was still the strongest in the world and the most competitive one. It suffices to mention that the US GDP reached about USD 14 billion (Russia's GDP equalled only 10 per cent of that of the US) and its growth was higher than in Europe or Japan for 25 years.[5]

Nonetheless, those indicators should not mask the relative decline of American power. The US participation in global import was only 15 per cent. Although its GDP constituted a quarter of gross global product, this ratio started to decrease as Asian powers, in particular China, developed much faster than the United States. The primacy of America was also questioned in other areas. The US military capability seemed to be unbeatable, and after 11 September 2001 the number of US military bases in the world increased (American bases were established in some former Soviet republics), but the US experienced military defeats. It failed to fully pacify Iraq, a country of 24 million residents, despite its five year occupation. Although the strategy pursued since 2007 by General David Petraeus was effective, the path to its full success was still long. The situation in Afghanistan was similar if not worse. It led to questioning military effectiveness of the United States and NATO – the Euro-Atlantic security pillar under the auspices of which the military mission in Afghanistan was conducted.

The above was accompanied by the weakening of American political impact in the world, which supported a thesis of the end of the US supremacy. There is no exaggeration in saying that in the first decade of the 21st century that issue was the focus of concurrent commentaries and discussions between leading American political scientists and experts in international relations. At the end of the Cold War – during the presidency of George H. W. Bush, Sr. – the US strategy in the coming years was debated nationwide. At the end of the presidency of George W. Bush, Jr., America reflected on the change of its role and importance in the world and a highly probable end of its superpower rank. Some authors analysed causes of this process, its manifestations and consequences. Others, however, argued against categorical visions of the end of American primacy.

The debate was joined by analysts, who earlier prophesied the emergence of an order dominated by typical American values and principles: democracy and liberal-

[4] After F. Zakaria (2008), *The Future of American Power,* "Foreign Affairs" May/June, No. 3, p. 27.
[5] *Ibid*.

ism. And thus Francis Fukuyama, departing from his "end of history," wrote about a post-American world witnessing the expansion of Asian countries, including weak states but of growing strength of impact, the norms of which differed from Western ones.[6] Zbigniew Brzezinski, who already many years ago wrote that Americans should treat the leadership of their country as a temporary situation, also took part in that debate. He argued that the United States squandered a great part of its prestige, and the Bush administration severely damaged America's standing in the world. However, he did not rule out good chances of the United States in the future. He wrote:

> At the onset of the global era, a dominant power has therefore no choice but to pursue a foreign policy that is truly globalist in spirit, content and scope. Nothing could be worse for America, and eventually the whole world, than if American policy were universally viewed as arrogantly imperial […], and […] self-righteous […]. The crisis of American superpower would then become terminal.[7]

Political scientist Parag Khanna, already popular at the time, saw the reasons for America losing its leadership both in the US and in external conditionings. According to him, the American hegemony provoked diplomatic and economic countermoves which aimed at weakening the role of the US and creating an alternative world order – a multipolar one. He further argued that America must once and for all get rid of its imperial pretensions.[8] Another political scientist and diplomat Richard N. Haass, seeing the end of American dominance, envisaged a new system in which there was no multipolarity, as many new, alternative centres of power could be involved in a constant struggle to win or sustain influence zones.[9] Fareed Zakaria, the author of the then famous book entitled *The Post-American World*, shared similar views. He argued that the United States as a world power kept declining, and that more and more countries had a say in the newly created global system. They have benefited from their good economic situation and want to be more involved in shaping the affairs of the world.[10]

Loyal to the neoconservatives and their visions Robert Kagan opposed such opinions. For him, America was still the natural leader of the democratic camp and the spread of democracy constituted its most important task.[11] Also Joseph S. Nye, a recognized American expert and journalist, argued that although American foreign

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[6] F. Fukuyama, *Epoka słabych państw*, „Europa" supplement to „Dziennik" 16 August 2008.

[7] Z. Brzezinski (2007), *Second Chance. Three Presidents and the Crisis of American Superpower*, New York, pp. 215-216. [Polish translation: (2008) *Druga szansa. Trzej prezydenci i kryzys amerykańskiego supermocarstwa*, Warsaw.]

[8] P. Khanna (2008), *The Second World: Empires and Influence in the New Global Order*, New York; see also his *Waving goodbye to hegemony*, "The New York Times" 27 January 2008.

[9] R. N. Haass (2008), *The Age of Nonpolarity*, "Foreign Affairs" May/June, No. 3.

[10] F. Zakaria (2008), *The Post-American World,* New York; see also his *The Future of American Power...*

[11] R. Kagan (2008), *The Return of History and the End of Dreams*; see also his *End of Dreams…* http://www.hoover.org/publications/policy-review/article/6136.

policy met with widespread criticism, the attractiveness of America, its values and principles, culture and achievements of its civilisation had not been depreciated.[12]

One basic conclusion followed both from the on-going expert debate in the United States and the actual reshaping of world situation, namely, that the US ability to influence the course of events and put pressure on strong or weak countries decreased. America, although in absolute terms was still a powerful state, was no longer seen as an omnipotent superpower capable of achieving its goals either by the power of its will, or supported by its unprecedented military capabilities, or possibly by pushing and forcing others to consent. American ability to create international situations and resolve problems weakened. It was much more difficult for the United States to muster others, impose its point of view and work with them together on the international arena. This could mean that America was losing its leadership position, even if in fact it was about the leadership in the Western world only.

It was not difficult to identify the reasons. For decades, the strength of America derived, inter alia, from its values and principles, model advancements and holding on to freedom and democracy. That is, America had and used its *soft power* – as it was once described by J. S. Nye.[13] "I have always believed America is an exceptional country, but that is because we have led in creating standards that work for everyone, not because we are an exception to the rules." wrote Madeleine Albright.[14] Indeed, J. S. Nye's statement highlighting *soft power*, i.e. values attractive to other nations, was very much true even though Americans did not always lead by example, e.g. the controversial Vietnam war, the already symbolic phenomenon of political "witch hunt" in the 1950s, long-lasting racial segregation in southern states of the US, or the Watergate scandal.

The good image of the US was undoubtedly damaged by the policy pursued by the G. W. Bush administration in response to the terrorist attack of 11/9. And here a great paradox comes to light. Americans attacked Afghanistan in 2001 and Iraq two years later for the sake of their core values, i.e. democracy and freedom. Even the "Bush doctrine", which specified the American strategy of the war on terrorism, aimed at promoting these values.[15] Meanwhile, the American *soft power* was weak-

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[12] Cf. J. S. Nye in interview titled *Bush nie zniszczył Ameryki*, "Europa" supplement to "Dziennik" 5 May 2007.

[13] "American values" - the mentioned soft power of America - visible both in its internal and foreign policy are discussed by J. S. Nye (1990) in his book: *Bound to Lead: The Changing Nature of American Power,* New York. He developed his ideas further in his (2004), *The Means to Success in World Politics,* New York.

[14] M. Albright (2008), *Memo to the President*, New York [in Polish*: Rady dla prezydenta,* "Europa" Supplement to "Dziennik" 16 Feb 2008.]

[15] Assumptions of the "Bush doctrine" were presented in: G. W. Bush (2002), *The State of the Union Address*, Washington, The White House, January; *The National Security Strategy of the United States,* Washington, The White House, September 2002. For further details see: I. H. Daalder, J. M. Lindsay (2003), *The Bush Revolution: The Remaking of American's Foreign Policy,*

ened dramatically, if not destroyed. The United States has lost much of its moral power which has been part of the US political identity and a factor highly relevant to its role and place in the world. Its image was hurt by Abu Ghraib and Guantanamo where moral and humanitarian principles were violated, and by preferring military solutions (the "Bush doctrine") on the international arena. The invasion on Iraq, and earlier on Afghanistan, were perceived by many as symbols of global American imperialism. In this situation talking about a historical mission to promote democracy and freedom looked hypocritical to many communities and nations. A hypocrite should not lead, as the ethical foundations of their leadership become suspicious.

The ability to build coalitions, win allies and partners who gather under one banner in the name of common values and for one purpose was an important factor of US leadership. The Bush administration lacked that ability. Furthermore, during the first term of Bush's presidency, the United States also lost its appeal as a coalition leader as it adhered to unilateralism and the declared principle: "You're either with us or you are with the terrorists". What is more, the arrogance showed at the time, overconfidence and rejection of other points of view led to attempts to isolate the United States on the international arena and to conspire against the arrogant superpower. America produced an unprecedented capability for the building of political coalitions against itself, not with itself. The Bush administration squandered the huge emotional potential of international solidarity and support on which America could rely before 11 September 2001. The US failed to create anything constructive and positive out of 11/9. It failed to shape a new model of relations in the world. In result, the United States failed as a reliable and responsible leader.

For those reasons, at the end of Bush's presidency, the country experienced an unprecedented hostility, opposition, distrust, and even hatred. Those negative attitudes were to be explained not only as the effects of Bush administration's policy. They were also a reaction to America's wealth and power which induced envy and jealousy of its enemies and fed inferiority feelings of others. Anti-Americanism became an almost universal phenomenon and the main stream attitude of various communities in many cases hindered building friendly and close relations with the US administration. At home, some European leaders, and not only them, learned a painful lesson that supporting America and having a close relationship with President Bush could weaken their position in their own country and bury their election prospects. In other words, a pro-American attitude did not pay while anti-Americanism became a fashionable trend and a political asset. Can a greatest power play the role of a global leader if it induces so many negative emotions, even if not entirely justifiable and caused by it? The question seemed rhetorical. The worst thing was that it also referred to the US leading role in transatlantic relations which was an important factor conditioning the global rank of the United States.

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The Brookings Institution, May, p. 34ff.; J. Kiwerska (2005), *Neokonserwatywna polityka George'a W. Busha. Założenia, realizacja i skutki,* "Zeszyty Instytutu Zachodniego" No. 38/, pp. 38-54.

The failure in Iraq revealed the weakness of the strongest military power in the world. America had already suffered defeat, and a very spectacular one, in Vietnam. However, the situation was different then. It was the time of the Cold War and a continuous fear of Soviets. This automatically and permanently made the United States the patron saint and protector of the Western world. The status of America was not undermined by any Western country for their well-understood self-interest. Vietnam was but a failure which caused more havoc in the thinking and attitudes of Americans than among foreign allies and leaders of western European countries in particular. The world changed however, and many felt that the American colossus was actually not that strong, which gave them some satisfaction and also strengthened the desire to profit from the weakened role of the United States. Smaller powers and various countries that wished to co-decide on the order of things in the world or to demonstrate their new capabilities received an important message: America was no longer as powerful as we had thought.

The above prompted some observers to compare the Iraq war to the second Anglo-Boer War (1899-1902) which affected the fortune of the British Empire despite being victorious for the United Kingdom and carried somewhere on the periphery of the British Empire.[16] Today it is difficult to determine whether this analogy, as regards the consequences, was right. However, one thing is certain: Iraq and Afghanistan operations challenged the primacy of the United States by exposing its military and political weaknesses. America lost its advantage in the post-Cold War world. Its role of the world's policeman changed as it ceased to be the one ready to resolve conflicts, act effectively in event of threat and decisively react to hostile actions. It was unable to enforce its authority by force or persuasion, not even in a country of twenty million residents located on the Tigris and Euphrates Rivers. America – in a fairly common opinion – failed as an effective, competent and trustworthy strategist.

The Russia-Georgia conflict of August 2008 also exposed the weakness of the United States which did not have instruments strong enough to impose anything on Russia. The mere persuasion and pressure of the weakened superpower were hardly effective. The use of force was not an option. The American diplomacy was weak without strong instruments to exert economic, military or political pressure. That largely applied to its effectiveness in other regions and various conflicts to mention the Middle East, nuclearisation of Iran and North Korea, Islamic fundamentalism and international terrorism. Those threats and challenges exposed the US inefficiency, helplessness and lack of credibility and the needed support of other countries and their forces. The US no longer had a decisive say on solving problems and conflicts in the world. It found itself almost on the defensive, while the geopolitical offensive was taken "over" by other regional powers such as Russia and China, and the European Union.[17]

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[16] Cf. W. Mitchell, *Ameryka słabnie, Rosja w ofensywie,* „Gazeta Wyborcza" 30-31 August 2008; also F. Zakaria (2008), *The Future of...,* pp. 20-22.

[17] Cf. W. Mitchell (2008), *Ameryka słabnie...*

America was still a superpower but it functioned in a world of many new active players. Thus, the transformation of the unipolar system into a new geopolitical structure was in progress. It is a matter of discussion to what extent the United States itself contributed to the change of the order of things by its actions and losing its attributes of the leader and the world's policeman. Opinions were voiced that it was already Bill Clinton who did not manage to use the existing unipolar system effectively and that was why "the post-Cold War peace dividend could not be transformed into a global liberal order under the US leadership".[18] Unfortunately, commentators did not specify what had to be done in order to use the "extraordinary" opportunity which the United States had after the Cold War to build an international order permanently dominated by the US.[19] After all, the Bush administration demonstrated that it was impossible to enforce a universal liberal order under the leadership of America, and Clinton tried to promote democracy in various ways. Indeed, the admission of three countries from Central Europe, which were former satellites of the Soviet Union, to NATO also served that very purpose, i.e. the expansion and strengthening of the area of democracy and freedom.

Whatever the validity of blame put on the United States, it had to be admitted that already at the beginning of the second decade of the 21st century, the United States - willingly or not - had to compete with other powers and various political groups on the geopolitical market. That happened despite America still being the only country that had all attributes of a superpower: economic, military, technological and political. Other superpowers had varied and particular strengths, however that was enough to make their voices stronger on particular matters. In the world of complex relations and dependencies, particularly economic ones, other powers were able to block, restrain and even torpedo US actions more efficiently than ever. They could also join forces against America. Some called this new geopolitical constellation a multipolar system or return to the situation of the rivalry of powers, others spoke of a world without poles, and some about chaos or transition.

In any case, the emergence of new powers, whose place on the international arena was largely defined by their increased economic potential, was among most important developments in the first decade of the 21st century. It was due to economic factors that at that time new countries and regions suddenly gained importance. The growth of economies of China, India and south-eastern Asia was unprecedented and economies of Russia, some African and Latin American countries grew fast as well, and last but not least, the European Union kept increasing its potential too. According to 2008 forecasts of the World Bank, China and India were to triple their respective national income by 2030. (As a matter of fact, transformation processes in those countries and regions are a big and complex issue.) Their economic growth was accompanied by great ambitions and growing political potential. Already in 2008, F. Zakaria claimed that those countries no longer perceived themselves as pawns

[18] P. Khanna (2008), *Waving goodbye…*

[19] Z. Brzezinski, *Tarcza tak, ale nie taka,* „Polityka" 7 June 2008.

used by someone else on a geopolitical chessboard but as full participants in global developments[20] and Z. Brzezinski observed that: "We are witnessing an unprecedented awakening of the world awareness. For the first time in history almost all of humanity is politically aware".[21]

Not all countries, however, wanted to make use of their growing strength in the same manner and to the same extent. It seemed that China indeed wanted more power, prestige and recognition in the world, but its objective was to achieve a higher status by joining the international system, not by overthrowing or transforming it. In 2007 R. Kagan wrote: "National ambition drives China's foreign policy today, […] although it is tempered by prudence and the desire to appear as unthreatening as possible to the rest of the world […]".[22] China counted also on full acceptance of its internal order of things including its autocratic, undemocratic, and even oppressive attitude to Tibet.

Already then, some involvement of Beijing turned out to be indispensable while dealing with various issues and challenges in the world and China's impact on the course of events grew stronger. It was not only about blocking the North Korean nuclear programme, but also about Darfur. It was the PRC which by providing arms to one of the conflict sides, effectively sabotaged international efforts to end the war in that part of Africa. The United States seemed to be helpless in the face of China's operations. It was difficult for the US to challenge China as their economic ties expanded substantially in result of both globalisation and China's impressive economic growth. The gesture of the American national team who honoured Lopez Lomong, a US citizen born in Darfur, by asking him to carry the national flag during the opening ceremony of the Beijing Olympics in August 2008, became a symbol of the helplessness of the Bush diplomacy.

However, it was Russia, which despite political turmoil and economic collapse accompanying the breakdown of the Soviet Union, has never lost the zeal to regain its superpower status if only to a limited extent. The first decade of the 21st century was conducive to its goals. Rising oil prices fuelled Russia's economy and the lack of a sensible energy policy in the West, which was in part America's fault (as no plan to reduce oil consumption and invest in alternative energy sources was prepared), made many countries dependent on the supplies from Russia. The rule of Vladimir Putin, a determined, effective and ruthless leader who suppressed the chaos of the 1990s and restored the sense of pride and optimism in Russians, made Russia of the year 2000 a very different country. In 1999, its gross domestic product amounted to USD 200 billion and in 2008 it reached 2 trillion dollars. Russian military budget grew equally rapidly. In 1999, Russia allocated about 3 billion dollars to military purposes, while in 2008 it was over USD 40 billion. The Russian expenditure was

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[20] Cf. F. Zakaria in interview titled *Pax Americana się skończył,* „Dziennik" 19-20 July 2008.

[21] Z. Brzezinski (2008), *Tarcza tak ...*

[22] R. Kagan (2007), *End of Dreams...*

significantly lower than the American one (over USD 500 billion) but the growth rate of defence spending in Russia was impressive.

Thus, Russia's image changed and Russia had a new and greater economic and political potential. It was going to use its potential by breaking rules and standards of conduct and resorting to its methods from the past, that is to pursue its imperial policy by *faits accomplis*, energy blackmail, forced imposition of its interests, and recovery its areas of influence. Russia wanted to be not a partner but a rival and competitor on the international scene, and thus it tried to point to a "another" new pole of the world order or contribute to the world's multipolarity. When several years ago Putin said that the collapse of the Soviet Union was the greatest geopolitical catastrophe of the 20th century, many commentators perceived it only as an expression of nostalgia for the non-existent state. Years later, it turned out that his rhetoric had clear objectives: to recover the lost role and rank on the international arena, and to restore a geopolitical order beneficial to Moscow. "Russia's complaint today is not with this or that weapons system. It is the entire post-Cold War settlement of the 1990s that Russia resents and wants to revise." wrote R. Kagan.[23]

The attack on Georgia on 8 August 2008 was the best example of those new/old trends in Russia's activity. Leaving the responsibility for the conflict and its consequences aside, the reaction of the Kremlin, i.e. Russia's military attack on a sovereign, democratic country, destruction of Georgia's military and civilian infrastructure, and the use of Russian armed forces force against civilians, definitely exposed the dangerous and ruthless face of Russia. "This is the rebirth of Russia as a 19th century superpower challenging the post-Cold War order," wrote Ivan Krastev in his excellent analysis. According to him, in this way Moscow returned to the centre of the European and world political scene, and certainly not as a policy object.[24]

Undoubtedly, Russian foreign policy "after Georgia" resembled that of the 19th century. It was based on a typically Russian combination of national frustration, ambition and power. Therefore, the war in Georgia enjoyed such a big support of the Russian public opinion. For Russians, defeating Tbilisi implied the end of Russia's post-Cold War humiliation and return to the best – from their point of view – imperial policy. For those reasons it was so difficult to reach a compromise with Russia ruled by Vladimir Putin and Dmitry Medvedev. Disrespecting Western standards, Russia would not accept any limitations and restrictions which the West wanted to impose on Moscow's relations with its closest neighbours. Russia's conduct surely made it difficult for both the US and European countries to pursue actions and weakened the effectiveness of their initiatives concerning not only Georgia. At the same time, considerable powerlessness of American foreign diplomacy was exposed.

To some extent, the restoration of Russia's and other countries' power to be an active and strong player on the international arena was also a consequence of the weakening of the role and prestige of the United States. "By both what it has done

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[23] *Ibid.*

[24] I. Krastew, *Polityka mocarstwowa spółka z o.o.,* „Gazeta Wyborcza" 23-24 August 2008.

and what it has failed to do, the United States has accelerated the emergence of alternative power centers in the world and has weakened its own position relative to them", wrote R. N. Haass.[25] According to F. Zakaria, the new situation was to be attributed not only to the decline of America but also to the increase of the importance of other countries.[26] The point was that next to leading powers, many regional powers emerged shaping the international situation in different ways.

Iran has become such a new power. Benefiting from the increase in oil prices, the country of ayatollahs gained attributes of a regional power which not only refused to respect decisions of the international community on Iran's nuclear programme, but also impacted the situation in Iraq, Lebanon, Syria, and Palestinian territories in Israel. The very character of that state, the anti-Western and hostile to Israel rhetoric of its leaders and its policy, all constituted a threat to American interests in the region and were a limitation on the US policy.

In Latin America, Brazil and also Argentina, Chile and Venezuela became influential. The problem there was that the United States, focused on the fight against terrorism, neglected its southern neighbours and did not adequately respond to dangerous tendencies. Meanwhile, Latin America become both left-oriented and extremely anti-American. The tone was set by revolutionary and populist leaders who considered Fidel Castro their role model and Hugo Chávez their informal leader. Growing prices of crude oil gave the Venezuelan president an advantage. Revenue from petroleum exports was used to support other anti-American regimes in Latin America. Eventually, the president of Venezuela took the leading role in the region ousting the United States which long enjoyed it whether under the Monroe Doctrine or the neighbourhood policy.

Venezuela was yet another country which greatly capitalised on the raise of petroleum prices and made enormous political capital. In the beginning of the 21st century, the demand for oil increased and its price per barrel went up from 20 to over 1000 dollars in less than 10 years. It was due to the complicated situation in Iraq, a major oil exporter, but also, if not primarily, to the growth of oil consumption in the world, especially in China and India which were experiencing an economic boom, and in the United States, as well. The lack of an American energy policy – according to experts – led to imbalance in the world political order. Oil and gas producers, owing to enormous proceeds from sales, joined the geopolitical powers' club.[27]

Weak states complicated the situation. It is hard to agree with F. Fukuyama's thesis that the international world today is different because it is not dominated by strong states but the weak and failed ones.[28] However, in the face of weak governance and poorly functioning state administration, the actual power was, in fact, tak-

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[25] R. N. Haass (2008), *The Age of Nonpolarity*, "Foreign Affairs" May/June, No. 3; see also F. Zakaria (2008), *The Future of...,* pp. 21-22.

[26] F. Zakaria (2008), *The Post-American...,* p. 48.

[27] R. N. Haass (2008), *The Age of Nonpolarity ...*

[28] F. Fukuyama, *Epoka słabych państw,* „Europa" supplement to „Dziennik" 16 August 2008.

en over by various radical organisations beyond the state control, such as *Hezbollah* in Lebanon, *Hamas* in Palestine, or the Taliban restoring their influence in Afghanistan. Some countries were targets for various criminal cartels, terrorist forces and extreme religious groups. The use of military force, which is an important attribute of the United States, frequently proved to be ineffective in the world of weak states. Fukuyama claimed that one cannot use hard power to create legitimate state institutions and consolidate governance. He gave an example: the United States spent huge amounts on armed forces, not comparable to any other country, and yet it failed to stabilise the situation in Iraq, despite five years of strenuous and costly efforts.[29] Thus, the world of weak states limited the power of America in some way.

The role and place of Europe – the other party in cross-Atlantic relations, changed in the new though not fully crystallised world of diversified powers. The "Bush era" was followed by havoc in Euro-Atlantic relations, and Europe used the weakening position of the United States to its advantage. Some European countries felt that they could disobey America and it would no longer cause them trouble. European governments began to freely and strongly articulate their views, formulate critical opinions on the US policy, and even adopted confrontational attitudes to the US. Of course, that did not apply to all European countries and there were differences between EU Member States. The anti-American front nevertheless attracted various countries whose political interests were previously distant. Fukuyama warned that other countries started to mobilise against the United States, which became a less desirable, and even unwelcome partner if only for some time.[30]

America's heavily strained image among Europeans was also a problem. In Europe, president Bush became one of the least popular political leaders. It was not only about the assumptions of the "Bush doctrine," unacceptable to some politicians and European public opinion. It was a result of the attitude to the Republican president himself, his way of reasoning, conduct and personality. Conservatism, Manichean approach to problems, simplistic view of the world, and finally, the easily noticeable incompetence and mistakes of his administration, all intensified the dislike for Bush. It translated into a drop in favourability rankings for the United States and its policy, identified with hegemonic aspirations if not political belligerence. Public opinion polls in a number of European countries confirmed that. Results demonstrated that to the end of Bush's presidency, the approval for the United States was well below 50 per cent.

This reluctant attitude to the Bush administration was, to some extent, a result of long-lasting anti-Americanism especially of the intellectual elite of Western Europe. It was founded on a general dislike of Americans as *nouveaux riches* and their ignorant if not arrogant conduct, and of their leaders tending to pursue imperialistic policies. There was also much of a concealed inferiority complex toward the power which half a century ago took the international leadership away from Europe, and

[29] *Ibid*.
[30] *Ibid.*

deprived highly sophisticated European culture of its primacy in the world. Indeed, eight years of the Bush administration, its peculiar style and controversial undertakings, strengthened anti-American attitudes in Europe. Bush certainly could not, unlike Clinton, leave his office in the White House with the honourable title of "a European" and the prestigious Charlemagne Prize awarded annually by the Chancellor of Germany in Aachen. Anti-Americanism was expressed by a large part of the public opinion and the intellectual elite of Western Europe. Reluctance toward the United States increased even in Central and Eastern European countries which were earlier regarded strongly pro-American e.g. Poland. Those were the undisputed facts that weakened the status image and rank of the US. They also affected the condition of relations between America and Europe.

However, it was the growing feeling of European independence that had the strongest impact on transatlantic relations and their new dimension. After the period of post-Cold War transformations and development of a new order in Europe, the Old World found itself in a situation where its close ties with the United States were the result of an informed choice rather than necessity. Consequently it was possible to impose conditions, adopt a strongly autonomous stance toward the American superpower, and put an end to Europe's image of an obedient partner, sometimes even a vassal. Europe benefited from the difficult situation of the until then undisputed superpower: its weakened role in the world, tarnished image and inability to cope with many challenges "on its own." As a result, the Bush administration was unable to make its case even within NATO. The issue of Afghanistan was the best example. There was a joint mission of NATO, and its European members increased their contingents, however not to Americans' full satisfaction as their expectations about European commitment were much higher.

The growing feeling of Europe's independence was also strengthened by the ongoing European integration. It was no secret that the European Union, whose GDP in the first decade of this century was higher than the American one, was a growing challenge for the United States. The economic aspect of the problem is a huge issue but it suffices to say that economic conflicts between the US and the European Union certainly did not improve mutual relations. There was much more competition and rivalry than willingness to cooperate. On the other hand, both the EU and the United States were part of the same Western system of rules and principles of free market economy, they both participated in globalisation processes, and without their cooperation it would be difficult to solve major economic problems of the world. Awareness of that fact was increasingly manifested on both sides of the Atlantic, especially in the context of the growing financial and economic crisis at the end of the first decade of the 21st century.

The political aspect of the relationship between the United States and the European Union which is a unique formation in the history of our continent, needs to be discussed. Simply put, the political influence of the EU kept increasing at the expense of America. Both Brussels' technocrats and leaders of major EU Member States tried to make the UE a balance factor or a global intermediary between the

United States and the rest of the world. That refers especially to countries in conflict with America. Three major EU countries – Germany, France and the United Kingdom - conducted negotiations with Iran over its nuclear programme. The talks did not bring expected results, however the European trio or "troika" emerged to be an important player that could contribute to stopping the Iranian nuclear project.

While the United States unsuccessfully tried to resolve the situation in Iraq, Europe engaged its financial resources and political capital to attract peripheral countries. "Many poor regions of the world have realized that they want the European, not the American dream" wrote P. Khanna with some exaggeration.[31] His point was that in the world of the 21st century, tools of "soft power", especially of economic and cultural impact, were more important for enlarging influence zones. It was striking that the "Bush era" was primarily associated with the military dominance and as such resembled the times of the Cold War, not to mention the loss of the soft power attributes of the United States, which was against the American tradition.

The European Union benefited from this as well. As a structure integrated mainly in the economic dimension, it itself created an exemplary model of development, but also provided considerable assistance and support to other countries. Referring to the famous Kagan's thesis on Europe being from Venus and America from Mars, Khanna argued that Europe is like Mercury as it has deep pockets.[32] Indeed, the EU market grew to be the largest in the world and European technologies increasingly set standards. At the same time EU Member States were among the largest donors of development aid. Referring to the ability to peacefully co-exist developed by Europeans after their dramatic past experiences and in spite of various differences and old prejudices, Zygmunt Bauman observed that Europe could offer the world its experience and skills which our planet in the present distress needed most.[33]

The European approach paid off in the form of the EU's greater political power. The European Union became a more desirable partner as it was less controversial and arrogant than America. The EU had hardly any inclination to act as a hegemon. Kagan commented on that as follows: "Europeans seek honor and respect, too, but of a postmodern variety. The honor they seek is to occupy the moral high ground in the world, to exercise moral authority, to wield political and economic influence as an antidote to militarism […]".[34] Thus the European Union was on its way to establish another pole of the new international system. According to some experts, in the new world order leading roles would be played by the U.S., China, and the European Union. The new Big Three already imposed some rules and standards and other countries were but to choose partners in the emerging new order. The Big Three fought hard for greater influence, that is "who would attract whom". That made relations between the three difficult. It was particularly important to the

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[31] P. Khanna (2008), *Waving goodbye...*

[32] *Ibid*.

[33] Z. Bauman, *Korzenie amerykańskiego zła,* „Gazeta Wyborcza" 28-29 June 2008.

[34] R. Kagan (2007), *End of Dreams…*

relationship between America and the European Union. Both of them belonged to the same western world of values and principles, however, their respective interests, goals and competition for influence began to divide them even more noticeably than before.[35]

The effectiveness of EU political activities on the international arena was still an open question. At the end of the first decade of the 21st century, the question was whether the European Union was an institution sufficiently tight and strong to ensure the EU's security and implement its foreign policy, and whether it had mechanisms and measures necessary to effectively respond to emergencies. Henry Kissinger once asked "Who do I call if I want to call Europe?". In other words the question was if Europe had a defined response facility which one could call when seeking effective response to threat or in need of instant aid? Answers to that question were to reveal Europe's actual strength on the international arena and thus its ability to solve political problems effectively.

In this respect, one has to agree with the opinion that the European Union, despite the weakened United States, was not yet an alternative to American leadership. An obvious weakness of the EU was its lack of military structures. In Brzezinski's opinion, "A political Europe has yet to emerge". Referring to Europe's relations with the United States, he argued that the political dialogue between America and Europe was limited to bilateral relations especially with Great Britain, France and Germany, which themselves are unable to take a common stand on issues important to America."[36] To some extent, this bilateralism resulted from its ease. It was easier for the Bush administration to talk with individual European partners rather than the integrated whole. It was during Bush's first term when US Secretary of Defence Donald Rumsfeld distinguished between American policies toward "Old Europe" and "New Europe". During Bush's second term, differences lessened somewhat. Nevertheless the point was that the European Union was still not able to resolve world conflicts on its own. Having not formed a joint military force yet, the EU was not openly inclined to do so. In other words, the EU was not a global player yet.

The inertia and conservatism of the European Union were strong. Individual EU Member States had different interests, attitudes, experience, objectives and thus policies. Their different assessments of various situations as well as their different expectations, for many years precluded the EU from developing its common foreign policy and common position on a multitude of huge and small international problems. At the beginning of 2009, it was even difficult to prejudge whether the Lisbon Treaty would be an effective mechanism shaping EU common foreign and security policies. This assessment of the situation in the EU was not changed even by the EU's involvement and role during the Georgian crisis, where the president of France, which held the EU presidency, was an effective conflict mediator. Also decisions taken on 1 September 2008 at a special EU summit did not result in the

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[35] P. Khanna (2008), *Waving goodbye...;* see also: R. Kagan (2007), *End of Dreams…*

[36] Z. Brzezinski, *Tarcza tak ...*

adoption of a tough stance on Russia, i.e. radical enough to force Moscow to give up its *fait accompli* policy. EU Member States did not agree on all proposed sanctions to be applied. Eventually they agreed to suspend the EU's talks with Russia on a new partnership and cooperation agreement, but decided not to impose any economic sanctions or visa restrictions on Russia. A rhetorical question was whether the European Union – diversified, not having its common foreign policy and more strongly dependent on Russian energy supplies than other regions of the world – could afford to confront Russia.

From the American perspective and in a political sense, the European Union was still quite a "cloudy" formation with internal contradictions that impeded its potential role of an important and effective actor on the international stage. It did not mean that the condition and capabilities of the European Union would have no impact on transatlantic relations including their prospects and scope. In essence, America had questions about the European Union's international impact and its consequences for the condition and shape of the Euro-Atlantic community, and above all, its impact on the United States' place in the world.

At the beginning of the second decade of the 21st century, America faced an aggregate of extremely difficult and pending problems resulting from dynamic transformation processes in the world, which manifested themselves in the declining – according to many – international ranking of the United States and the emergence of new powers. What strategy did the United States adopt in view of those challenges? Was it effective? Did various forecasts and expectations formulated at the time when G. W. Bush was about to leave the White House, prove correct and become executed? What was the international standing of America after four years of the Barack Obama administration?

In January 2009, when president Obama took office, he had to rebuild a good image of America and restore the high place of America in the world, which was strained by his predecessor's policy, economic crisis and the emergence of new powers and competitors on the international arena. America had to re-win trust and admiration to effectively compete on the international arena. A politics of fear was not an option. Undoubtedly, when the first African-American president of the United States began his term, there were high hopes and support expressed by both Americans and most of international public opinion. This was an advantage which G. W. Bush certainly did not have when moving to the White House in 2001. Then, in Europe, the Republican president was judged on his conservatism, Manichean approach to problems and amateurism in international affairs. Later, in result of his policies, the dislike of Bush grew stronger negatively affecting attitudes of many leaders, politicians and communities toward America. In contrast, Obama evoked mostly positive emotions if only because he was not Bush, but also in anticipation of the announced changes in American foreign policy.

The context helped Obama to relatively quickly improve the image of the United States in the world. Obama's first declarations to return to the Wilsonian or original understanding of "the historical mission" of the United States served that purpose

too. Obama spoke about promotion of democratic principles and values by America which could not be done by force. The best way to promote them was to live by them at home. This was repeated in the *National Security Strategy* published in May 2010. The document was based on the presumption that "America's commitment to democracy, human rights and the rule of law are essential sources of our strength and influence in the world." Therefore, the "mission" was to begin in the United States and spread to the world from there. Foundations of American leadership were reinterpreted as it was emphasised that "global security depends upon strong and responsible American leadership." As written in the *National Security Strategy*, the foundations of this leadership should be strengthened, especially domestically.[37]

The new strategic concept equally strongly emphasised the need for broad co-operation in the world. The document reads: "Diplomacy is as fundamental to our national security as our defence capability". Recognising limitations on American dominance in the world, it was clearly stressed that cooperation must have included both international institutions and allies in Europe, Asia, Americas and the Middle East.The emergence of new poles in the global order required "deeper and more effective partnerships with other key centres of influence - including China, India and Russia […]".[38] If one wanted to indentify a distinctive trait of the new *National Security Strategy*, it would definitely be a wide offer of international cooperation, including diplomatic cooperation and dialogue. That was how Obama's America intended to find its place in the world of diversified powers.

The first declarations and strategic arrangements were accompanied by actions. The tone and style of American diplomacy changed. It was dominated by the will to work through dialogue, negotiation and cooperation. Even American enemies and opponents were offered to enter talks and negotiations. The offer included "rogue states", like Iran. The declaration of talks without preconditions was certainly encouraging and appealed to many Americans and world public opinion. The question was whether it would be an effective strategy to address the main problem which was the threat of Iran's nuclear programme. After all, the European "trio" - Britain, France and Germany - had already carried talks with Tehran for several years without visible results. President Obama, however, remained hopeful that his offer for Iran and the Muslim world to start a dialogue and discussions would be taken seriously and possible to advance. In fact, this was the main message of his memorable Cairo speech in June 2009.[39] Other uses of soft power included the announced closing the controversial Guantanamo Bay detention camp where basic rights were violated, and active participation in the fight against climate change. Much was said

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[37] National Security Strategy, May 2010, www.whitehouse.-gov/sites/default/files/rss_viewer/national_security_strategy.pdf

[38] *Ibid.*

[39] White House, Office of the Press Secretary, *Remarks by the President on a New Beginning*, Cairo University, 4 June 2009, www.whitehouse.gov/the-press-office/remarks-president-cairo-university-6-04-09.

about the withdrawal of American troops from Iraq in near future (it happened in December 2011) and stronger commitment to assist Afghanistan. It seemed that a more pragmatic and consultative approach replaced the former ideologisation of American policy and authoritarianism in decision taking.

What seemed to particularly distinguish actions of the new administration from the previous one was its new approach to terrorism. The Bush administration made the war on terror its absolute priority and the very substance of its policy to which the style of operations and strategies were subordinated. Obama, who recognised the threat of violent extremism, especially of al Qaeda, drew attention to other threats and challenges. The threats posed by mass destruction weapons, their proliferation, and hazards associated with nuclear programmes of Iran and North Korea were emphasised equally strongly if not more. The new president clearly saw a need to reduce armaments, including advancement of nuclear disarmament.[40]

Terrorism was not high on the Obama administration's agenda. They seemed to understand that the "war on terror" referred to something abstract without directly pointing to where the problem was and who the enemy was. Talking about the "war on terror" without a clear definition of who the enemy was excessively narrowed and simplified the complexity of both causes and conditionalities. A negative perception of America in the Muslim world was certainly a cause. Hence Obama addressed the Muslim community in Cairo with a positive message, i.e. a declaration of intent to support peace and provide aid and assistance. What is more, the American leader – in contrast to many previous US presidents, criticised Israel's settlement policy and clearly articulated the point of view of Palestinians/Muslims, which annoyed the Jewish community.[41]

From this perspective, the operation to kill Osama bin Laden on 2 May 2011 at the direction of the White House was controversial from moral and legal points of view (execution without an attempt to catch and bring the leader of al Qaeda to trial). It was a breach of the rules which Obama sought to promote. Not surprisingly, it met with a strong reaction in the world. In some commentaries, Obama was compared to Bush Jr. and accused of violating human rights. This was one aspect of the case. On the other hand, by killing the leader of al Qaeda and accomplishing the most important objective of his predecessor's foreign policy in a manner not entirely acceptable to the democratic world, Obama eliminated the greatest terrorist of the world and a leading apologist of the most radical political movement of our times. Osama bin Laden was a symbol and his death meant closing a chapter in the fight against terrorism. All in the world accepted that it was "an act of national self-defence" which was justified and understandable.[42] The world reacted similarly to further acts eliminating

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[40] *Ibid*.; see also Z. Brzezinski (2010), *Front Hope to Audacity,* "Foreign Affairs" January/February, No. 1, p.16ff.

[41] CF. M. S. Indyk, K. G. Lieberthal, M. E. O'Hanlon (2012), *Bending History. Barack Obama's Foreign Policy,* Washington, pp. 118-119.

[42] W. Osiatyński in interview titled *Bin Laden musiał zginąć,* „Gazeta Wyborcza" 7-8 May 2011.

radical leaders, such as Anwar al-Awlaki who after the death of bin Laden was said to be the most dangerous terrorist. His death in Yemen on 30 September 2011 inflicted by a drone was an example of a new type of activities carried out by the US in its fight against terrorism. Some claimed that those acts helped the American president to presented himself to the world as a strong and decisive leader who strengthened the international role of the United States.[43]

Russia was the country which started to play a special role in the new American thinking about the role of the US in the world and its international relations. Already in February 2009, at an international security conference in Munich, a new opening in relations with Moscow was announced. "[…] it's time to press the reset button and to revisit the many areas where we can and should be working together," said American Vice President Joseph R. Biden.[44] It very quickly became clear that the Obama administration treats "resetting" relations with Russia not only as a neat slogan, but an actual direction of American policy to the implementation of which the US was to devote much time and effort. Opinions on whether that approach was effective and reasonable were strongly divided.

It is hard to deny that without the Russian partner it would be much more difficult if not impossible to eliminate threats to European security and deal effectively with challenges on global and regional levels, especially in face of diffusing new powers. Therefore, relations with Russia could perfectly fit into the new style of the Obama administration's activity on the international arena, i.e. favouring dialogues and seeking cooperation and agreement. Resetting relations with Moscow led to the signing of a new START document on 8 April 2010 which significantly reduced the limits on American and Russian nuclear warheads. It was an act of great importance, as the START I treaty, which was signed by George H. W. Bush Sr. and Mikhail Gorbachev, was due to expire at the time. Interests of the United States associated with Russia also included the possibility of further use of Russian (formerly Soviet) air and land space to transport supplies for western allied forces in Afghanistan. That logistic assistance was almost a *sine qua non* for the success of the American mission in the Afghanistan. Other issues, the solution of which would be much more difficult without Russia's involvement, included blocking Iran's nuclear programme and the Near East conflict. The situation in Syria was an additional issue. If only for those reasons, it was worth to seek arrangements with Moscow.

On the other hand, the policy of "reset" relations with Russia had a price which the Obama administration paid. For Poland, it was painful. In September 2009, Obama decided to scrap the missile defence agreement the Bush administration negotiated with Poland and the Czech Republic. Originally, some elements of the missile defence system were to be installed in those two countries. Obama's decision to scuttle that part of the European defence system was a side effect of the appre-

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[43] M. S. Indyk, K. G. Lieberthal, M. E. O'Hanlon (2012), *op. cit.,* pp. 70-72.

[44] J. R. Biden, *Speech at the 45th Munich Conference*, 7 II 2009, www.securityconference. de/konferenzen/rede.php?menu_2009 = &menu_konfer

ciation of Russia's role and importance by the US in the context of its security and foreign policy. Aware that the deployment of units of the US anti-missile system in countries geographically close to Russia annoyed Moscow and was strongly opposed by it, the Obama administration decided to abandon the commitment of Bush. It was not a complete abandonment of the plan to build a US missile defence system in Europe. The plan was modified. Clearly, there were technical reasons which made Americans change their decision. The new architecture of the system appeared to be cheaper and technologically more efficient and it was to warrant greater security of the United States and its allies. Opinions of commentators made it quite clear however, that the redesign was definitely a friendly gesture toward Moscow. After all, what could please Russia more than assurance that in Poland there would be no American missile base and that in the Czech Republic there would be no American radar to monitor Russian airspace.

There was one more aspect of the Obama administration's decision to implement a new defence system. For Russia, that decision meant not only rejection of what its leaders did not accept, but also a prospect of joining the new project. In other words, it meant a full recognition of Russia's aspirations to play a significant role in the world of diversified powers. It is worth noting that in fact, the Obama administration revived Clinton's idea, who in the early 1990s tried to make Russia his "strategic partner".[45] It did not work at the time, if only because Yeltsin's Russia was weak, in chaos and unpredictable, and America dominated in the world anyway. Now that strategic objective seemed more plausible given the stronger standing of Putin's Russia and the limited American power which forced it to cooperate and to compete.

At this point, it is worth asking what the place of Europe in the strategy of Obama's administration was. So far, Europe was the most important ally and partner of America but also its growing economic competitor. At least it seemed so while reviewing US-EU relations to the end of Bush's presidency. There is no exaggeration in saying that an improvement of relations with Europe, attention paid to the importance of transatlantic cooperation, and restoration of its cohesiveness and effectiveness could be an important factor contributing to strengthening the role and importance of America in the world leaning toward multipolarity. It was a task both important and difficult, given the quality of transatlantic relations which President Obama inherited from the "Bush era." The strained mutual trust, a growing feeling of autonomy in Europe, but also Bush's attempts to polarise Europe were but some of the reasons which weakened the alliance between America and Europe.

There is no doubt that to reconstruct strong ties between the allies, it was essential to restore a good climate in their relations. This was the purpose of the change of the US style of politics where again importance was paid to diplomatic activities and demonstration of willingness to cooperate with and listen to US partners. America tried to rebuild its *soft power* which unquestionably contributed to its prestige and

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[45] For further details see: J. Kiwerska (2000), *Gra o Europę. Bezpieczeństwo europejskie w polityce Stanów Zjednoczonych pod koniec XX wieku,* Poznań, pp. 255-277.

importance and was highly regarded in Europe. But such efforts did not solve the problem. Transatlantic relations needed to have more substance and be given a new impulse. Europe expected that President Obama would appreciate the significance and importance of the US alliance with the Old World and recognise the importance of European countries in American politics. It was not only about friendly gestures, not about more consultations, but, above all, about more commitment and time devoted to European issues. In turn, the Obama administration hoped for a more effective involvement of Europeans in solving problems and overcoming challenges.

A review delivered to the end of Obama's first term was not positive. The US and Europe failed to strengthen their transatlantic relations. They did not offer a convincing reason for up keeping their relations and did not deliver a strong impulse. The Obama administration made proposals and suggestions which did not meet with an adequate, or expected, response from the European side. In turn, many European countries were disappointed with some gestures and actions of the US administration. President Obama's visits to the European continent were limited to the necessary minimum and some important meetings, such as the planned EU-US summit in May 2010, were removed from the American short list. On the one hand, there was a feeling of Europe's marginalisation in the US global policy and, on the other hand, Europe remained both assertive and passive in respect to many challenges and problems. Thus the impression that Europe (European Union) and the United States drifted apart persisted.

During Obama's first term, the European continent was no longer a region of prime importance to the US.[46] To some extent, this was due to the weakening of emotional ties between American politicians and European leaders. The background of Obama himself – his father from Africa, childhood spent away from the American continent in Asia and Hawaii – automatically pointed to his weaker emotional bond with Europe. Thus, a close relationship with the Old World depended now more on pragmatics than – as it used to be for over 50 years – on historical, emotional or cultural bonds.

America's lesser interest in Europe resulted also from the simple fact unlike during the Cold War and shortly after, Europe was secure, stable and democratic and thus it was no longer an area of US worries. To Obama, Europe was relevant in the context of and in relation to his objectives constituting a real challenge to American interests and priorities. That approach was explained by R. Kagan who said that Obama was the first truly post-Cold War American president and his attitude to Europe was not emotional. As a man steering a troubled superpower, Obama focused

[46] In this context, it is very meaningful that in a new American publication evaluating foreign policy of the Obama administration (M. S. Indyk, K. G. Lieberthal, M. E. O'Hanlon, *op. cit.*), its authors decided not to devote even one chapter to US relations with Europe while their first chapter is titled: *Emerging Power: China,* pp. 24-69. This indirectly shows the level of the Obama administration's interest in Europe.

on what Europe could do for him while Europe's strategic importance kept decreasing at its own request because of what Europe did and did not do.[47]

The Obama administration expected transatlantic relations to be more than sharing values and principles that is NATO and security issues. It was expected that the relations would have a more practical dimension. America wanted Europe on which it could count while solving various problems and which would get involved, as much as it possibly could, in various parts of the world often very distant from the European stage. "We want strong allies. […] We're not looking to be the patron of Europe. We're looking to be partners with Europe.", said Obama during his first European visit as President in April 2009.[48] Given various challenges including global economy issues, terrorism, threat of nuclear proliferation and the Middle East conflict, the objective of the Obama administration was to cooperate with everyone able to effectively contribute to solving those problems. That was the special role the US assigned to its European allies.

At the time, European countries, although integrated in the European Union and having a foreign affairs minister of the EU, failed to present themselves as an effective and active player on the international arena. They did not assume the role of a power, which the European Union potentially was. They consistently criticised long detention of terrorist suspects in the Guantanamo prison without any sentence having been passed, but refused to let the released prisoners enter their territory. Furthermore, in the case of the Middle East conflict. Europe lacked real determination to engage diplomatically as much as it potentially could, in the implementation of the peace process. Europe awaiting actions of the US, limited its role to financial aid for the Palestinian side (about 1 billion euro per year). The role the European Union played in resolving the dangerous and still insurmountable problem of Iran's nuclear ambitions was hardly perceptible then, while earlier, the "troika" countries carried important talks with the regime of the ayatollahs.

Apart from the economic crisis, Europe failed as a strategic actor on which the United States counted, due to the lack of readiness of European countries to make greater commitment and take greater responsibility for the course of events in the world. That would require overcoming national egoism, displaying more dedication, and demonstrating the willingness to cooperate with America in partnership. It is worth noting that in the area of foreign policy and defence policy, EU Member States cultivated their national sovereignty. Therefore, it was difficult to make them think in terms of a joint EU position. Even while joining NATO operations in Afghanistan, European countries acted as individual allies strongly dependent on their national conditionalities and limitations.

Moreover, according to Americans, Afghanistan proved the lack of Europe's decisive involvement in supporting the United States. It also exposed the weaknesses

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[47] R. Kagan in interview entitled *Obama - cudu nie było,* „Gazeta Wyborcza" 16-17 January 2010.

[48] After M. E. O'Hanlon, *Obama's Solid First Year on Foreign Policy*, www.brookingsed/opinions/2010/010 l_obama_foreign-_policy_ohanlon.aspx...

of the North Atlantic Treaty, i.e. the lack of determination and sense of shared responsibility among some of its members though, officially, it was a NATO mission in Afghanistan. In result of the above, it was the United States which had to make up for various material, human and operational deficiencies of operations in Afghanistan. (President Obama had to increase the US contingent from 38 thousand early in 2009 to 90 thousand in mid-2012). That surely did not improve Americans' perception of European allies. On several occasions, European leaders declared that the success of the Afghan mission was relevant to national security of their countries, but in practice the mission was treated as an almost exclusive responsibility of the United States. The more so as the NATO operation in Afghanistan met with little support of the European public opinion.

In this context, one could hope that the Arab Spring of 2011, with its most bloody part being the NATO military operation in Libya, would give a new impetus to transatlantic political relations, or at least confirm their value and importance for the involved NATO members as well as their close and distant neighbours. For various reasons, that NATO military operation had no precedent. In contrast to most previous NATO military interventions, it was undertaken not on the initiative of the United States but several European countries, mainly France. In a way, the US was forced to join that operation. It was also Paris, supported by London, which forced the Security Council to adopt a resolution which *de facto* sanctioned the military intervention. In the beginning, the operation in Libya was led by the United States. At the end of March 2011, NATO took the command over and the US became but a member of the coalition. Thus, it was the first military operation of NATO in which America was "leading from behind".[49] But the precedence ends there. The Libyan operation extended in time (it lasted until September 2011) and military resources of participating European countries shrank as did their will to continue military operations. In consequence, America had to take initiative, increase its military forces and again play the leading role directly contributing to the removal and death of Colonel Muammar Gaddafi. The lessening involvement of European countries was undoubtedly related to a long process of reducing defence spending by European allies, which in practice meant that their military capabilities decreased.

American criticism of the European involvement in the Libyan operation included other developments as well. Firstly, it was not a truly joint operation as a number of important countries, including Germany and Poland, refused to participate in it. Secondly, one could have reservations about the EU common foreign and security policy. It seemed that the Lisbon Treaty equipped the EU diplomacy with tools which could be used to integrate EU Member States to deal with cases like Libya and – earlier - the revolt in the Arab countries of North Africa and the Middle East. In reality, the European Union failed. It was not Catherine Ashton, the head of the EU diplomacy, who coordinated actions taken but two European capitals – Paris and London. Hence, in Europe, national policies and interests dominated, not the EU di-

[49] CF. M. S. Indyk, K. G. Lieberthal, M. E. O'Hanlon (2012), *op. cit.,* p. 158.

plomacy. So to speak, that particular European telephone number which Americans could call in case of emergency was not there.

All those factors were important, however, there is no doubt that the lowering of Europe's place in American politics was primarily a consequence of the new international environment of emerging powers in which the United States had to function. They competed against America and strongly threatened its interests. While the European Union busy with the spreading economic and financial crisis and threats of EU disintegration, no longer "inspired the world," other powers have become actual competitors of the United States.

Undoubtedly, China is such a challenge for the US economy and politics, as it has been consistently and rapidly developing in recent years. It suffices to give some figures. The US debt to China is over USD 1.5 trillion, and it is projected that in 2020 China, with its economic growth of nearly 10% annually, will be ahead of the US in terms of GDP (India ahead of Germany, and Russia ahead of the UK and France). In 2030, China's GDP will be greater than the American and Japanese GDP together (and India's GDP greater than the total product of Germany, UK and France).[50] The growing economic potential has increasingly financed military resources and capabilities of the new powers and raised their political importance. While four years ago it was said that China's ambitions were limited to the economic sphere, at the end of Obama's first term some argued that the growing economic strength of the People's Republic of China resulted in an increase in its political aspirations in Asia. Beijing has become more aggressive toward its neighbours, e.g. the Philippines and Vietnam, not to mention Taiwan, which worries neighbouring countries, including Japan, and even Australia. If we add China's potential to influence North Korean politicians, who threaten the world with their national nuclear programme, it is not surprising that the Obama administration has focused on the Asia-Pacific region and hence the American "pivot to the Pacific Rim"[51] and opinions that "Obama is not the first African American president of the United States but the first Asian one".[52]

The new strategy of America was announced in November 2011, during Obama's visit to the Pacific region. Speaking to the Australian parliament, Obama declared that "the United States is turning our attention to the vast potential of the Asia Pacific region". He stressed that the United States as a Pacific power should contribute to shaping the future of the region. Therefore, the American presence in the Asia-Pacific region was to be a highest priority in the new US foreign policy.[53]

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[50] After Z. Brzezinski (2012), *Strategic Vision. America and the Crisis of Global Power,* New York, p. 65.

[51] This expression was first used by the Press Office of the White House, see: M. S. Indyk, K. G. Lieberthal, M. E. O'Hanlon (2012), *op. cit.,* pp. 56-59.

[52] Emilio Lamo de Espinosa (president of the *Real Instituto Elcano* in Madrid) in interview with M. Stasiński, *Nie pozwólmy umrzeć Europie,* "Gazeta Wyborcza" 4-5 August 2012.

[53] White House, Office of the Press Secretary, *Remarks by President Obama to the Australian Parliament*, 17 November 2011, www.whitehouse.gov/the-press-office/2011/ll/17/remarks-president-obama-australian-parliament.

It was confirmed with a new US-Australia agreement on strengthening US military presence in Australia. Deployment of a contingent of American soldiers (initially 2.5 thousand) in northern Australia was announced at the time when the Obama administration developed their plan to drastically cut defence spending (USD 500 billion in next 10 years) and reduce US military presence in Europe. The US did not intend to reduce American bases in Japan (40 thousand soldiers) and South Korea (28.5 thousand). The plan was to provide military support for Singapore and the Philippines. The American "pivot to the Pacific Rim" – although expected, given long-observed changes in the international order due to the emergence of new powers – provoked a strong response in the world. There was criticism of such a revaluation of priorities in US foreign policy. Disappointment and dissatisfaction were common especially among European allies. However, in America, it was argued that Europe nonetheless remained the most important obligation of the United States in terms of security, and that transatlantic relations were highly important to both the US and Europe. At the same time, it was questioned whether China had real capabilities to translate its economic potential to international political power and whether it was likely to play a dominant role in the region.[54] Opinions were also voiced that the Arab Spring was a great opportunity for the US strategy as it created a new space for America to carry its "mission" and build American relations with the Muslim world on entirely new principles. It was argued that otherwise, i.e. with no American interest and involvement there, the region would be dominated by Islamic fundamentalists.

On the other hand, there was a strong belief that the biggest challenge for American politics would be the Asia region, with two states growing in power: China and India. Furthermore, the world's economic centre of gravity kept moving from the West to the East and, as Brzezinski put it, the "political awakening" intensified worldwide.[55] It was expected that the dynamics of the modern world would be shaped by Sino-American relations characterised by tensions but also mutual dependence, hence called "Chimerica" by British historian Niall Ferguson. Some foresaw effective expansion of China thanks to its *soft power* which earlier seemed to be "reserved" for the US. Manifestations of Chinese "soft power" have been China's foreign investments with which it strengthened its recognition and role in the world. Those investments-in-aid were particularly attractive to poor and weak countries. The Chinese aid did not require democratisation, clearance of accounts nor even a sensible economic policy contrary to the aid provided by international institutions such as the World Bank and the International Monetary Fund dominated by the US.

To be ready to face the above, America has had to prepare itself by changing its policy priorities and turning to "the Pacific Rim." The US should strengthen its political and military commitments in the region, revitalise the existing regional alliances (APEC, ASEAN), and finalise new agreements (in addition to the already

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[54] R. Kagan, *Not Fade Away: Against the Myth of Americana Decline*, "The New Republic" 17 January 2012.

[55] Z. Brzezinski (2012), *Strategic Vision*..., pp. 26-36.

ratified *US-Korea Free Trade Agreement* and *Trans-Pacific Partnership, TPP*). As aspirations of Beijing have been worrying, the US had better act immediately. Furthermore, China is the main and most important trade partner in the region but not necessarily a desirable strategic ally.[56] It follows that America, with its experience and still considerable potential, is perceived as a counterweight to the People's Republic of China and a guarantor of security for many countries in the Pacific region.[57]

If a conclusion is to be drawn from the long discussion on the US strategy in view of the world heading towards multipolarity, it is the need to maintain American leadership against all odds.[58] "If America was immersed in deep crisis which would paralyse it for a long time, its consequences on the international arena would be extremely negative ", argued Z. Brzezinski, convinced that no country is able to substitute for the United States.[59] His view has been shared by R. Kagan, who in his another bestseller *The World America Made*, asked a highly valid question: "If American power were to decline, what would that mean for the international order?".[60]

Concerns about geopolitical consequences of America giving up its role of the global leader or of actions effectively weakening the role of the US in the world seem to be widely spread. "The United States, regardless of its policy mistakes, is the ultimate source of global stability", claims Brzezinski.[61] He has repeated and strongly emphasised that thesis in his most recent work *Strategic Vision*. Brzezinski, who is an expert on modern world politics, admits that today's world of many new powers will not easily give in to the domination of one superpower, even as powerful as the United States. However, the important role of America in the world as "the promoter and guarantor of a revitalised West and as the balancer and conciliator of a rising New East"[62] has not changed.

The US is still number one in global economy and the only superpower able to carry war in every region of the world, however distant from its territory. Hence, its withdrawal would mean chaos, return to the rivalry between minor and major powers, revival of old conflicts, and possibly even the end of the domination of market economy. According to many analysts and experts, such prospects await the world without American leadership. Even if there were a power able to take over the role of

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[56] Cf. D. W. Drezner, G. Rachman, R. Kagan, *The Rise or Fall of the American Empire,* www.foreignpolicy.com./articles/2012/02/ 14/the_rise_or_fall_of_the_american...

[57] R. Kagan (2012), *The World America Made,* New York; Z. Brzezinski (2012), *Strategic Vision...,* p. 184ff.

[58] B. Jones, Th. Wright, J. Esberg, *Reviving American Leadership: The Next President Should Continue on the Path Obama Has Set,* www.brookings.edu/research/papers/2012/05/25-americas-role-jones-wright

[59] Z Brzezinski in interview with A. Lubowski, *Szach królowej,* „Gazeta Wyborcza" 5-6 November 2011.

[60] R. Kagan (2012), *The World...,* p. 68; see the work by the same author *Why the World Needs America,* "Wall Street Journal" 11 February 2012.

[61] Z. Brzezinski (2011), *Szach królowej...*

[62] Z. Brzeziński (2012), *Strategic Vision...,* p. 192.

the United States, the future would be unknown and thus uncertain. The same applies to a multipolar scenario. As history has taught us, that type of international systems is neither stable nor free from wars, conflicts, rivalry and disputes. Therefore, to paraphrase Churchill's words, the leadership of the United States certainly has not been perfect, but there is no better one.

Questions about the future of American power and the nature of US leadership remain to be answered. One thing is certain. If America continues to be the leader, it will lead in a much more difficult environment than a decade earlier. It will definitely have more freedom of action than others, but its actions will compete against or be compared with actions of other powers and forces stronger than before. In the new situation, the United States needs allies and more support. Thus, we "go back" to the issue underlying this essay, i.e. whether Europe and European allies of America are no longer a priority in American political calculations and no longer count as the most important strategic partner of the US. Is the American *pivot* to the Pacific Rim determined by the emergence of new powers and the shifting of the economic centre of gravity to Asia? Are we really witnessing a substantial revaluation of American politics and policies? Many factors indicate this is the case. There are new pressing conditionalities in the world of diversified powers awaiting response. However, only the nearest future can give full answers to questions asked.

ABSTRACT

*The article attempts to show the role of the United States in today's world of diversified powers. Although the US still has an enormous potential at its disposal and can exert stronger influence on the international situation than other powers, it experiences growing competition in various areas. This new environment markedly affects the direction and character of American strategy which seems to be reversing its Pacific orientation. Consequences of this tendency are particularly visible in transatlantic relations.*

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# TRANSATLANTIC RELATIONS DURING THE PRESIDENCY OF BARACK OBAMA: END OF "SPECIAL RELATIONS"?

## TRANSATLANTIC COOPERATION AT THE BEGINNING OF BARACK OBAMA'S FIRST TERM

During Barack Obama's presidential campaign, in the summer of 2007, his paper titled *Renewing American Leadership* was published in "Foreign Affairs". In that paper, Obama presented his foreign policy objectives. The main thesis of the article was the need to restore the world's trust in the United States which was greatly undermined by actions of the Bush administration. The US' policy toward its European allies was not of primary concern at the time. Obama emphasised that next to strengthening NATO, it was essential for the US security to build long lasting alliances in other regions of the world, especially in Asia.[1]

Throughout his campaign, Obama was very popular in Europe. His charisma and criticism of the unilateral, violent policy of his predecessor awoke high hopes for a new beginning in transatlantic relations.[2] Europe believed that a promised new US foreign policy could benefit European countries which might increase their share in shaping global policies.[3] Obama demonstrated his strong interest in climate change challenges and proliferation of mass destruction weapons, which was in line with European priorities. There was also a noticeable shift from the neo-conservative vision of American hegemony. Obama's rhetoric implied his awareness of global connections in all areas. He sought to create a broad coalition that would be able to deal with problems troubling the world of today. To achieve his goals he preferred to deploy "soft power": diplomacy and economic incentives. Such an approach seemed very promising to Europe, especially since Obama also expressed his readiness to upkeep American leadership.[4]

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[1] B. Obama (2007), *Renewing American Leadership*, "Foreign Affairs" July/August, pp. 8-9.

[2] S. Serfaty (2009), *No Time for a Time-out in Europe,* "Current History" March, p. 101.

[3] After J. Kiwerska (2008), *Barack Obama - szansa czy zagrożenie dla stosunków transatlantyckich?, „*Biuletyn Instytutu Zachodniego" No. 7, p. 3. http://www.iz.poznan.pl/news/65_Biuletyn%20IZ%20nr%207.%20B.%20Obama.pdf (accessed 25.04.2011).

[4] Á. de Vasconcelos, *Introduction - Responding to the Obama Moment: the EU and the US in a Multipolar World*, in: Á. de Vasconcelos, M. Zaborowski (eds) (2009), *The Obama Moment. European and American Perspectives,* Paris, pp. 12-14.

The main aims of American foreign policy, presented at the beginning of Obama's presidency, were: stabilisation of the situation in Afghanistan and Pakistan, stopping the Iranian nuclear programme, fighting the consequences of the financial crisis and counteracting global climate changes. Europe argued that a closer transatlantic cooperation would be needed to implement those plans. According to the *Transatlantic Trends Survey* of 2009 done by the German Marshall Fund of the United States, Obama was more popular in EU Member States (77% of the respondents declared their trust in Obama) than in the US (only 57%).[5] The decision to award Obama the Nobel Peace Prize in 2009 was a symbol of those hopes.[6]

From the very beginning of his presidency, however, Obama's attitude to cooperation with Europe was highly pragmatic. He knew that the EU could provide assistance in many areas and was aware of its limitations. According to Obama, most important EU limitations were the difficult process of making joint decisions and differences in European and American approaches to some issues e.g. the Israeli-Palestinian conflict[7]. Americans chose to focus on winning Russia's and China's support, taking the support of European countries for granted.

The US decision of 17 September 2009 to cancel its plans to install missile defence elements on the territories of Poland and the Czech Republic was widely considered to be a proof of the decreased importance of European allies to the US. The original project, put forward in 2007 by the Bush administration, had worsened US-Russia relations, and, according to many commentators, it was the main reason why the project was later abandoned. Thus it could have been expected that Obama would not follow his predecessor's plan. Already in July 2009, prominent politicians from Central Europe wrote a letter to Obama, warning him against caving in to Russia's pressure and neglecting America's faithful allies from Central and Eastern Europe. Two former presidents of Poland Lech Wałęsa and Aleksander Kwaśniewski signed the letter.[8]

Officially, Obama announced his intention to build a different defence system which was to be better and less costly for the US and its allies in Europe. He thought that efforts should be focused on eliminating the threat posed by Iran, which was most likely capable of producing short- and mid-range missiles but not intercontinental ones[9]. After difficult negotiations which started in April 2007, Obama's de-

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[5] D. Hamilton, N. Foster, *The Obama Administration and Europe,* in: *The Obama Moment...,* p. 41.

[6] The Nobel Peace Prize is awarded by a committee composed of five members chosen by the Norwegian parliament (Storting).

[7] B. Jones, *The Corning Clash? Europe and US Multilateralism under Obama*, in: *The Obama Moment...,* p. 73.

[8] *An Open Letter to the Obama Administration from Central and Eastern Europe,* http://wyborcza.pl/1,76842,6825987,An_Open_Letter_to_the_Obama_Administration_from_Central.htmlixzzlrjtlM06E (accessed 14.08.2010).

[9] The new plan is described in more detail in: *Nowa strategia budowy systemu obrony przeciw rakietowej przez USA,* „Stosunki Międzynarodowe" 19.09.2009, http://www.stosunkimiedzynarodowe.info/artykul,483,Nowa_strategia_budowy_systemu_obrony_przeciwrakietowej_przez_USA_?_q_and_a (accessed 18.10.2011).

cision was a great disappointment for leaders of Poland and the Czech Republic who perceived location of parts of the missile defence system in their countries as Americans' greater commitment to the countries' defence. For that very reason, in summer 2008, the two countries signed agreements with the United States, despite protests of large parts of Polish and Czech population. The date the US announced its new decision was very unfortunate, as it was the date of the 70th anniversary of the USSR's attack on Poland in 1939. Obama's decision was seen as Russia's success and as a proof that America's interest in maintaining strong ties with its European allies kept decreasing. Americans' desire to improve US-Russia relations proved to be their priority.[10]

Americans wanted to mitigate political consequences of their decision. The US Defense Secretary Robert Gates announced plans to deploy interceptors Standard Missile-3 (SM-3) in Poland in 2015. He also called for ratification of earlier agreements, including the agreement on the status of US forces - *SOFA* (signed on 11 December 2009). He announced that as George W. Bush promised, Patriot missiles would be installed in Poland.[11] It should be noted that, despite dissatisfaction of Poland and the Czech Republic, the idea of involving all allies in the anti-missile defence system met with positive reactions of NATO member states. Paradoxically that move of Obama may be interpreted as one strengthening the alliance and stopping differentiating between European countries on the basis of their support for US foreign policy.[12]

Nevertheless, Obama's refusal to join two important European events at the beginning of his term, i.e. the 70th anniversary of World War II outbreak in Gdańsk and the 20th anniversary of the fall of the Berlin Wall, was also perceived as a further proof of the lessening importance of European allies. Furthermore, the American president did not come to the annual summit of US and EU leaders (EU-US Summit) in Madrid in May 2010. His absence was explained by a need to address urgent domestic policy issues, especially Obama's healthcare reform. A "Wall Street Journal" commentator predicted at the time that Europeans would soon start longing for the times of G. W. Bush when transatlantic relations regularly made newspaper front pages everywhere.[13]

American Assistant Secretary of State for European and Eurasian Affairs Phillip Gordon made an accurate assessment of the place of transatlantic relations in the foreign policy agenda of the new US administration. He stated that "Obama's election was greeted with […] high expectations around the world. Compared with those [...]

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[10] *Obama Abandons Missile Defence Shield in Europe,* "The Guardian" 17.08.2009, http://www.theguardian.com/world/2009/sep/17/missile-defence-shield-barack-obama (accessed 13.01.2012).

[11] *Nowa strategia budowy systemu obrony przeciwrakietowej przez USA*...

[12] More in: P. Matera, R. Matera, (2004), *Transatlantyckie rozbieżności w dobie wojny z terroryzmem*, "Sprawy Międzynarodowe" No. 1, pp. 40-43.

[13] *Obama Won't Attend Annual EU Summit,* http://online.wsj.com/article/SB10 0014240 52748704 722304575037650352214396.html (accessed 04.02.2012).

expectations, our cooperation with Europe might not be so impressive […]. A more realistic assessment, however, I think reveals that the United States and Europe are working extraordinarily well together even on problems […] that so divided us in the past."[14]

## ECONOMIC COOPERATION IN THE PERIOD OF FINANCIAL CRISIS

The annual EU-US summits of leaders are meetings at which a wide range of co-operation issues is discussed. At the 2009 meeting in Washington, D.C. it was noted that economies of the United States and the EU were closely connected and that both the US and the EU led in provision of development assistance. The EU-US co-operation was recognised to be vital due to the impact of both economies on global economy and responsibility to overcome difficulties it experienced.[15]

That was particularly important in the time of financial crisis which began to the end of G.W. Bush's presidency and quickly spread to European markets linked to the US economy. The beginning of the crisis is associated with the bankruptcy of the Lehman Brothers investment bank which specialised in financial services for companies. It was considered to be a most reliable financial institution in the United States. Lehman Brothers' bankruptcy brought about long-term declines in stock markets (Dow Jones lost 4.4% at the time). European leaders blamed Americans for the crisis caused by irresponsible policies of their financial institutions.[16]

The US and the EU have been the largest economic partners in the world. According to the 2009 data, US companies provided half of Europe's FDI and their investments were worth $ 1.7 trillion. At the same time, European investments in the United States amounted to $1.5 trillion, that is 63% of direct foreign investment in the US. All those investments together created 4 million workplaces on both sides of the Atlantic.[17]

The US and the EU have seemed perfectly well prepared to upkeep their joint leadership in global economy and to bear responsibility for shaping institutions that govern it. Although the joint population of the US and the EU in 2009 was only 12% of world population (818 million people), the US and the EU together gener-

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[14] P. H. Gordon, *The US-Europe Partnership Under the Obama Administration, Remarks before the Council on Foreign Relations,* Washington DC, 9 December, 2009, http://www.state.gov/p/eur/rls/rm/2009/133417.htm. (accessed 30.12.2011).

[15] *2009 US-EU Summit Declaration,* November 3, 2009, http://www.whitehouse.gov/the-press-office/us-eu-joint-declaration-and-annexes (accessed 22.05.2011). *Cf.* C. Bergmann, *The Trials and Tribulations of Transatlantic Ties,* "Deutsche Welle" November 28, 2011, www.dw.de/dw/article/0,,15556631,00.html# (accessed 23.05.2011).

[16] See also: P. Pacuła (2009), *Kryzys finansowy w Stanach Zjednoczonych i jego możliwe konsekwencje*, "Bezpieczeństwo Narodowe" January-February, pp. 105-117.

[17] R. J Ahearn, *US-EU Trade and Economic Relations: Key Policy Issues for the 112th Congress*, Congressional Research Service, February 17, 2011. http://transatlantic.sais-jhu.edu/transatlantic-topics/Articles/economy/U.S.-EU_Trade_and_Economic_Relations_CRS.pdf (accessed 24.02.2012).

ated almost 50% of gross world product (GWP). The flow of goods and services between them neared 40% of global trade.[18] That interdependence, however, made them more susceptible to the effects of the financial crisis. While in 2010 the US economy seemed to be recovering from its deep recession, some EU countries, i.e. Greece, Portugal, Spain and Ireland, still struggled with the debt crisis which slowed down economic growth of the whole European Union.

In April 2009, a G20 summit was held in London. Its final declaration included provisions to create an additional pool of funds in the IMF to aid countries which were most affected by the crisis: Iceland, Hungary and Ukraine. The G20 countries committed themselves to non-protectionism in trade, fostering development of poorer countries, cooperation in introducing countermeasures against so-called tax havens, and stated that they would endeavour to regulate income of big corporations' leaders at the international level.[19] European leaders tried to mediate the G20 summit to reconcile conflicting interests of the United States and the emerging economic powers.[20]

The EU-US summits held during Obama's first term confirmed the need to continue and intensify the work of the Transatlantic Economic Council (TEC[21]) set up in 2007 to start a dialogue enabling cooperation in high-tech sectors (mainly consultations prior to the introduction of any regulations) and to further reduce barriers to trade and investment. In the times of crisis, declarations stating that countries would endeavour to reform their financial systems and withdraw protectionist measures have been particularly important. Declarations of intent to create new workplaces by means of structural reforms were repeated and so were the calls to avoid actions that could deepen the crisis, especially any attempts at devaluing currencies to boost export.

In 2010, the global financial crisis and the Eurozone crisis dominated over economic cooperation issues. While in 2009, the United States and European countries tried to establish rules of cooperation, in 2010 different macroeconomic policies began to be implemented. Europeans did not accept the American stimulus plan as it involved extension of tax breaks for American entrepreneurs, but they could in no way alter that decision. Americans, on the other hand, tried to exert influence on their partners. While at the beginning of May 2010, European leaders worked on the *European Financial Stability Facility* (*EFSF*)[22], President Obama insisted that they take relevant decisions as soon as possible.[23]

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[18] *Ibid.*

[19] D. Hamilton, N. Foster, *op. cit.,* p. 40.

[20] *European Foreign Policy Scorecard 2010, Multilateral Issues,* http://www.ecfr.eu/scorecard/2010/issues (accessed 13.04.2011).

[21] At the EU-US summit in April 2007, the leaders present obliged themselves to intensify trade relations further by eliminating barriers to trade and investment. A free transatlantic market was to be created by 2015. The Transatlantic Economic Council was created then, and its general objective is to promote and monitor actions undertaken with that goal in mind.

[22] It is a programme offering financial support to countries struggling with economic problems due to the crisis. It was adopted on 10 May 2010.

[23] *European Foreign Policy Scorecard 2010, United States,* http://www.ecfr.eu/scorecard/2010/usa (accessed 13.04.2011).

ENGAGEMENT IN AFGHANTISTAN

Cooperation in the foreign policy area was the most important aspect of transatlantic cooperation during Obama's first term. The unprecedented NATO decision to get involved in operations in Afghanistan in response to the 9/11 terrorist attacks was put to a serious test. Inability to defeat the Talibans and bring peace to Afghanistan, lack of spectacular successes and the growing number of coalition deaths made the public press governments to end the Afghanistan mission. Extended presence of NATO forces in Afghanistan, operating under the name of International Security Assistance Force (ISAF), pressed Obama to adopt a new strategy.[24]

American Secretary of Defense Robert Gates introduced a new strategy at the NATO summit in April 2009. Americans posited to withdraw troops from Afghanistan after the Afghan forces were ready to ensure security to local people. It was emphasised that the situation in neighbouring Pakistan had a negative impact on the length of the conflict. There, the Taliban had bases from which they attacked the territory of Afghanistan. Therefore, a joint strategy for Afghanistan and Pakistan (Af/Pak Strategy) was adopted. Gates did not ask for any declarations and obtained support for the Af/Pak Strategy from other NATO members. On one hand, it was a positive gesture toward the allies. On the other hand, it was a proof that the European military presence in Afghanistan was not a key issue for the US. Consequently, it can be concluded that Europe was not an important partner for the US when it came to military cooperation.[25] Americans knew that European public opinion was against increasing the size of contingents, so they decided to avoid public discussions not to weaken the Alliance.

In December 2009, Obama announced that the American contingent in Afghanistan would be increased to 30 thousand soldiers. NATO Secretary General Anders Fogh Rasmussen supported that plan, stressing that the whole North Atlantic Alliance and not just the United States was responsible for the mission. He declared that in 2010 NATO members would provide an additional contingent of at least 5 thousand soldiers.[26] Among countries which approvingly responded to that challenge were: Poland (committed to provide additional 600 soldiers), the UK (500 soldiers), Italy (1,000 soldiers), Slovakia (250 soldiers) and Albania (85 soldiers). Other countries delayed their explicit declarations (e.g. France and Germany), while Canada and the Netherlands intended to withdraw their troops in 2010-2011.[27] At the same time Europeans offered a different kind of support for Afghanistan. Although in January 2010, German Chancellor Angela Merkel decided to send only additional 500 soldiers to Afghanistan, she also decided to provide Afghanistan with USD 70 million

[24] J. Dobbins, *Obama's Af/Pak Strategy,* in: *The Obama Moment...,* pp. 141-150.

[25] B. Jones, *op. cit.,* pp. 74-75.

[26] V. Morelli, P. Belkin, *NATO in Afghanistan: A Test of the Transatlantic Alliance*, Congressional Research Service, 3 December 2009, http://www.fas.org/sgp/crs/row/RL33627.pdf, pp. 2-8 (accessed 14.08.2011).

[27] "Gazeta Wyborcza" 4.12.2009.

to support the country development. Those who criticised such solutions pointed out that because European soldiers followed a very well-defined frame of engagement, American soldiers were the ones who were victims of attacks. The ISAF abbreviation was ironically spelled out as *I Saw Americans Fight*.[28]

Decisions of some countries to greatly reduce their contingents or withdraw them completely, led to misunderstandings within NATO. Still, the need to cooperate in the face of on-going war meant that NATO internal divergences were not publicised. Declarations about preparing Afghan forces to defend their country unassisted and provide stability in their homeland were very important, but it was hard to foresee how the withdrawal of the Alliance from Afghanistan would affect both Afghanistan and the cohesion of NATO itself.

## COOPERATION ON IRAN'S NUCLEAR PROGRAMME

In comparison to Bush's position on Iran suspected of wanting to acquire nuclear weapons, Obama's approach was more pragmatic. On 20 March 2009, Obama gave a speech to citizens of Iran, declaring the end of isolation policy toward Iran. However, due to the lack of diplomatic relations with Teheran, the burden of negotiations with Iran was supposed to fall, just as before, on the shoulders of EU countries. From their point of view, the declared by the US president willingness to cooperate promised them US potential support in the negotiations.

During the Bush administration, France, Germany and the UK carried negotiations with Iran. Their aim was to persuade Iran to abandon its uranium enrichment programme in exchange for economic concessions. However, that approach did not bring tangible results. Every now and then Teheran would break negotiations and take further steps to acquire nuclear weapons. Consequently, the negotiating EU countries together with the US began to promote the idea of the UN imposing sanctions on Iran. Results were very limited because of resistance from China and Russia.[29]

The EU policy toward Iran was impaired by two factors: dependency on crude oil supplies and the necessity to coordinate its strategy with US objectives. The European perception of Iran was less ideological than the American one. Nevertheless, it did not mean that the leaders wanted to allow the Iranian nuclear programme to continue. It was more a matter of rhetoric, greater openness to negotiations and granting of economic concessions.[30]

In November 2011, the International Atomic Energy Agency (IAEA) prepared a report which read that Iran worked on nuclear weapons development in 2010 or

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[28] W. Drozdiak (2010), *The Brussels Wall,* "Foreign Affairs" May/June, p. 10.

[29] R. Miller, *The European Union's Counterproductive Iran Sanctions. The Case for Pulling Back, "*Foreign Affairs" 23 February 2012. http://www.foreignaffairs.com/articles/ 137298/rory-miller/the-european-unions-counterproductive-iran-sanctions (accessed 04.05.2012).

[30] R. Parsi, *The Obama Effect and the Iranian Conundrum,* in: *The Obama Moment...,* p. 157 and 163-165.

even earlier, and that some of its activities might have been continued. Although the document was meant to be read by the UN Security Council only, its contents unexpectedly leaked to the media (probably as a result of a controlled information leak). In result of the leak, the United States, the UK and France imposed sanctions on the Iranian banking sector. The United States introduced also restrictions on companies supplying equipment and technology to Iranian companies in oil and chemical industries.

In response to the sanctions, at the end of November 2011, the British Embassy in Teheran was stormed by protesters. The UK decided to close down its embassy and expel Iranian diplomats from London. It did not break its diplomatic relations with Iran in order to keep the door to negotiations on the nuclear programme open. At that time, China and Russia became more willing to support new UN sanctions. France called on the EU to consider imposing an embargo on Iranian crude oil and freezing European assets of the Central Bank of Iran. In a gesture of solidarity, Germany, France and the Netherlands recalled their ambassadors in Teheran. Experts were afraid that Europe's withdrawal from the negotiations would result in the situation in Iran getting out of control. However, European countries evidently lost patience for Iran, which constantly broke its promises, and decided to increase their pressure. It brought them closer to the position of the US as America long supported such an approach.

In December 2011, the EU tightened sanctions on Iran in energy, transport and finance sectors. However, the issue of an embargo on crude oil exports was problematic at the time of crisis and the EU's dependence on Iranian oil was high. Talks between the United States, the EU and some Arab countries were held in Washington, D.C. Representatives of Saudi Arabia, Kuwait and the United Arab Emirates (UAE) unofficially declared that they were ready to compensate for lost Iranian supplies to Europe if the decision about sanctions was taken. The United States organised the meeting in order to support its European allies and to encourage them to maintain their tough stance against Iran.[31]

European countries paid a higher price for the sanctions than the United States which did not have such intense economic relations with Iran. Nevertheless, in January 2012, the EU decided to suspend imports of crude oil and its derivatives from Iran, block technology and equipment imports for Iranian industries, temporarily stop signing new contracts and terminate contracts which were already in force by 1 July 2012. It meant that a complete embargo on oil deliveries to the EU began on that day. Freezing the assets of Iran's Central Bank was also an important measure putting pressure on Iran.[32]

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[31] M. Landler, *United States and Its Allies Expand Sanctions on Iran,* "The New York Times" 6 March 2012, http://www.nytimes.com/2011/ll/22/world/middleeast/iran-stays-away-from-nuclear-talks.html?_r = 1 (accessed 12.04.2012).

[32] *US, Europe Set New Talks with Iran on Nuclear Dispute; Obama Says Time for Diplomacy, not War*, March 6, 2012, http://fftimes.com/node/249693 (accessed 12.04.2012).

Already in February 2012, negative effects of the sanctions on the Iranian economy became noticeable. After the initial retaliation (Iranian ban on oil exports to France and the UK), the Iranian government became more willing to re-enter negotiations about its nuclear programme. In March 2012, Iranians agreed to let the IAEA inspectors into the country, and Obama conducted intensive talks with Israel's Prime Minister Benjamin Netanyahu who considered a military action against Iranian nuclear facilities. The American president, despite Republicans' criticism, was against such a solution. The head of European diplomacy, Catherine Ashton, declared that five permanent members of the UN Security Council and Germany had agreed on a new round of talks about the Iranian nuclear programme, although the West, remembering previous rounds, was sceptical about its chances to succeed.[33]

## REACTION OF THE ALLIES TO THE ARAB SPRING

The revolution in the Arab world began on 18 December 2010 in Tunisia with speeches against President Ben Ali. An internal conflict in Egypt was a much bloodier affair. Protests against President Hosni Mubarak began at the beginning of January 2011.[34] After revolutions in Tunisia and Egypt, protests swept almost all Arab countries, except for Qatar and Lebanon.[35]

The events in Arab countries caught Western countries by surprise. It is worth remembering that both the EU countries and the United States maintained good relations with authoritarian regimes in Arab countries and in some cases supported those regimes. In consequence, their credibility among the peoples of North Africa, the Middle East and the Arabian Peninsula who rebelled against their governments, was rather low. It was difficult to predict the course of events, which was why the West initially assumed the position of an observer, wondering what might the potential consequences of overthrowing the dictators be. The reaction of the EU and the US to the Arab Spring was seen as a dilemma between concerns about the stability of the region (particularly the impact of the events on the Israeli-Palestinian conflict) and satisfaction with democratic reforms. European leaders also worried about the impact of the events on their countries' internal security because of the influx of new immigrants.[36]

Considering the level of distrust toward both the former European colonial powers and the United States, initial reservations were understandable. Nevertheless, NATO countries, and especially its European members, could not afford to remain

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[33] R. Miller, *op. cit.*

[34] Mubarak resigned from office on 11 February 2011.

[35] W. Repetowicz (2011)*,"Arabska wiosna" - szanse i zagrożenia,* Brief Programowy Instytutu Kościuszki, April, http://www.ik.org.pl/cms/wp-content/uploads/2011/04/arabska-wiosna.pdf (accessed 11.05.2012).

[36] *EU-Washington Forum ONLINE, Debate Summary,* http://www.iss.europa.eu/regions/ united-states /washington-forum-debate/ (accessed 23.02.2012).

passive in the face of the events taking place in very sensitive regions. Ben Ali's resignation on 14 January 2011 and the outbreak of protests in other Arab countries convinced the West that a coherent strategy needed to be developed. The West was aware that complex interests and relations between countries of the region had to be taken into consideration and thus a decision to take military action was made only in the case of Libya though many other Arab countries experienced dramatic events.

## NATO INTERVENTION IN LIBYA

The uprising against Libyan leader Muammar Gaddafi began in Benghazi situated on the Mediterranean Sea. Protesters announced the 17th of February to be a "day of rage" against the dictator who was in power for 41 years. The rebellion quickly spread to other Libyan cities and shortly turned into a civil war between the opponents of the regime and military troops that remained loyal to Gaddafi. As soon as on the 28th of February, the EU introduced sanctions against the Libyan regime: an embargo on arms sales, freezing of assets and visa restrictions. The Libyan National Council was set up in Benghazi on the 5th of March, and it declared itself to be the only representative of the nation. Five days later, the Council was recognised by France, which from then on started to play the biggest role in persuading other NATO members to take military action to support Gaddafi's opponents. That solution was sanctioned on the 17th of March with a resolution of the UN Security Council. It introduced a military no-fly zone over Libya and allowed for the use of military means to protect civilian population.[37]

That decision was still a far cry from a full consent of all NATO countries to pursue military intervention. The United States was already engaged militarily in two Muslim countries, namely Iraq and Afghanistan, and at first was very reluctant to support the solution. Americans would have preferred ceding responsibility for the military mission in Libya to Europeans. On the other hand, there was the fear that a limited engagement would not be sufficient and Gaddafi would remain in power. It was said that he could still be tolerated by the West if, after negotiations, he agreed to make some concessions e.g. a division of the country and a government of national unity, not to mention him guaranteeing the rebels' safety. It was clear that it would be difficult to monitor whether those conditions were respected and the US would not station its troops in another Muslim country.[38] Nevertheless, the United States was the first country which limited the access of the Libyan regime to its financial resources in American banks by freezing Libyan assets worth in total 32 milliard dollars. The US persuaded other countries to take similar actions.

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[37] Five member countries of the UN Security Council abstained from voting: Russia, China, Germany, India and Brazil.

[38] M. O'Hanlon, *Winning Ugly in Libya: What the United States Should Learn from Its War in Kosovo*, "Foreign Affairs" 30 March 2011, http://www.foreignaffairs.com/articles/67684/michael-ohanlon/winning-ugly-in-libya (accessed 23.11.2011).

President of France Nicolas Sarkozy strongly supported a military action. After having successfully pushed through the idea of establishing a no-fly zone over Libya at the UN forum, he tried to make sure that the potential military action would be carried out by NATO. He decided that putting the Alliance in charge of the operation would make more countries take part in it. The UK was also in favour of this solution and it supported France in the UN Security Council. Stabilisation of the situation in Libya was of key importance to Italy too, which, because of its geographical location, had many economic interests in Libya. Italy was therefore inclined to support the NATO intervention. Turkey, which for a long time opposed the use of NATO armed forces, finally agreed to offer a limited support sending its warships to the territorial waters of Libya.[39] Germany refused to engage in a military action of any sort. It only agreed to freeze financial assets of the Libyan government.[40]

Differences in opinions between the allies resulted in the United States, France, the UK, Canada and Italy taking part in the initial phase of the operation codenamed Odyssey Dawn which mostly involved bombarding targets connected with Gaddafi's forces from the air. Support was also offered by such NATO member countries as Belgium, Denmark, France, Spain, the Netherlands and Norway.[41] Although during the first two weeks Americans delivered most air strikes (370, the same number as all other countries together), Obama did not want that operation to be perceived as one carried under the command of the US. He argued that American role was supporting.[42]

On 27 March 2011, the North Atlantic Alliance reached a consensus. It was agreed that NATO would take control over the military campaign against Gaddafi under the codename Unified Protector. The aim of the Alliance was to monitor whether the arms embargo was respected, to patrol the no-fly zone and to protect civilians, which translated into bombarding ground forces loyal to Gaddafi.[43]

Aside from military actions, the allies launched an initiative called Libya Contact Group which was established at London conference on 29 March 2011. The founding meeting was attended by representatives of 40 countries and organisations. Shortly after, on 5 August 2011, representative of 28 countries and 6 international organisations met in Istanbul. They represented the UN, EU, NATO, the Arab League, the Organisation of the Islamic Conference and the African Union. Meanwhile, forces of the rebel government (National Transitional Council - NTC) captured Tripoli. The NTC was recognised by the Contact Group as the legitimate representation of the Libyan people. Leaders of the Libyan Council approached NATO asking to con-

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[39] At the beginning, despite its official support for the NATO mission, Turkey kept its diplomats in Tripoli, suggesting that it still recognised Gaddafi's government.

[40] *Editorial: Discord Among Allies*, "The New York Times" March 23, 2011, http://www. nytimes. com/ 201 l/03/24/opinion/24thul.html (accessed 16.08.2011).

[41] I.H Daalder, J.G. Stavridis (2012), *NATO's Victory in Libya,* "Foreign Affairs" March/April, p. 3.

[42] E. Schmitt, *US Gives Its Air Power Expansive Role in Libya,* "The New York Times" 28 March 2011, http://www.nytimes.com/2011/03/29/us/29military.html (accessed 16.08.2011).

[43] I.H. Daalder, J.G. Stavridis (2012), *op. cit.,* p. 3.

tinue its military engagement in Libya until all UN objectives were met. However, the main topic discussed by the Contact Group was the provision of further financial and military assistance to Gaddafi's opponents. It was decided that they would be given financial assets of the former regime which were frozen at the beginning of the campaign. Aid in rebuilding the country after the war was also offered but in order to avoid accusations of occupation, it was stressed that Libyans would be in charge of organising the assistance available.[44] The whole operation ended on 31 October 2011. It was then acknowledged that Gaddafi's opponents took over the control of the whole country and could create a new government.

## ATTITUDE OF WESTERN COUNTRIES TOWARD NEW DEVELOPMENTS IN OTHER ARAB COUNTRIES

European countries and the United States were aware that their greater engagement in the protest-stricken Arab countries could inflame the situation. The prevailing opinion was that by refraining from intervening, they would demonstrate trust and respect for local societies that should establish governments in their countries on their own. Offering discreet help to countries which managed to overthrow dictators was a better solution. The Deauville Partnership initiative was adopted at G8 summit in France in May 2011 and a commitment to support those countries in their political and economic transformation was made. Allies shared the responsibility for provision of economic help: Europeans were to become more involved in North Africa and the United States in the region of the Persian Gulf.[45]

During his visit to Warsaw in May 2011, Obama spoke about Poland as a role model for Arab countries which overthrew their dictators. It was a consequence of the fact, that the United States wanted to cede responsibility for North Africa to Europe. Obama stressed that democracy could not be brought about by force, thus distancing himself from his predecessor's strategy. He hoped that US allies would apply soft power to stabilise the situation in the region.[46]

In most cases, however, societies of the rebelling countries hardly had any chance of succeeding against the military machine of the regimes. It was clear in the case of Syria. According to UN estimates, 9 thousand people died there in 12 months since the conflict began in March 2011.[47] The situation in Syria caused the greatest

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[44] *Conclusions of the Libya Contact Group Meeting,* Istanbul, 25 August 2011, Republic of Turkey. Ministry of Foreign Affairs, http://www.mfa.gov.tr/conclusions-of-the-libya-contact-group-meeting_-istanbul_-25-august-2011.en.mfa (accessed 15.11.2011).

[45] S. Serfaty (2012), *The New Middle East Will Test Europe,*" Current History" March, pp. 118-119.

[46] J. Kiwerska (2011), *Obama w Warszawie i amerykańskie posłannictwo,*"Biuletyn Instytutu Zachodniego" No. 56, http://www.iz.poznan.pl (accessed 28.04.2012).

[47] *Advance Team of UN Observers Arrives in Syria to Report on Cessation of Violence*, "UN Daily News" March 16, 2012, http://www.un.org/news/dh/pdf/english/2012/16042012.pdf (accessed 28.04.2012).

concern in the West and therefore it was the most often discussed issue at high-level meetings. Americans closed their embassy in Damascus and got actively involved in the work of the Friends of Syria Group.[48] They also expanded the scope of sanctions against the government of Bashar al-Assad (e.g. all its assets in the US were frozen, all American citizens were forbidden to engage in any transactions with Bashar al-Assad and his officials, the import of Syrian oil was stopped). A military intervention in the country was excluded as an option.[49] The EU also introduced sanctions against Syria. It was decided to freeze Assad's financial assets and 9 members of his government were forbidden to enter the EU territory.[50]

## SECURITY COOPERATION: SUCCESSES AND CHALLENGES

The 2009 EU-US summit declaration read that in the face of terrorism and transnational crime, which were recognised as common threats, cooperation of ministries of justice and home affairs was necessary. The importance of new agreements regulating that cooperation was also underlined, i.e. ratification of the US-EU Extradition and Mutual Legal Assistance Agreements, the work of the High Level Contact Group on protection of personal data, and the agreement between the US Department of Homeland Security and the EU border security agency Frontex. The Passenger Name Record Agreement on the conditions of transferring data of flight passengers was successfully negotiated, and cooperation on blocking financing terrorist organisations was to be continued. The parties also agreed to strengthen their cyber-security dialogue aimed at providing security in the cyber-space and identified areas of possible cooperation. For this purpose a special working group was established, i.e. the *EU-US Working Group on Cyber-security and Cyber-crime*[51].

NATO remained the most important pillar of transatlantic cooperation for security. The Lisbon Summit in November 2010, at which NATO's new Strategic Concept was adopted (the previous one was enacted in 1999), was relevant for NATO's future. The Strategic Concept listed security threats for NATO member states, including proliferation of weapons of mass destruction, terrorism and cyber-crime. The Concept confirmed agreement on collective defence and cooperative security,

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[48] The first meeting of the Friends of Syria Group took place on 24 February 2011 in Tunis and the second one in Istanbul on 1 April 2012. The purpose of the meetings was to exert pressure on the regime in Damascus. The Syrian National Council was recognised as "representing all Syrians" at the meeting in Istanbul (83 countries took part in that meeting).

[49] J.M. Sharp, C.M. Blanchard, *Unrest in Syria and US Sanctions Against the Asad Regime,* Congressional Research Service, 16 February 2012, http://www.fas.org/sgp/crs/mideast/ RL33487.pdf (accessed 28.04.2012).

[50] *EU Imposes Sanctions on Syria's Assad,* http://www.reuters.com/article/2011/05/23/us-syria-idUSLDE73N02P20110523 (accessed 28.04.2012).

[51] *2009 US-EU Summit Declaration....*

and promised closer EU-NATO cooperation. Crisis prevention, conflict monitoring and assistance in stabilising countries where military operations ended were identified as its objectives. Despite scepticism in countries neighbouring with Russia, a wish to warm relations with that country, an important ally in the fight against terrorism and drug-trafficking, was declared[52].

In Lisbon, the Allies decided to develop a missile defence capability to protect NATO's populations and territories in Europe. Russia was offered a cooperative inclusion in the project implementation. The new system, as announced by Obama, was supposed to be less expensive and implemented within 10 years.[53] The objectives and provisions of the new strategy clearly indicated that NATO, while defending its security, would act primarily where most risks originate, i.e. outside territories of its member states. The wide-ranging cooperation with international organisations and countries outside NATO confirmed significant changes in the nature of the organisation.

The intervention in Libya was an important test for the Alliance. According to many commentators, the operation highlighted NATO's weaknesses but was successful. No casualties among NATO soldiers participating in the mission and, given the scale of the bombing, a relatively small number of casualties among Libyan civilian population were recognised as achievements. Europeans, who had often been criticised by the US for their insufficient military involvement in foreign missions, stood up to the challenge. Therefore the United States, which contributed most to neutralising Gaddafi's air defences, could be satisfied with the division of the operation costs.[54] Commentators also emphasised good coordination of actions, as evidenced by the commencement of the operation only four days after the decision to hand control over to NATO was taken. It was also important that, despite some countries' refusal to participate in the operation (e.g. Germany), no NATO member chose to block the intervention by vetoing it. Getting support for the operation from

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[52] 2010 Strategic Concept: *Active Engagement, Modern Defence. Strategic Concept for the Defence and Security of the Members of the North Atlantic Treaty Organization,* Lisbon, 19-20 November 2010, http://www.nato.int/strategic-concept/pdf/Strat_Concept_web_en.pdf (accessed 17.05.2011).

[53] S. Erlanger, J. Calmes, *NATO Agrees to Build Missile Defense System*, "The New York Times" 19 November, 2010, http://www.nytimes.com/ 2010/11/20/ world/europe/20prexy.html (accessed 19.03.2011).

[54] Among European countries, the largest military engagement was on the part of France and the United Kingdom that performed over 40% of air strikes and destroyed one-third of the targets set. Denmark, Norway and Belgium, together destroyed as many enemy targets as France (C. M. O'Donnell, J. Vaïsse, *Is Libya NATO Final Bow?,* The Brookings Institution, December 2, 2011, http://www.brookings.edu/opinions/2011/1202_libya_odonnell_vaisse.aspx). The United States, in addition to participating in the bombings and determining their targets, provided fuel and important intelligence. Italy carried out many reconnaissance missions and, like Greece, availed their airbases. Belgium, Canada, Denmark, Norway and the UAE deployed fighters. Help in enforcing the no-fly zone was given by the forces of Jordan, the Netherlands, Spain, Sweden, Turkey and Qatar. Most of the above-mentioned countries, as well as Bulgaria and Romania, sent their warships to the conflict area in order to monitor compliance with the arms embargo (I. H. Daalder, J.G. Stavridis (2012), *op. cit.* p. 5).

the UN Security Council also constituted a success.[55] Furthermore, it turned out that NATO was well prepared to deal with such crises. It had the needed military means and, above all, a structure capable to efficiently coordinate military actions. In Libya, NATO coordinated actions of 18 countries, i.e. 14 NATO members and four partners (the United Arab Emirates, Jordan, Qatar, and Sweden), all under one command.

The relatively little involvement of the US was considered the most important reason for concern about the future of NATO and its missions.[56] The worry was not about US military contribution but giving up leadership. It can be assumed that without the practical support of Americans, the operation would be more difficult to coordinate, it could also take much longer and its outcome would be uncertain. However, leaving aside such speculations, it should be remembered that in the case of Libya, France was the most active country mobilising other members of the Alliance to take action.

According to Ivo Daalder, the US permanent representative to NATO, and James Stavridis, the Commander of NATO in Europe, there was still too much divergence of interests between members of the Alliance. They emphasised that although no country blocked the Libyan intervention, only 14 states, i.e. half of the Alliance member states, were actively involved.[57] Some chose not to participate in the intervention due to lack of necessary resources. Some simply did not have any interest in Libya, so they considered their passiveness justified. Germany's attitude was the greatest disappointment, as it abstained from voting in the UN Security Council when the possibility of a military intervention was being approved. Daalder and Stavridis feared that it could be the beginning of the Alliance's split into a group of countries ready to participate in humanitarian missions and a group that did not feel the need to support partners in a spirit of solidarity.

Daalder and Stavridis called on European states to invest more in military objectives. They reminded that during the Libyan operation the United States was responsible for intelligence, surveillance, and reconnaissance in 75% and provided about 75% of fuel for combat aircrafts. In 2011, European members of NATO spent on average ca. 1.6% of their GDP on military objectives while the US spent 4%. It meant that the US allocated three times more money than other members.[58]

The intervention in Libya was followed by a debate on the future of security cooperation in transatlantic relations. It is difficult to challenge the statement of Dan Allin that the interest of the United States was more focused on the Asia-Pacific region. Moreover, the financial crisis pressed for reduction of defence budgets and

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[55] C. M. O'Donnell, J. Vaïsse, *op. cit.*

[56] *Ibid.*

[57] The following countries were variously involved in the operation: Belgium, Bulgaria, Canada, Denmark, France, Greece, Italy, Netherlands, Norway, Romania, Spain, Turkey, United States and Great Britan, Albania, Croatia, Czech Republic, Estonia, Germany, Hungary, Iceland, Latvia, Lithuania, Luxembourg, Poland, Portugal, Slovakia and Slovenia limited their involvement to political support or humanitarian aid.

[58] I. H. Daalder, J.G. Stavridis, (2012), *op. cit.,* p. 6.

plans of gradual withdrawal of the NATO mission in Afghanistan. According to Allin, economic problems would have an impact not only on domestic policies but also foreign policies of superpowers. He predicted that European states' incapacity to support Americans in key military missions would weaken mutual trust and transatlantic bonds. According to Allin, the greatest threat to NATO was that the US might lose interest in NATO's existence. He hoped that such a perspective can be an incentive for Europe to be more active.[59]

When scanning the list of Obama's foreign policy priorities, one can notice that in the implementation of most of them, the United States needs cooperation with European states. But, being tired with Iraq and Afghanistan, Americans may insist that Europe intervenes in conflicts important to European interests on its own.[60] Experiences in Iraq, Afghanistan and Libya are likely to make the US even more cautious about taking military actions abroad. Probably, the US involvement will be conditioned by the commitment and contributions of other coalition members. If the use of military force becomes necessary, the planned cuts in the US defence budget put Europeans, who are unable to develop common defence mechanisms, in an uncomfortable situation. Moreover, in addition to the US traditional postulate to increase defence outlays, the US expects that its partners develop strategies to deal with crises, i.e. take more responsibility for security, at least in their close vicinity.

Expert on transatlantic relations William Drozdiak believes that the Alliance can be revived through greater coordination of cooperation between NATO and the EU. He writes that the combination of military force and soft power instruments will make the two organisations more willing to overcome current threats and face competition from Asian superpowers. The very title of his article - *The Brussels Wall* - illustrates the absurdity of the situation in which despite the headquarters of the two organisations being located in one city, their cooperation is minimal.[61]

For a long time, attempts to establish a permanent cooperation scheme between the EU and NATO failed, mainly because of distrust between the US and France. France had long not joined the military structures of the Alliance and endeavoured to organise a European defence system as a counterweight to NATO. However, when in March 2009 Sarkozy announced France's return to NATO's integrated military command structure, possibilities for closer cooperation opened up. In 2012, 21 countries were members of both the EU and NATO and the crisis forced reduction of defence spending. Sharing the spending rather than duplicating it, was a solution. Integrated efforts of both organisations would increase the effectiveness of Western initiatives in global politics. Jointly, they would be able to increase funding for peacekeeping,

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[59] D. Allin, *Beyond Europe - Transatlantic Relations in a Global World*, in: *European Security*..., pp. 62-67.

[60] C. M. O'Donnell, *The Future of EU-US Security and Defense Cooperation: What Lies Ahead?*, EU Institute for Security Studies, 30 October 2011, http://www.brookings.edu/research/opinions/2011/10/03-us-eu-defense-odonnell (accessed 16.02.2012).

[61] Only as late as in 2009, the decision was made that the Head of the European foreign policy and NATO Secretary General would meet for breakfast once a month.

humanitarian aid, programmes promoting trade and investments in the Middle East, etc.[62] It can also be assumed that differences in the approach to the Israeli-Palestinian conflict between the United States and Europe would be overcome, which could increase mediation effectiveness in peace talks.

Drozdiak anticipated that the Lisbon Treaty would encourage the EU to take bolder steps on the international stage. At the same time he noted that the EU was unwilling to improve its military capacities. EU low spending on defence, lack of necessary equipment (e.g. transport aircrafts) hampered its commitment. According to Drozdiak, Americans should accept that conflict resolution requires a simultaneous use of two most effective tools: NATO command structures and EU assistance programmes[63].

## CONCLUSIONS

During his visit to Europe in May 2011, Barack Obama stated explicitly that the twenty-first century will be America's Pacific Century. However, global events during his first term made it clear that the United States needs to cooperate with Europe, both in world politics and on stabilising the economy. Joint actions were not always successful, but most of them were long-term and assessing their effectiveness is not yet possible. Joint initiatives and close relationships are vital for the West if it wants to successfully face challenges of new powers. Political polarisation in the United States and the EU inability to purse a common foreign policy are often considered greatest obstacles to a coordinated policy.[64]

It needs to be recognised that although interests of the EU and the US in world politics are similar, their priorities and ways of achieving their objectives often differ. It is hard to imagine pursuing a common foreign policy by the allies and thus they have to act differently. For example, conditionalities relevant to the EU-Russia relationship are different from those of the US-Russia relationship. The EU policy toward Arab states is also different as the EU borders with Muslim countries and has a large community professing Islam within its borders.[65]

Despite the adoption of the Lisbon Treaty, the EU is divided on e.g. its strategy toward Russia, common energy policy and engagement in Afghanistan. Obama has been actively involved in domestic affairs. In his foreign policy, withdrawing US troops from Iraq and preparing to leave Afghanistan were priorities[66]. However, the

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[62] W. Drozdiak (2010), *op. cit.,* p. 10.

[63] *Ibid.,* pp. 7-12.

[64] C. Bergmann, *The Trials and Tribulations of Transatlantic Ties,* "Deutsche Welle" 28 November 2011, www.dw.de/dw/article/0,,15556631,00.html# (accessed 25.03.2012).

[65] D. Calleo (2008), *Why EU and US Geopolitical Interests are no Longer the Same,* "Europe's World" Summer (accessed 20.03.2012).

[66] K. Volker, *The 'Obama effect' Has Been to Lay Bare Deep Transatlantic Tensions,* "Europe's World" Spring 2010, http://europesworld.org/2010/02/01/the-obama-effect-has-been-to-lay-bare-deep-transatlantic-tensions/#.UoZo003xLV0 (accessed 20.03.2012).

capability of European countries to carry diplomatic actions and their financial assistance were invaluable in helping new democracies in North Africa. Sharing responsibilities there was therefore a very important aspect of transatlantic cooperation.

Zbigniew Brzezinski pointed to the need of consolidation and broadening of the notion of the "West" to include North America, Europe (also Russia and Turkey), South Korea and Japan if the United States wants to maintain its superpower leadership. He believed that Americans should not neglect Europe and underestimate its potential. At the same time the US should upkeep its strong commitment to NATO and support European countries in their efforts to involve Turkey and Russia in some cooperation projects with the West.[67]

It should be emphasised that the United States and Europe continue to cooperate in many areas. New initiatives are not always spectacular but the range of shared interests is very wide and cooperation often brings positive results. When arguing that transatlantic relations have weakened during Obama's first term, many experts proposed to create a collaborative organisation covering all areas of activities of the United States and Europe. That proposal was not new. It was put forward when allies' stances diverged during the Cold War and after its end, when the need to maintain close ties was questioned, e.g. in NATO when the USSR collapsed. However, the United States and the EU are members of so many organisations and have so many separate forums for dialogue on various issues that the creation of a new body would be pointless. The key to success may be an effective cooperation in the framework of existing agreements and both parties' compliance with rules agreed. Europeans must also accept the fact that in the new balance of power situation in the world, they are not the United States' only allies.

ABSTRACT

*The aim of the article is to present the policy of the United States of America toward Europe during the presidency of Barrack Obama (first term) in the context of a changing concept of American involvement worldwide. Economic cooperation and discrepancies among allies at the time of financial crisis are considered. The following instances of American involvement in international conflicts are analysed: mission in Afghanistan, attempts to mediate the Near Eastern peace process, developments of the "Arab Spring" and NATO's intervention in Libya. The US and European countries cooperated also to eliminate other threats to global security such as: Iranian nuclear programme and international terrorism. Despite a change of priorities in American foreign policy, the transatlantic alliance remains its major pillar.*

[67] Z. Brzezinski (2010), *Balancing the East, Upgrading the West,* "Foreign Affairs*"* January/February, pp. 97-104.

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# THE US AND RUSSIA IN THE 21ST CENTURY: THE GREAT GAME OF INFLUENCE

For the US and Russia, the first decade of the 21st century was the time of re-evaluation and change of their relations. Both countries pursued policies the assumptions of which led to competing for areas of influence. The United States, which was initially pursuing a unilateral vision of foreign policy, aspired to the role of the "world sheriff" and the only superpower, which eventually led to gradual degradation of its place in the world and to internal problems. The situation, when Barack Obama took office, called for abandonment of unilateralism and concentration on conciliatory approach to problem solving. In result, the United States itself limited its role in the world. Moscow took advantage of that situation. After Vladimir Putin and his milieu came to power, Russia started to consistently implement a strategy aimed at winning back its global superpower status. In consequence, both countries started to compete for areas of influence. In this paper, the Great Game developments in most important areas are presented where the players' interests cross, i.e. the area of former Soviet influence covering countries of Eastern Europe, Central Asia and the Caucasus, and the Middle East region, which is essential to the American strategy. A look at the world map is enough to see that those areas form a belt around Russia. Only Iran is an exception. It is a Russian "wedge" in a region of key importance for Americans, i.e. the Middle East which to a large extent restrains US moves.

## RUSSIA'S PLACE IN AMERICAN FOREIGN POLICY

When George W. Bush was elected President of the United States, the approach of his administration to Russia was *anything but Clinton.*[1] The reason was that the former (Clinton) administration was judged to have pursued policies without a clear vision, lacking clear goals and priorities in relation to Russia. In particular it was judged on clumsy American activities which made Vladimir Putin follow his policy

[1] George W. Bush, *A Distinctly American Internationalism*, Ronald Reagan Presidential Library, Simi Valley, California, November 19, 1999, http://www.mtholyoke.edu/acad/intrel/bush/wspeech.htm (accessed 15.07.2012).

freely. Neo-conservatives returned to the White House, and with them the concept of the US national interest redefinition promoted mostly by Condoleezza Rice, Bush's National Security Advisor. The American policy was to be based on the principles of internationalism, but its main assumption provided for the pursuit of American national interest.[2] Despite declarations on the discontinuation of Clinton's "personal" policy, Bush adopted virtually the same model of relationships with Moscow, declaring "a very good dialogue" and getting "a sense of his [Putin's] soul".[3] However the Bush administration was not quick to take into account Russian interests in its plans, as it was the case under the administration of Bill Clinton. According to the Bush administration, the reason why the place of Russia in American foreign policy was lower, was due to Russia's weaknesses and problems. Russia, itself, was responsible for its successes and failures and, in 2001, Russia was not the main threat to American interests. At the same time, Russia's approach did not facilitate any prospects for bilateral cooperation outside the US territory.[4] Improvement of American-Russian relations was supposed to be one of American priorities, however, before 9/11 the deteriorating relationship with Moscow did not give American policy-makers sleepless nights[5]. The greatest threat for the US were Russia's weaknesses, mainly its lack of full control over nuclear weapons and troubles with rebellious republics of the Russian Federation e.g. Chechen wars. Another problem was Russia-Iran relations including Russia's alleged arm trading to Iran[6]. The project of a missile defence shield was also not favourable for the situation as the United States withdrew from the ABM treaty. For neo-conservatives in the White House, the US national interest was more important than good relations with Russia. Bush's advisor Richard Perle argued that in the post-Cold War world, a treaty securing the US and Russia against pre-emptive attacks was not necessary[7].

An enormous change took place after 9/11 terrorist attacks. The fight against international terrorism became the main priority of Americans and the principle in the "Bush doctrine". Russia was the first country to declare to assist the US by supplying intelligence about terrorists in Afghanistan, deepening cooperation of special forces and making its air-space available for the through-flights of planes carrying humanitarian cargo and air corridors over Central Asian republics[8]. Joint anti-terrorist activities could reduce negative effects of the US policy toward Russia in the 1990s, and

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[2] C. Rice (2000), *Promoting the National Interest,* "Foreign Affairs" Jan./Feb., Vol. 79, No. 1.

[3] W. Schneider, *Putin's Power Grab,* AEI, September 24, 2004.

[4] C. W. Wallander (2001), *An Overview of Bush Administration Policy and Priorities on Russia,* Policy Memo 187, March, pp. 1-2.

[5] C. Rice (2000), *Promoting…*

[6] C. Rice, *US Security Policy: Russia*, White House Briefing, February 22, 2000.

[7] R. Perle, *Patience a Virtue with Europe, New Ideas Will Take Time to Sink in, Perle Tells Defense Central,* AEI, June 14, 2001.

[8] A. Bryc, *Polityka wobec Rosji i innych państw poradzieckich,* in: J. Zając (ed.) (2005), *Polityka zagraniczna USA po zimnej wojnie,* Toruń, p. 74; *Протокол заседания президиума Государственного совета № 12, № А4–14706 ГС, 24 сентября 2001 года,* docs/2001/09/30263.shtml (accessed 15.07.2012).

Russian experts noted that Russia no longer had to change its policy to be a pro-West one as it declared its wide involvement in anti-terrorist actions earlier[9]. The Russian aid was recognised by Americans in the National Security Strategy of 2002, in which the intention to build a strategic relationship was underlined. The Moscow Treaty on Strategic Reductions (SORT) was to be a sign of new relations to be build by the transatlantic community[10]. In the strategy, Americans declared further assistance to countries of the former Soviet Union in strengthening their independence and stabilisation. That was aimed at deepening Russia's integration with the West.[11] In the National Security Strategy document of 2006, references to Russia were only slightly more extensive and efforts to tighten relations with Russia were highlighted as significant for US strategic issues. It was pointed out that Russia had enormous influence in regions of "vital" US interest, i.e. the Middle East, South and Central Asia, and East Asia.[12]

However, throughout the entire first term of George W. Bush, US relations with Russia kept deteriorating and at the beginning of his second term there were no signs of improvement. To the contrary, both countries started to have increasingly less in common. The unilateral policy of the US annoyed Russia, which started to consistently rebuild its influence in neighbouring countries and launched its cooperation with new centres of power, especially in the Far East[13]. Many new disputable issues emerged e.g. Kosovo statehood, plans to locate elements of the NMD on the Russian border, and American presence in Central Asia. In 2007, the future American ambassador to Russia, Michael McFaule, stated that at the time American-Russian relations were the worst in last 20 years, and the White House had no idea how to deal with the situation.[14]

A new US President was to be a remedy for the failure. The task of Barack Obama was double difficult as he had to both avoid comparisons with Bill Clinton and his global strategy synonymous with responsibility avoidance, and distance himself from George W. Bush's unilateralism and neo-conservatives ideas which made Russia change its approach to the United States and Europe.[15] Obama wanted

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[9] Николай Бабич, *Президент Путин на Техасском ранчо (Россия- США),* «Миеждународная жизнь» Но. 001, 01.01.2002, p. 16

[10] G.W. Bush, *The National Security Strategy of the United States of America,* The White House, September 17, 2002, in: Ł. Wordliczek (ed.) (2005), *Basic American Documents. U.S. Foreign Policy: Substance and Procedure*, Jagiellonian University Press, Cracow, pp. 36-39.

[11] G.W. Bush, *The National Security Strategy*…

[12] *National Security Strategy of the United States 2006,* The White House, Washington D.C., September 2006, p. 39.

[13] More in: S. D. Goldman, *Russia,* Congressional Research Service, "Report for Congress" May 8, 2006.

[14] P. Baker, P. Finn, *Bush Reaches to Putin as Relations Continue to Slide,* "Washington Post" May 31, 2007.

[15] More in: B. Obama (2007), *Renewing American Leadership,* "Foreign Affairs" July/Aug., Vol. 86, Issue 4; S. R. Graubard (2009), *A Broader Agenda: Beyond Bush-Era Foreign Policy,* "Foreign Affairs" Jan./Feb., Vol. 88, Issue 1.

to avoid a stiff framework for his foreign policy and favoured a soft power approach and flexibility in responding to specific situations. In short, it was to be a return to multilateralism. Barack Obama appeared to be not infected with Cold War rhetoric and as a pragmatist not interested in ideology. His premise was that Russia - despite its political instability and authoritarian tendencies – was not the Soviet Union and should be approached differently. He assumed that mutual relations would improve once the Russian Federation was drawn into western security structures as Russia's involvement should make it impossible for Russia to intimidate other countries and expand its areas of influence. In January 2009, Obama and President of Russia Dmitry Medvedev announced a project to develop a roadmap for bilateral relations which would halt the earlier "drifting apart" of the US and Russia.[16] It resulted in the famous "reset" of American-Russian relations, announced during the meeting of Secretary of State Hillary Clinton with Sergey Lavrov who was Foreign Minister of Russia. In the National Security Strategy of 2010, Russia - together with China and India - was referred to as a country with which partnership relations should be strengthened and common interests identified. However, authors of the strategy did not mention anything revolutionary. What was underlined were troublesome disarmament negotiations and non-proliferation of weapons of mass destruction and further development of economic and trade cooperation. Other declarations concerned the development of Russia as a strong country that respects international law.[17]

## RUSSIAN FOREIGN POLICY: RETURN OF THE EMPIRE

The assumption of the office of President of the Russian Federation by Vladimir Putin meant a total change in Russian foreign policy and relations with the United States. In one of his first speeches, Vladimir Putin emphasised that the only choice for Russia was to act as a strong country, in unison with international community, and not against it.[18] That new foreign policy, positively received both by experts as well as other groups on the Russian political stage, was referred to as a "dynamic equilibrium" strategy. It allowed Russia to undertake a very wide scope of activities. In relation to international entities representing particular centres of power, it was necessary to keep equal distance, which facilitated undertaking multi-vector actions in the changing international environment.[19] The main assumption was not to enter any strategic alliance with centres of power like the US, the EU, or China, and the

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[16] G. Austin, *President-elect Obama and the Russian Challenge,* East West Institute, 7.11.2009.

[17] *National Security Strategy May 2010,* p.11, 23 and 44, rss_viewer/national_security_strategy.pdf (accessed 25.08.2012)

[18] *Послание Федеральному Собранию Российской Федерации 8 июля 2000 года* http://archive.kremlin.ru/appears/2000/07/08/0000_type63372type63374type82634_28782.shtml (accessed 20.08.2012).

[19] B. Lo (2003), *Vladimir Putin and the Evolution of Russian Foreign Policy,* London, p.16 and 69-71.

equilibrium of actions was seen to be the key to success.[20] The main element of the new policy was to emphasise Russian national interest in the light of global competition, and to retain the status of a nuclear superpower in order to prevent conflicts. Russia was to be actively involved in shaping a stable international order and security, but with its national identity retained.[21] In practice, the dynamic equilibrium concept allowed Russia to enter various power constellations. For example, Russia made use of the negative position of France and Germany on the war in Iraq to divide the US and Europe. At the same time, Russia made its air space, military bases in Central Asia and intelligence data available to the US, which silenced criticism of Russia's activities in Chechnya. As a country supporting multi-polarity, Russia strengthened its place and role in the United Nations Security Council.[22]

During his second term, Vladimir Putin continued to restore the imperial status of Russia, mainly with the use of Russian economy. A useful tool were Russian mineral resources. Natural gas and crude oil were treated by Russian politicians as an instrument of strategic control strengthening Russia's role on the international arena.[23] Putin's doctrine along with the concept of flexible alliances made it possible for Russia to start political intrigues in the Middle East and Latin America, aimed at limiting American and European influence. Apart from that, Russia wanted to upkeep its non-military control over former post-Soviet territories, i.e. its traditional zone of influence.[24] At the same time, Putin criticised the US for creating a unipolar world and the US desire to divide Russia by supporting opposition and concentrating military forces on the Russian border.[25]

Putin's successor, Dmitri Medvedev, was initially perceived as a possible architect of a new order and a person able to warm Russia's relations with the West. Such hopes turned out to be unrealistic especially in the context of the 2008 Russia-Georgia war. Medvedev implemented five principles of Russian foreign policy, among which a special place was given to Russia's right to undertake activities aimed at protecting Russian citizens outside the country and to paying particular attention to regions where Russia had its "privileged" interests.[26] It meant that the new foreign policy

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[20] K. Łastawski, *Koncepcje polityki zagranicznej i bezpieczeństwa Federacji Rosyjskiej*, in: A. Czarocki, I. Topolski (2006), *Federacja Rosyjska w stosunkach międzynarodowych,* Lublin, p. 66.

[21] И. Иванов, *Политика, Новый внешнеполитический год для мира и России,* "Международная жизнь" No. 009, 2003-10-31, pp. 10-11.

[22] A. Kassianova, *Russian Diplomacy in the 21th Century. Multilateralism Put to Work,* PONARS Policy Memo No. 262, pp. 2-3; R. Allison (2004), *Strategic reassertion in Russia's Central Asia Policy,* "International Affairs" No. 2, pp. 277-283.

[23] P. Gardocki (2006), *Ropa naftowa i gaz ziemny jako środki strategii politycznej Rosji, "*Polityka Wschodnia" No. 1-2, pp. 50-51.

[24] В. Третьяков, *Гипотез о большом треугольнике* , "Политический класс" No. 10, Октябр 2005, p. 64

[25] President Vladimir Putin, *Annual Address to the Federal Assembly* , May 10, 2006, Marble Hall, the Kremlin, Moscow.

[26] L. Shevstova, *Russia's Choice: Change or Degradation?*, in: S. J. Blank (ed.) (2012), *Can Russia Reform Economic, Political, and Military Perspectives?,* Strategic Studies Institute, June,

was in fact identical with the one pursued in times of Vladimir Putin. In relation to the United States, Medvedev proposed to create a "new *entente*" meaning a political and defence alliance with the US.[27] However, in Russia's Security Strategy to 2020, it was assumed that Russia would became one of main players on the international arena heading toward a multi-polar one. Among threats, NATO was listed in the first place as a structure not apt to face modern challenges. A unilateral use of force and US eagerness to achieve military advantage, even in the outer space, were deemed to be major threats. Also "resource wars" (a loaded phrase describing the loss of influence in resource-rich regions of Central Asia) were mentioned as a treat. What was clearly visible in the Strategy, was Russia's conviction that it would restore its status of a global superpower and the objective to retain its areas of influence.[28] Although the presidency of Medvedev was supposed to be more liberal and less aggressive, the "reset" of relations with the US did not affect Russian strategic goals. Moscow was not able to come to terms with US aspirations to maintain its global leadership, even in Obama's soft way. It is an open question how, in a long run, Russia's policy towards the US will be shaped during the third and most probably forth term of Vladimir Putin. On the one hand, it is possible that due to the Kremlin's political "dualism" no significant changes will take place, but, on the other hand, Putin has always been "positioned" as the part of the tandem that was sceptical toward the West.

## STRUGGLE FOR INFLUENCE IN CENTRAL ASIA AND THE CAUCASUS

The region of Central Asia and the Caucasus is very important in foreign policies of both the US and Russia. It is import because of natural resources that are crucial to energy security of the US, Russia and Western Europe. The region has also been a strategically important place for American forces involved in military operations in Iraq and Afghanistan, and there a base camp for a possible military intervention in Iran can be located. Countries of the region are also an investment target of large American businesses operating in the primary industry sector. Besides, the United States supports, with various results, democratisation processes in former Soviet republics where authoritarian governments are still in power.

After 11/9, the rapprochement of Russia and the United States bore some fruit. The US has intensively cooperated militarily with countries of Central Asia - a traditional area of Russian influence - while intervening in Afghanistan. Kazakhstan and Turkmenistan made their military bases available to the US whereas Uzbeki-

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p.15*, Интервью Дмитрия Медведева российским телеканалам,* 31 августа 2008 года, transcripts/1276 (accessed 20.07.2012)

[27] С. Дубинин, Е. Савостьянов, И. Юргенс, *Новая Антанта,* http://www.gazeta.ru/comments/2009/11/16_a_3287423.shtml (accessed 20.07.2012).

[28] More in: Указ президента российской федераци о Стратегии национальной безопасности Российской Федерации до 2020 года, http://www.scrf.gov.ru/documents/99.html (accessed 25.07.2012).

stan, Kyrgyzstan and Tajikistan additionally allowed for an unlimited use of their air space and Uzbekistan of its air base in Karshi Kahanabada.[29] The Taliban in Afghanistan has been a threat to Russia's security for years and thus American actions there were convenient for the Kremlin. In addition, Islamic fundamentalism limited Russia's influence also in the "soft belly" of Russia and in Central Asia. Given the atmosphere of the war on terrorism, Russia's objection made no sense and would not contribute to Russia's good image on the international area, especially in face of Russia's attempts to rebuild it after the disastrous rule of Boris Yeltsin. It turned out that Americans did not want to quickly withdraw their forces from Central Asia, which was unacceptable to Russian leaders who expected US forces to be withdrawn right after the completion of the US intervention in Afghanistan.[30] Russian interests in Afghanistan were not large. Issues that mattered were to prevent the Taliban's victory and stop drug trafficking. In the end, however, once Afghanistan has been pacified and become neutral, the most important issue was to restore Afghanistan's role of a buffer country between Central Asia and the Middle East. The Kremlin was also interested in extraction of oil and gas deposits located in the north of Afghanistan. In fact, to Russian businesses a more attractive place for investments was Central Asia, richer in resources, safer and more friendly to Russians. The American influence, but also the growing power of China as an economic competitor in Afghanistan, seemed to be an obstacle.[31] Nevertheless, it was the US which continued to be perceived as the main rival and Russia counteracted by transforming regional organisations such as the Shanghai Cooperation Organisation into international forums associating not only China and countries of Central Asia, but also India, Pakistan, and Iran.

The US called for democratisation and financially supported democratisation processes in post-Soviet countries where "colour revolutions" took place. In that way it started widening its influence zone to cover the post-Soviet area. In Georgia and Ukraine, power was seized by political elites sympathising with the West. In Kyrgyzstan, the Tulip Revolution (2005) failed and democratic transformations did not take place but for the US, its access to Ganci military base, located near Bishkek, was more important than the composition of the ruling crew. Additionally, the very geographical location of Kyrgyzstan bordering with China and post-Soviet republics was important as well as its mineral resources. Colour revolutions weakened some old bonds within the Commonwealth of Independent States but the *derzhavnichestvo* (great-powerness) mentality was strongly rooted in the post-Soviet zone.[32] At the be-

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[29] More in: R. Giragosian (2004), *U.S. Military Engagement in Central Asia: Great Game or Great Gain,* "Central Asia and the Caucasus" No. 1 (25), p.53-57; B. R. Posen (2001), *The Struggle Against Terrorism: Grand strategy, Strategy and Tactics,* "International Security" Vol. 26, No.3, Winter, p. 39-51.

[30] T. Shanker, *Russian Official Caution U.S. on Use of Central Asian Bases,* "The New York Times" October 9, 2003, p. A9.

[31] D. Trenin, A. Malashenko (2010), *Afghanistan. A View From Moscow*, Carnegie Endowment for International Peace, p. 14.

[32] I. Kobrinskaya (2006), *Russia – NIS Relations Beyond the Color Revolutions. Are the Shift Durable?,*PONARS Policy Memo No. 375, December, p. 51.

ginning of the 21st century when countries of Central Asia, in particular Kazakhstan, Uzbekistan and Turkmenistan, emerged as new centres of energy resources, Russia applied a "sovereign democracy" formula to that region. The US, in turn, adopted a strategy of developing new liberal democracies and implementing human rights, of which good example is the document titled *Silk Road Strategy Act* adopted by the US Senate in 1999 as an amendment to the Foreign Assistance Act of 1961. It aimed at supporting political and economical independence of countries of the southern Caucasus and Central Asia.[33] The Silk Road Strategy project was derived from the ancient Silk Road leading through territories of modern Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Stabilisation of those countries, and thus stabilisation of the region, was to contribute to opening their markets and increasing foreign investment there. The potential oil and gas production in Central Asia and the Caucasus would make it possible for the US to reduce its dependence on energy supplies from the not fully reliable Persian Gulf countries. The Obama administration continued that policy and introduced a new *Silk Road Strategy* of 2011, aimed, in addition to the promotion of democracy and human rights, at increasing and diversifying regional energy sources there and supply routes.[34] The United States supported the construction of the Baku – Tbilisi – Ceyhan pipeline, in operation since 2006, and other energy routes from the east to the west. The new "road" was aimed at fostering higher integration of countries like Azerbaijan or Georgia with western structures, strengthening their cooperation within organisations such as GU(U)AM, which was a response to Russia's endeavours for greater integration of the CIS territory. Despite the declaration on the progressing Russian-American energy dialogue after 11/9 endorsed by Bush and Putin, Russia was uneasy and worried that by intervening in Afghanistan and Central Asia, the US would be able to define the run of gas and oil pipelines, and that the same might happen in the South Caucasus, where a potential new "Silk Road" could bypass Russia.[35] The construction of the Baku – Tbilisi – Ceyhan pipeline, linking countries of Central Asia and the South Caucasus was an example. Therefore, the US doubled its efforts aimed at normalisation of relations between Turkey and Armenia, and Azerbaijan and Armenia. In August 2007, Russia tried to regain its influence on energy supplies at the summit of the Shanghai Cooperation Organisation, where - together with Kazakhstan - it called for the creation of an "Asian energy club" to develop a common energy market for its members.[36] A Russian-Chinese partnership could

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[33] *H.R. 1152 (106th): Silk Road Strategy Act of 1999*, http://www.govtrack.us/congress/bills/106/hr1152 (accessed 24.08.2012).

[34] *Discussing the 'New Silk Road' Strategy in Central Asia,* (2012), "Central Asia Policy Forum" No. 2, June, George Washington University, http://www.centralasiaprogram.org/images/Policy_Forum_2,_June_2012.pdf (accessed 25.08.2012).

[35] А. Мигранян, *Политика. Конец России?,* "*Свободная мысль*-XXI" No. 007, 2002-07-01, pp. 8-9.

[36] P. Fedynsky, *Shanghai Cooperation Organization Seeks to Expand Energy and Security Influence,* Voice of America, August 16, 2007, http://www.globalsecurity.org/military/library/news/2007/08/mil-070816-voa03.htm (accessed 22.07.2012).

harm the US' involvement in Central Asia. Kyrgyzstan, for example, raised fees for the use of its air base in Manas by Americans from USD 2.7 million to USD 200 million while Russia used "their" bases for free.[37] Access to resources in the Caspian Sea area was problematic due to the unsettled status of the very sea as well as bonds between Russia and countries of the region dating back to times when it was part of the Soviet Union. Because of those bonds, the US had hardly any chance to succeed in Uzbekistan, Turkmenistan and Kazakhstan. Russia had exclusive rights to the Turkmen gas and similar rights to deposits in Uzbekistan thanks to an agreement signed by Gazprom and the Uzbek government in 2006. Only Kazakhstan's policy was more open which allowed the US to widen its economic cooperation, however Russia's influence there was still strong. As part of the energy competition, the United States, together with the EU, supported the construction of the Baku – Tbilisi – Ceyhan (BTC) and Baku – Tbilisi – Supsa (BTS) oil pipelines, and the Baku – Tbilisi – Erzerum (BTE) gas pipeline, which were to create an energy "corridor" separating Europe from Russia.[38] The opening of the BTC pipeline was of key importance to both western powers and Georgia, Azerbaijan and Turkey which counted on the support of the former.[39]

The crowning achievement of the US' efforts is to be the Nabucco-West project, officially financed by the European Union and strongly supported by the US. Its purpose is to ensure independence of Europe from Russian gas supplies. After it is connected with the BTC gas pipeline, more gas can be supplied from deposits in Azerbaijan and Iran. Furthermore, should Azerbaijan and Turkmenistan be successfully connected by the gas pipeline laid on the bottom of the Caspian Sea, also the Turkmen, Uzbek, and Kazakh deposits could be exploited. The Nabucco project was threatened by the Russia-Georgia War (2008) and Russia's destabilisation of the South Caucasus areas, including blocking the accession of Georgia and Azerbaijan to NATO. Apart from that, Russia strongly promoted the South Stream pipeline as an alternative energy supply route in the Caspian region, crossing the same countries as the Nabucco pipeline.[40]

An enormous role has been played by Georgia whose relations with Russia were strained since the beginning of the 1990s in result of the Nagorno-Karabakh War (armed conflict between the majority ethnic Armenians and Azerbaijan). Georgia had been a safe route for crude oil and gas supplies from Azerbaijan, important to Russia. The American-Russian competition was escalated with new closer US

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[37] A. Cohen, *The Dragon Looks West: China and the Shanghai Cooperation Organization,* "Heritage Lectures" No. 961, September 7, 2006, p. 3

[38] J. Mankoff, *Eurasian Energy Security,* Council Special Report No. 43, February 2009, Council on Foreign Relations, p. 19.

[39] J. Mankoff (2012), *The Big Caucasus: Between Fragmentation and Integration,* CSIS March, p. 21.

[40] A. Shleifer, D. Treisman (2011), *Why Moscow Says No,* "Foreign Affairs" Jan./Feb., Vol. 90, Issue 1, pp. 123-126.

relations with Azerbaijan and Georgia after 1999. It should be added that until the collapse of the Soviet Union, Russian armed forces stationed in four military bases in Georgia: Sukhumi in Abkhazia, Batumi in Adjara, Akhalkalaki in Javakhk and Vaziani near Tbilisi. Therefore, it is no surprise that Georgia, in order to curb the Russian influence, began to solicit good relations with the West at its own initiative. For the Kremlin it was unacceptable, so it exploited the existing problems in pro-Russian separatist regions of Georgia, i.e. Abkhazia and South Ossetia. After 11/9, good relations with Georgia were important for the US if only for two reasons: to isolate Iran and to use the Georgian air space for flights of American forces from Afghanistan. In 2001, a panel of American advisors was sent to Tbilisi to train Georgia's army as part of a military training programme named Georgia Train and Equip Program.[141] To save its political face, Russia started to call Georgia a gate to Islam because Tbilisi tolerated activities of Chechen groups in the Pankisi Gorge.[42] Georgia's Rose Revolution in 2003 and the election of Mikheil Saakashvili as President only increased Russia's concerns about US influences in the Caucasus, especially given the fact that the financial contribution of the US in support of the Georgian revolution was quite a delicate issue. Russia claimed that the *Khmara*, a student organisation and the driver of revolution, had been subsidised by George Soros's Foundation, and resistance methods had been "implemented" by the Serbian *Otpor* organisation which also funded Saakashvili's trips to Serbia.[43] Georgia was a geopolitical key to the South Caucasus as it had good relations with pro-Russian Armenia and Azerbaijan and an access to resources in the Caspian Sea region. Thus, conflicts in Georgia were not advantageous to the US for strategic reasons. Georgia, along with Azerbaijan, was a terrain where American forces could withdraw from Central Asia. The pro-West Georgia was unacceptable to Russia used to a sovietised Georgian administration. Georgia which successfully negotiated the withdrawal of Russian forces from its military bases, wished to join NATO and asked to "internationalise" peace missions in Abkhazia and Ossetia was even more unacceptable to Russia. The Kremlin started to exert direct pressure on Georgia by banning imports of Georgian products, blocking communication, and strongly objecting to Georgia's deeper integration with Western structures on international forums. Submissiveness of Western countries in respect to Russia's position on Georgia's accession to NATO and energy policy issues encouraged Russia to pursue its imperial policy in a more aggressive manner. In 2008, acting in line with Medvedev's doctrine, Russia invaded Georgia to protect Russian citizens in South Ossetia and Abkhazia, where Georgia had commenced military operations. Georgia's aspirations to join the EU and NATO were immediately discredited and Russia demonstrated that it may successfully pretend to

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[41] V. Avioutskii (2006), *Les Révolutions de velours,* Paris (Polish translation: *Aksamitne rewolucje,* Warszawa 2007, p. 57).

[42] A. Bryc, *Rosja w XXI wieku. Gracz światowy czy koniec gry?* Warszawa 2008, p. 85.

[43] More in: V. Avioutskii (2006), *op. cit.* pp. 50-51; T. Warner, *Russia accuses US over Georgia,* "The Financial Times" December 8, 2003.

the role of a global superpower capable of carrying immediate and successful military operations. It is disputable whether, at that time, Russia took advantage of the weakness and hesitancy of the West in respect to its refusal to allow Georgia to enter the Alliance Membership Action Plan (MAP). The significance of the recognition of Kosovo's independence by the US and EU countries against opinions of Russia and pro-Russian Serbia is disputable. A report commissioned by the UE and published in 2009 reads that the war in South Ossetia started with Georgia's attack which violated international law. However, the attack was preceded by a provocation and thus both Georgia on one side, and Russia and the separatist South Ossetia and Abkhazia on the other, violated international law.[44] It turned out that Russia could violate international law and "protect" its "traditional" territory even at the price of deteriorating its relations with the US. On the other hand, the US was an indirect culprit of the situation with its exaggerated promises about US-Georgia relations. During Obama's presidency, in June 2010, Secretary of State Hillary Clinton visited Tbilisi and assured Saakashvili that the United States was against the Russian occupation of Abkhazia and South Ossetia and that the US supported Georgia's independence and territorial integrity. During the NATO summit in Lisbon, the willingness to admit Georgia to NATO was clearly confirmed, and Russia was called to withdraw its recognition of Abkhazia and South Ossetia as independent states.[45] Obama expressed his support for Georgia many times and in result Georgia demonstrated its pro-West orientation by increasing the Georgian contingent operating as part of the ISAF in Afghanistan.[46] However, Georgia should not overestimate American declarations as Barack Obama, especially on the eve of US presidential elections, was primarily focused on issues related to domestic economic crisis and on Iran and Syria in US international affairs.[47]

## UKRAINE AND THE NATIONAL MISSILE DEFENCE: THE STRUGLE FOR INFLUENCE ON THE EUROPEAN CONTINENT

Ukraine may serve as another good example of Americans entering the geopolitical courtyard of Russia. Since the beginning of the 1990s, Ukraine's importance to Russia and its imperial aspirations has been huge. Touchy and critical issues in their relations have included ownership of nuclear weapons, division of the Black Sea

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[44] *Georgia 'started unjustified war'*, BBC News, 30 September 2009, http://news.bbc.co.uk/2/hi/europe/8281990.stm ( accessed 25 .07.2012).

[45] P. J. Saunders (ed.) (2011), *Enduring Rivalry? American and Russian Perspectives on the Former Soviet Space,* Center for the National Interest, June, p. 46.

[46] W. Wojtasiewicz, *Krok naprzód,* 12.01.2012, „Nowa Europa Wschodnia" website, www.new.org.pl/2012-01-12,krok_naprzod.html (accessed 15.08. 2012)

[47] W. Wojtasiewicz, *Szczere wyznanie Putina,* 16.08.2012, „Nowa Europa Wschodnia" website, http://www.new.org.pl/2012-08-16,szczere_wyznania_putina.html (accessed 18.08.2012).

Fleet and the Crimea region.[48] Till the beginning of the 21st century, Ukraine seemed to be a Russian stronghold in Europe. The situation changed with Ukrainian presidential elections in 2004 and pro-Western candidate Viktor Yushchenko. In that situation, the United States could undertake activities aimed at increasing its influence in Ukraine.[49] Naturally, in the said elections Russia supported counter-candidate Viktor Yanukovych. Washington asked Russia to refrain from actions that would impede Ukrainians' free choice. The Orange Revolution was thought to bring Ukraine closer to western integration and security structures.[50] Democratisation of Ukraine was to facilitate the same processes in other post-Soviet countries and provide a stimulus for revival of democracy in Russia.[51] After the Orange Revolution, Ukraine started to demonstrate its pro-Western ambitions. Its accession to NATO and the European Union could create a geopolitical situation for which Russia was not fully prepared to face. The pro-Western orientation of Ukraine could be a threat to the western part of the former Soviet Union for, in a long run, Moldova and Belarus might join the same structures. The strength of Russian influence was an issue. Counteracting the US influence not only next to the Russian border but also in Europe, Russia intensified its relations with Germany, especially in the area of energy policy. Gerhard Schröder prioritised economic cooperation with the Kremlin. In result, the controversial Nord Stream AG consortium was born. The consortium planned to construct and operate a natural gas pipeline connecting Germany and Russia directly through the Baltic Sea and by-passing Poland, the Czech Republic, Slovakia, Ukraine, and Belarus. Energy resources were a strong argument used by Russia in its talks with the European Union as some EU member states have been strongly dependent on gas and crude oil imports. Russia tried to make Europe dependent on its supplies by imposing limits on volumes imported and consolidating crude oil and natural gas deliveries thanks to long-term contracts signed with producers in Central Asia, and by taking control over strategic infrastructure.[52] At the same time, Russia needed to have an ally from among countries of the so-called "old" Europe, and Germany was to be the main recipient and a distribution centre of the Russian gas.[53] Fortunately, the European Union reached its internal agreement and called upon Russia to sign

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[48] More in: K. Malak, *Rosyjsko-ukraiński spór o Krym, Sewastopol i Flotę Czarnomorską*, in: J. Kukułka, Ł. Łukaszuk (eds) (1997), *Od konfiktów do partnerskiej współpracy*, AON, Warszawa, pp. 107-137.

[49] More about Polish-Ukrainian relations in: A. Dergachev (2000), *Ukrainian-Russian Relations – European and Eurasian Context,* "Russian Politics and Law" Vol. 39, No. 6, Nov.-Dec., pp. 55-73.

[50] J. Tefft, *Ukraine and the United States: The Challenges Ahead, Remarks to the Chicago Council on Foreign Relations,* Chicago, Illinois, February 7, 2005, MANPADS/Ukraine14feb05.htm (accessed 20.07.2012).

[51] Z. Brzezinski, *Imperial Russia, Vassal Ukraine,* "The Wall Street Journal", December 1, 2004, http://www.aei.org/article/21647 (accessed 20.07.2012).

[52] A. Cohen, *Europe's Strategic Dependence on Russian Energy,* "Backgrounder" No. 2083, November 5, 2007, p. 3.

[53] В. Чижов, *Политика. Россия - ЕС, Стратегия партнерства,* „Международная жизнь" No. 009, 2004-09-30, pp. 23-34.

the Energy Charter and the Transit Protocol that guaranteed security of gas deliveries to EU member states. A thorn in Russia's side were also Yushchenko's actions aimed at assigning the highest priority to Ukraine's integration with the Euro-Atlantic community. In 2005, Ukraine adopted the EU-Ukraine Action Plan which was an element of the EU Neighbourhood Policy and Ukraine's economy was recognised to be market economy, which was an important step toward joining the WTO, an organisation which also Russia long wanted to join.[54] In addition, there were plans to develop NATO's Membership Action Plan (MAP) for Ukraine and, in a longer run, its possible accession to NATO. Russia perceived those developments as one great conspiracy against Russia. American experts recommended that the US increased its pressure on the EU to facilitate Ukraine's accession to the EU, intensified NATO membership MAP talks with Ukraine, supported operations of the GUAM Organization for Democracy and Economic Development members, and graduated Ukraine from the Jackson Vanik Amendment, for which also Russia has long been striving.[55] Unfortunately, the situation in Ukraine was far from being politically stable by Western democracy standards. Russia's influence on Ukrainian policy-makers was very strong, and the actual Ukraine's divide into its undoubtedly pro-Western part (in the west), and the eastern part visibly dependent on Russia, was not necessarily helpful either. The situation under Yushchenko was not stable, and paradoxically, strategic decisions adopted were based on opinion polls. In autumn 2006, Ukraine suspended its endeavours to join NATO.[56] That was a fault of the Alliance and the US as NATO did not develop its new operation formula and it was unclear what new tasks of NATO should be.[57]

At its summit in Bucharest in April 2008, NATO suspended the process of Ukraine and Georgia's accession for two reasons. Firstly, it was the time of the presidential campaign in the US in which Democrats were expected to win, and the worsening economic crisis did not encourage taking strategic decisions on foreign policy. Secondly, there was lack of agreement among Alliance member states. The American administration reached a conclusion that the success of NATO's activities would be ensured by a smooth cooperation of France, Germany, and the UK. Germany, however, pursued its policy of good relations with Russia and strongly opposed further NATO enlargement to the east. Russia, in turn, insisted that military "presence" of NATO next to its border was a direct threat to Russia.[58] In addition, it turned out

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[54] A. Moshes (2007), *Ukraine: Domestic Change and Foreign Policy Reconfiguration,* "Political Trends in the New Eastern Europe: Ukraine and Belarus", Strategic Studies Institute, June, pp.28-29.

[55] C. A. Wallander (2005), *Challenge and Opportunity: A U.S. Strategy on Ukraine,* June, CSIS, pp. 1-4.

[56] A. Górska, *Ukraina zawiesza starania o członkostwo w NATO,* "Komentarze OSW" 21 September 2006, OSW.

[57] More in: S. Kober, *Crack in the Foundation. NATO s New Troubles,* "Policy Analysis" No. 608, January 15, 2008, The Cato Institute.

[58] A. Gruszczak, *Szczyt NATO w Bukareszcie. Pogłębienie transatlantyckich podziałów,* in: P. Bajor, O. Plaze (eds) (2009), "Biuletyn Międzynarodowy" Kraków, p. 60.

that despite four years of pro-Western Ukrainian administration, the old bonds and dependence on Russia were deeply rooted in Ukraine. Viktor Yushchenko's eastern foreign policy often turned against him. He was judged to be Russophobic and it was one of the reasons for his defeat in presidential elections in 2010. The elections were won by Viktor Yanukovych, a candidate supported by Russia, who has consistently pursued a pro-Russian policy and who distanced himself from his predecessor's ideas of Ukraine's integration with the West.

Another factor that largely influenced relations in Europe was the planned construction of the National Missile Defence (NMD) sites. The original NMD project, put forward by the George W. Bush administration, escalated tensions in US-Russia relations and exposed frictions between "old" and "new" Europe. The plan advocated by the US included installation of the NMD system elements, i.e. Ground Based Interceptors in Poland and a radar and tracking system in the Czech Republic. It caused great indignation in Russia. In the opinion of Russian policy-makers, deployment of missiles proposed by Americans meant an attack on Russia and thus relevant changes in Russian strategic forces began to be prepared.[59] Already in 2002, the US withdrew from the ABM treaty judging it redundant if the NMD was developed further. The ABM treaty was considered by Russians to be a huge compromise on the reduction of its military capabilities. The withdrawal of the US heated the tensions. In the conflict situation, the US made some concessions to Russia. In April 2007, in Moscow, the visiting American delegation presented a proposal for Russia, as a country also threatened with nuclear attacks, to join the system and to share the technology with Russia.[60] But Russia worried not only about military issues. Political issues also mattered. The military potential of Russia was much greater that 10 anti-ballistic missiles to be deployed in Poland, but Russia could not consent to the "presence" of American bases nearly its border. The latter was crucial for Russia's prestige on the international arena and of high relevance to its domestic policy. It should be also highlighted that the location of an American base in Poland would violate an informal agreement reached when the NATO-Russia Founding Act on Mutual Relations, Cooperation and Security (1997) was signed and in 1999 when NATO enlarged. The Act contained NATO's qualified pledge not to deploy nuclear weapons or station troops in new member states and refined the basic "scope and parameters" for an adapted Conventional Armed Forces in Europe (CFE) Treaty. In the new situation, Poland, stronger militarily and politically, and also other countries of Central and Eastern Europe would not be so sensitive to threats and pressure from the Kremlin and possibilities of impacting Russia's traditional area of influence would be significantly limited. In addition, in the end of George W. Bush's second term, the level of anti-American feelings in the world was very high and the US as the "lonely sheriff", acting unilaterally, did not have a good record among the international community. The quick signing of the agreement on the anti-missile

[59] A. Pisalnik, *Minister Iwanow: będzie kara dla Polski za tarczę,* „Rzeczpospolita" 10.11.2006.
[60] C. Rice, R. Gates*, Wir wollen kein neues Wettrüsten,* "Süddeutsche Zeitung" 26.04.2007.

"shield" construction during the Russia-Georgia War in 2008 seemed to be the last move of Bush to highlight his efficiency in foreign policy. At the time, Russia was involved militarily on the Georgian territory and had no grounds to protest. After Barack Obama was elected, it was clear that his policy would be different, especially given his high scepticism toward the actual necessity of the project implementation. A reset of US-Russia relations was promised and Russia's expectation was that the "shield" project would not be implemented.[61] Apart from that, there were hints that Russia would not agree to sign the *opus magnum* of Obama's presidency, i.e. the new START treaty, if American missiles were deployed near the Russian border. At the time, the US military budget was cut by approx. USD 1.4 billion due to the crisis. Russia proposed to construct a common anti-missile defence system with radars in Armavir (Krasnodar Krai in Russia) and Gabala (Azerbaijan). The United States suspended the "shield" project in Poland and the Czech Republic. The decision to construct the "shield" was on paper (NMD within NATO), but given the lack of ideas about future operation of the Alliance itself, it is probable that the project will never be implemented.

## THE IRANIAN ISSUE IN US-RUSSIA RELATIONS

Russia's relations with Iran were established already during the Cold War. At that time, the Soviet Union and Iran signed bilateral agreements on trade, military, scientific and technological cooperation, the latest mainly in the field of nuclear power engineering. Russia perceived relations with Iran in terms of two categories: as a possibility to retain its influence in the Middle East, strategically an extremely important region, and also as an opportunity to salvage its national budget thanks to proceeds from trade in arms industry products.[62]Already in the first half of the 1990s, Russia supplied Iran with a several hundred tanks and armoured vehicles, fighters, submarines, and surface-to-air missiles, and undertook to build two atomic reactors in Iran. The Iranian Bushehr facility was developed, where Russia built another reactor, supplied nuclear fuel and trained Iranian personnel.[63] The Russian-Iranian military and nuclear cooperation was of a serious concern as the US pursued the policy of international isolation of Iran. The concern turned out to be even more justified when, in August 2002, the National Council of Resistance of Iran (NCRI) revealed the existence of two nuclear facilities in Iran which had not been known earlier. As IAEA inspections in Iran brought no results, there were proposals to solve the situ-

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[61] *Послание Федеральному Собранию Российской Федерации,* 5 ноября 2008 года, Москва, Большой Кремлёвский дворец, http://www.kremlin.ru/transcripts/1968 (accessed 22.08.2012).

[62] Mores on Russia trading arms to Iran: A. Kassianova (2006), *Russian Weapons Sales to Iran. Why They Unlikely to Stop,* PONARS Policy Memo No. 427, December, pp. 1-5.

[63] A. Cohen, *U.S. Should warn Russia Over Its "Soviet" Middle East Policy,* "WebMemo" No. 1007, March 6, 2006, The Heritage Foundation, p. 3.

ation using armed forces. Russia, taking care of its own interests and global multipolarity, opted for diplomatic measures.[64] The Russian proposal focused on uranium enrichment in Russia and fuel supply to Iran. At the same time, arguments were raised that the Iranian nuclear programme did not serve military purposes, which strangely collided with Iranian threats to launch its missiles.[65] When new sanctions were imposed on Iran, Russia would vote for resolutions of the UN Security Council but then took all efforts to mitigate their application. The Iranian nuclear project was developed further. In December 2007, a Russian company, *Atomstroiexport*, which undertook to build a power plant in Bushehr, announced that it reached an agreement with Tehran about the investment deadline but it also declared that the construction would not be finished by 2008. In result, the first Iranian atomic plant was launched in September 2011.[66]

The US strongly criticised Russia for being the supplier of arms to Iran, mostly for its provision of the TOR-M1 and a more a advanced S-300 version of its mobile anti-aircraft defence systems. Both Iran and Russia took steps to shape the world market of natural gas. Vladimir Putin's visit to Tehran in 2007 indicated a new dimension of relations between the two countries. The Caspian Sea countries – Russia, Iran, Turkmenistan, Kazakhstan, Azerbaijan – clearly headed toward strengthening regional cooperation. Governments of those five countries made the first step toward the creation of a regional security system, undertaking not to avail their territories to third countries intending to invade them.[67] In Teheran, on 21 October 2008, head of Russian Gazprom Alexey Miller and ministers of oil industry of Iran and Qatar announced the intent to establish an alliance coordinating natural gas export policies. On 23 December 2008, in Moscow, a Gas Exporting Countries Forum meeting was held. Participants were Russia, Iran and 10 other countries. At the meeting, the statute of the Forum as an intergovernmental organisation with its headquarters in Doha, Qatar, was approved.

The US was highly concerned about Iran's aggressive rhetoric coupled with Iran's development of its own programme of mid- and long-range ballistic missiles. Nuclear weapons and missiles in the hands of Iran constituted a substantial threat not only to the Middle East but to the whole world. In the US, there was a nationwide consensus on the need to stop the Iranian nuclear programme. A common opinion was that Russia could have a major influence on the course of the dialogue between Iran and the West thanks to its connections from the Soviet Union time.[68]

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[64] J. Elliott, I. Khrestin (2007), *Russia and the Middle East,* "Middle East Quarterly" (Winter), AEI, January 19, 2007.

[65] Е. Примаков, *Политика. Это Ближний Восток, это своя специфика*, *"*Международная жизнь" 30.04.2006, No.004, pp. 30-31.

[66] *Iran launches Bushehr nuclear power plant*, Ria Novosti 12.09.2011, http://en.rian.ru/world/20110912/166785925.html (accessed 27.08.2012).

[67] *Caspian states adopt declaration on repelling aggressors -2,* RIA Novosti, 16.10.2007, en.rian.ru/world/20071016/84185487.html (accessed 27.08.2012).

[68] C. D. Ferguson, V. Mizin, *Russia can help resolve Iran crisis,* Council on Foreign Relations, May 22, 2006.

It was the time when the main divide on the policy toward Iran became visible. Western countries, the United States in particular, wanted to undertake resolute steps, while Russia and China, both permanent members of the UN Security Council, opted for slowing down Iranian endeavours. Some Russian experts were of the opinion that each country had the right to develop its own nuclear programme. They explained that nuclear ambitions of Iran stemmed from three factors: 1. geopolitical, as Iran played the main role in a strategically extremely important region of western Asia, 2. military-political, as Iran was surrounded by unfriendly countries and possible adversaries, and its main enemy – the United States – kept concentrating its forces on three sides of Iran: in the west (Iraq), the east (Afghanistan), and in the south (the Persian Gulf and the Gulf of Oman), 3. psychological, as Iran was the heir of one of the greatest ancient civilisations, i.e. the Persian Empire, and for six hundred years it was the world centre of Shia Islam.[69]

The Russia-Georgia War and deterioration of Russia's relations with the West turned out to be the catalyst of changes. It brought about destabilisation of energy markets and boosted oil and gas prices, and Iranian oil and gas deposits became virtually unavailable to Europe, which results in even greater dependence of Europe on the Russian energy industry. At that very time, Iran started to strengthen its economic ties with Asian countries and thus its "proximity" to Russia and China increased. The case of the Russia-Georgia War could have been used by Tehran as a "subtle" message to its enemies.[70] Even negotiations offering Iran a freeze-for-freeze, i.e. a freeze of sanctions for six weeks in return for freezing the Iranian nuclear programme, which were carried by France, the United Kingdom, Germany, Russia, China, and the United States, did not help.[71] The International Atomic Energy Agency's Report of 15 September 2008 confirmed that there was no substantive progress on clarification of all ambiguities accrued around the Iranian nuclear programme. It was highlighted that the process of uranium enrichment in Iranian nuclear plants was continued.[72]

The issue of Iranian nuclear weapons was the subject of controversial negotiations between Barack Obama and Dmitry Medvedev. During their meeting in London in 2009, a need to persuade Iran to implement UN resolutions and cooperate with IAEA was recognised. Russia, however, did not see any sense whatsoever in imposing any sanctions on Iran.[73] In Prague, the US maintained that the AMD proj-

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[69] V. Sazhin *Iran's Nuclear Programme. A Russian Perspective,* in: "Iran. The Moment of Truth" (2005), Working Paper No. 20 of the European Security Forum - A Join Initiative of CEPS and IISS, June, p. 15.

[70] R. Takeyh, N. Gvosdev, *Russia's Role in Iran Crisis,* Council on Foreign Relations, "The Boston Globe", September 6, 2008.

[71] F. Berrigan, *Avoiding Brinksmanship with Iran,* New American Foundation, "Foreign Policy in Focus" July 23, 2008.

[72] *Implementation of the NPT Safeguards Agreement and relevant provisions of Security Council resolutions 1737 (2006), 1747 (2007) and 1803 (2008) in the Islamic Republic of Iran, GOV/2008/38,* IAEA, www.iaea.org/Publications/Documents/Board/2008/gov2008-38.pdf (accessed 25.08.2012).

[73] L. Aron (2009), *The Button and the Bear,* "Russian Outlook" Summer, American Enterprise Institute for Public Policy Research, p. 5.

ect could not be abandoned particularly because of Iran. However, at the Moscow summit, Obama suggested abandonment of the AMD implementation, if Iran gave up its nuclear programme under Russia's pressure. It brought about some results, as at the 64th UN summit Russia acknowledged the need to impose sanctions even though they have hardly ever gave to positive results.[74] For Russia, the liquidation of the Iranian nuclear programme was not desirable. Its point was that aggravation of sanctions against Iran (the forth exporter of crude oil in the world) would lead to increase of prices, which would allow Russian oil industry to enhance its profits. Russia did not see Iran as a threat. Iran was its partner and temporary ally in preventing American expansion around the Persian Gulf which was part the multi-polarity strategy. Iran was perceived by Russia as an emerging "regional superpower" in the Middle East and thus the Kremlin could not officially act against it.[75] Iran itself also sought for partners able to counterbalance the influence of the US. It signed favourable economic and military agreements with China and Russia and promoted anti-Americanism as part of the goals of the Non-Aligned Movement and the Organisation of Islamic Cooperation. Tehran also started to establish ties with US opponents in Latin America: Bolivia, Cuba, Ecuador, Nicaragua and Venezuela.[76]

The situation grew more tense once the next IAEA report got published in the end of 2011. It read explicitly that Iran's activities aimed at producing a nuclear explosive device. To stop that, intensified measures were applied. In January 2012, the EU banned imports of Iranian crude oil. Further negotiations were carried though. In the beginning of 2012, rumours about a possible US attack on Iran started spreading, albeit were it to happen, it is difficult to envisage its legal endorsement. The following question must be asked: what will Russia's response to the actual US armed military operation in Iran be? A US unitary operation may meet with strong opposition on international forums and this applies to a possible Israeli involvement too. Quite recently, however, Russia has warned Iran about its lack of support for the Iranian nuclear programme, should the suit of Teheran against the *Rosoboroneksport* company not be withdrawn. Russia also demanded that Iran pays it USD 4 billion in compensation for breaking the contract for delivery of S-300 missile systems in the aftermath of a fourth round of United Nations sanctions against Iran in 2010.[77] This means that Iran may lose an important ally and that Russia's influence in the Middle East will decrease.

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[74] H. Sicherman (2009), *Obama's Foreign Policy at Ten Months: the Limits of Consensus*, November, Foreign Policy Research Institute, http://www.fpri.org/enotes/200911.sicherman.obamaforeignpolicy.html (accessed 25.08.2012).

[75] A. Cohen, *Russia's Iran Policy: A Curveball for Obama,* "Backgrounder" No. 2359, January 15, 2010, The Heritage Foundation, p. 2.

[76] More in: M. Mohsen (2009), *Teheran's Take,* "Foreign Affairs" July/Aug., Vol. 88, Issue 4, pp. 46-62.

[77] И. Сафронов, Е. Черненко, А. Горшкова, А. Габуев, *Иск за С-300 развора-чивают против Ирана. Россия готова лишить Тегеран поддержки,* "Коммерсантъ" No. 147 (4932), 10.08.2012, http://kommersant.ru/doc/1998722 (website accessed 27.08.2012).

SUMMARY

The last decade was a breakthrough period in US-Russia relations. The asymmetry in their relations caused by the collapse of the bi-polar international order in 1989 was levelled. At the same time, Russia's role as a global player decreased. The above largely refers to the US-Russia competition in the discussed areas of overlapping interests. It should be stressed that the clashing areas were like a magnifying lens highlighting tensions and conflicts between the two countries. Thanks to the consistent implementation of its strategy, Russia has gradually restored its lost role. Russian authorities managed to translate Russia's traditional imperialistic pursuits into modern international relations. The tools used for that purpose included:

– support given to pro-Russian political milieus to seize or retain power in some countries, for example in Ukraine and countries in Central Asia,
– winning the opposition against the US domination and the creation of discord groups e.g. opposing the intervention in Iraq or pursuing specific activities by the Shanghai Cooperation Organisation,
– skilful resort to the military dimension like its threat to deploy ballistic missiles in Kaliningrad, warning against a new arms race in the NMD context, not to mention the Russia-Georgia War,
– stiff stance on its trade relations with Iran, not negotiable in relations with Western countries,
– protection of Russia's huge exports of raw materials to Europe by having a decisive impact on possible diversification of natural gas and crude oil supplies thanks to Russia's strong role in Central Asia and the South Caucasus.

The US entered the 21st century as the only superpower and it perceived itself as such. This perception was strengthened by the Republican neoconservative administration forcing a unilateral vision of US foreign policy. In result of this policy implementation, a global opposition against the US domination emerged, which made Russia's undertakings much easier. Republicans' policy of entering Russia's areas of influence was a failure. American activities appeared to be insufficiently resolute and incoherent. The lack of real support for groups leading the so-called colour revolutions after their victories is a telling example. In consequence, the US gradually lost its influence on and in former Soviet republics in Central Asia, failed totally in Ukraine, contributed to the weakening of Georgia's place in the international arena and to the continuation of the Iranian nuclear programme. After Democrats took over, the situation did not improve. The administration of Barack Obama have strived for a radical change in US foreign policy including a change of the US' role in the world. A symbol of the latter was the abandonment of the NMD project in Europe. In has turned out that US authorities in the White House must take into account Russia's opinion on European security, especially in Central Europe which is a sensitive region to Russia. After failing to include Ukraine in western integration structures, mainly NATO, the US limited its activity to empty rhetoric of support for a possible enlargement of NATO. That was due to objections of European countries

and the reaction of Moscow to a possible integration of some CIS countries. With regard to Iran, Moscow played a double game. It seemed to support activities of the US administration and, at the same time, supported Iran's political and economic objectives reducing the weight of sanctions imposed.

Democrats have tried to force a conciliatory approach steering toward multilateralism and cooperation at any cost. That, however, has not altered the attitude of Russia consistently following its policy of restoring its global superpower role. Russia has relentlessly continued to protect and win back its areas of influence and weaken the US, judged to be its main rival. In this context, Russia appears to be more successful if an achievement of political goals is the criterion. For Putin, the key issue has been to build the domestic power of the state using, however, instruments typical of the authoritarian rule. Economic development has been translated into cultivation of Russia's security reflected in Russia's foreign policy. Russia's role in neighbouring regions, arms industry and Russian army have been strengthened. Russia shifted the focus of its foreign policy to Central Asia, commencing integration processes of post-Soviet republics. There the energy resources are to which, indirectly, also Americans have aspired. Russia has continued to compete against the US. For Putin, it was part of the "dynamic equilibrium" concept. His activities have strengthened the place of Russia in the CIS. Russia's image as a country acting multilaterally and respecting international law was simply part of Russian PR aimed at European countries irritated with the unilateral policy of the US, especially in the face of the failure of the Iraqi mission and lack of successes in Afghanistan. The Kremlin expressly renounced Russia's intent to restore its global empire status but its withdrawal from global politics has only been apparent. Natural resources and Putin's energy policy turned out to be highly effective means used to create a network of new contacts and relations and as a tool to punish those defying Russia's policy.

ABSTRACT

*In the article, selected issues in US-Russia relations in the first decade of the 21st century are discussed. That time was marked by revaluation and changes in the place and role of both the US and Russia in the international arena. Policy objectives of both states engaged them in a tactic game for spheres of influence. American unilateralism led to a gradual degradation of the US role in the world. Circumstances accompanying the assumption of presidency by Barack Obama included the need to abandon unilateralism and focus on a conciliatory approach to problems, which in turn resulted in the US self-imposed limitation of its role in the world. On the other hand, following the rise of Vladimir Putin to power, Russia launched a consistent strategy of resuming the status of a global power. Therefore, in the period under discussion the two countries started competing for spheres of influence. The latter phenomenon is analysed with reference to major areas of overlapping interests, i.e. to the territory of the former sphere of influence of the USSR and to the region of the Near East, especially Iran, which is one of the vital regions in US strategy.*

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Poznań

# CHINA IN THE 21ST CENTURY: REGIONAL OR GLOBAL POWER?

It is not easy to assess current policies and the international role and place of the People's Republic of China (PRC). Its spectacular economic successes attract public attention worldwide and give rise to many questions on the future of China and its role in the new international order. China's activities, declarations and place in the international arena do not lend themselves to any categorical classification. China, for many reasons classed as a developing country, has more and more visible power attributes. Its pragmatic diplomacy makes use of China's "dual role", depending on the situation and its needs. The PRC either underlines its growing potential or emphasises its numerous problems in internal modernisation. Moreover, while underlining its will to develop peaceful relations with regional and global partners, China invests in further development and modernisation of its military potential, which gives rise to concerns and mistrust of the international community. China does not follow any historic path to power. It has resigned from any close alliances and, instead, maintains a network of "strategic partnerships". It pursues active and assertive foreign policy avoiding violent confrontations. Finally, its "modernisation without westernisation" development model and many other components of Beijing's strategy, make clear that China follows its own way. Forecasts concerning China and its future influence on the global order are often not free from simplifications and sometimes radical evaluations. On the one hand, the PRC is presented as the last stronghold of ideology discredited after the collapse of the Soviet Union and depicted as a regime supporting "rogue states" and indifferent to human rights. On the other hand, assessments point to the growing economic potential of the Middle Kingdom and thus benefits that this process might yield at the regional and global level. All experts agree on one issue: a future international order cannot be envisaged without an active, though not necessarily dominant, role of China.

Global economic recession which started in 2008 significantly contributed to revealing the international role of the PRC. Not only did China come away unscathed from global recession. It has become an important economic stabilising power in Asia and it has not ceased to finance the growing American public debt. Without any force demonstration, assertively and discretely, using mainly economic instruments in its foreign policy, China consolidated its regional power status. The divide between Beijing and Moscow has deepened, and the dependency of ASEAN

economies on Chinese investments has grown. Circumstances that helped the PRC pursue its interests increased expectations of the international community toward the Middle Kingdom. While the West keeps wondering whether the future will bring a global "Chinese threat" or, rather, Beijing's "responsible involvement" in stabilising a global order, the PRC is amidst a difficult process of redefining its foreign policy concepts. China's foreign policy requires adaptation to China's completely new potential and geographical expansion of China's interests.

## RUSSIA AND CHINA: A COMPLICATED STRATEGIC PARTNERSHIP

A Russian analyst said: "The Chinese are very clever. They treat Russia like a superpower even if they behave like it is not; they pretend that Russia is a co-leader of the SCO [Shanghai Cooperation Organisation] even if it's not. This goes down well here [in Russia]"[1]. In fact, the Chinese consistently uphold that Moscow and Beijing are equitable partners, even if in practice China's activities lead to decreasing Russia's influence in the region.

Already at the turn of the 1990s, China adopted an assertive position on its collapsing Russian neighbour. For the first time in the history of China-Russia relations, Beijing was capable of implementing some of its interests through bilateral agreements. This was clearly exemplified by the revision of the eastern part of the Chinese-Russian border, the line of which was moved; its earlier run specified in previous agreements was informal and unbeneficial to the PRC.[2] Although it took over a decade to reach agreement on various issues, Russia finally accepted the terms China negotiated with the Soviet Union.[3] In regard to territorial issues, Beijing was satisfied with that success and did not put forward any other claims to Russia, irrespective of the fact that in 1973, Deng Xiaoping, speaking to the UN General Assembly, underlined that China only sought the return of a "few square kilometres here and there", which was a reference to the area of approx. 33,000 km$^2$ which was under the jurisdiction of the Soviet Union at the time.[4] Theoretically, the political upheaval and chaos of transformation accompanying disintegration of the Eastern Bloc gave China an opportunity to present and execute greater claims than the PRC

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[1] After: B. Judah, J. Kobzova, N. Popescu (2011), *Dealing with a post-BRIC Russia,* European Council on Foreign Relations, p. 37.

[2] В. Л. Ларин, В тени проснувшегося Дракона. Российско-китайские отношения на рубеже XX-XX*I* веков Vladivostok, 2006, p. 139.

[3] The Soviet-Chinese agreement on this issue was signed in May 1991 and additional negotiations were not closed until 2004. From the perspective of law, Russia accepted the agreement in 2005. See: О ратификации Дополнительного соглашения между Российской Федерацией и Китайской Народной Республикой о российско-китайской государственной границе на ее Восточной части, No. 52-53, 31 May 2005.

[4] *Quarterly Chronicle and Documentation*, *(*1974) "The China Quarterly" No. 59, p. 656, after: E. Hyer (1996), *The Sino-Russian Boundary Settlement,* "Boundary and Security Bulletin" No. 2, p. 90.

actually did. The ever valid memory of having been "humiliated" by Western powers for a century and the urge to revise "unequal treaties" imposed on China by, among others, the Russian empire, were not decisive for Chinese actions on the international arena. To put it simply, the collapse of the Soviet Union had two very significant and very alarming, in the opinion of Beijing authorities, consequences: significant decrease of the region's political stability and a possibility that dangerous pro-Western reformist attitudes would become popular with the Chinese society. At the time, Wan Li, National People's Congress Chairman, said that China's economic development needed a peaceful international environment and therefore, China wanted to be on good terms with all other countries.[5] The most important objective was to shape and strengthen stability in countries around China and it required cooperation with the Russian Federation. Already in the second half of the 1990s, Moscow and Beijing announced their "strategic partnership". As a result, both states started to adopt similar positions on regional issues and a future international order that was to replace the Cold War order.[6] This raised serious concerns among Western observers, despite the fact that the "strategic partnership", not devoid of competition, practically did not cover any major economic projects and was not a political or military alliance targeting any third countries.

Already in the 1990s, first symptoms of China's advantage over Russia became visible. They were mainly connected with huge differences in the pace of economic development of the two countries. Until the second half of the 20th century, however, that gap was not clearly perceptible. That was primarily due to a conventional perception of the Russian Federation as a state which might not have been a superpower like the Soviet Union but was an important "stabilising" power in the region. Also the non-confrontational and "modest" approach of increasingly powerful China, whose diplomacy continued to adhere to the principle of concealing one's capabilities formulated by Deng Xiaoping, contributed to that situation.[7] In the beginning of the 21st century, China's considerate passiveness in foreign policy changed to

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[5] After: N. Kuhrt (2007), *Russian Policy Towards China and Japan. The El'tsin and Putin periods,* New York, p. 12.

[6] This refers primarily to limiting the influence of Western states in Asia and the joint Sino-Russian support for multilateralism in international relations. The most important areas where China and Russia have converging interests are: human rights (any Western campaigns against human rights violation in Russia and China are perceived as an attempt to interfere in those states' internal affairs), ethnic minority rights in Russia and China (fighting separatist trends is a priority for both states while reactions to Western interventions concerning ethnic minorities are driven by the same logic as responses to campaigns against human rights violation), limiting US influence (this concerns mainly NATO enlargement and US activities in Central Asia), disapproval of all unilateral decisions (including those taken mainly by the US) that influence a global situation. More in: R. Menon (2009), *The China-Russia Relationship: What It Involves, Where It Is Headed and How It Matters for the United States,* New York, pp. 13-16.

[7] Deng Xiaoping, in his famous "28 characters", outlined China's foreign policy strategy. This strategy encompassed only seven guidelines, one of which was the "concealment of one's capabilities" from other international players (*tao guang yang hui*). Cf. Q. Zhao (2001), *Chinese Foreign Policy in the Post-Cold War Era,* "World Affairs" No. 159(3), p. 114.

a more active approach. A real breakthrough took place in the second half of the first decade.[8] On the one hand, Beijing adjusted its strategy to its increased capabilities thanks to China's growing economic potential. On the other hand, the persisting economic crisis did not affect China as much as other states and that enabled China to execute its interest objectives. In practice, it meant that China's position in relation to the Russian Federation grew stronger. It also meant that a change in the balance of powers accelerated in Asia.

This change, favourable for China, can be traced in new developments taking place in Central Asia. Countries of the region, traditionally perceived to be Russia's zone of influence, are in majority members of the Shanghai Cooperation Organisation. The SCO is the most important cooperation platform of Moscow and Beijing in the region. It is also a structure where contradicting interests of China and Russia are most tangible. In the first half of 2000, Beijing proposed to establish a free market in the SCO territory. Russia could not accept that proposal as the PRC had economic advantage over the Russian Federation. Moscow, in turn, suggested that the organisation should be transformed into a military alliance, which was completely uninteresting for China.[9] None of those proposals has been implemented so far, yet the economic and, what follows, political influence of China in the region keeps growing. At the same time, Russia's real capacity to influence Central Asian countries has decreased markedly. Firstly, already in 2007, a Turkmenistan-China agreement on natural gas supply to China was signed. Despite persisting recession, in 2008, the construction of a gas pipeline necessary to execute the signed agreement began. The investment was financed to a large extent by China. Kazakhstan and Uzbekistan expressed their interest in joining the Turkmen-Chinese deal.[10] The first section of the pipeline was opened at the end of 2009. Russia had no possibility of hindering its launch and thus had to give up its monopoly of distribution and transport of blue fuel in Central Asia. Considering the frequent use of Russia's raw materials arguments in Russian political activities, that was a painful loss. Secondly, China's presence in the Central Asian natural gas market was only a prelude to a large-scale investment campaign. Already in the first quarter of 2010, the PRC spent billions of dollars on loans granted to Central Asian republics and infrastructure investments in the region. The latter were mainly to develop national energy sectors and most funds were allocated to Kazakhstan.[11] Central Asian countries readily took the opportunity

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[8] More in: M. Pietrasiak, D. Mierzejewski, *Między wzrastaniem a harmonią – uwagi o chińskiej polityce zagranicznej,* in: M. Pietrasiak, D. Mierzejewski (eds) (2012), *Chiny w stosunkach międzynarodowych,* Łódź, pp. 10-12.

[9] R. Weitz (2008), *China - Russia Security Relations: Strategic Parallelism Without Partnership or Passion?*, Strategic Studies Institute, U.S. Army War College, www.strategicstudiesinstitute.army.mil/pdffiles/pub868.pdf, p. 64 and 74 (accessed 13.04.2011) .

[10] A. Jarosiewicz (2009), *Gazociąg Turkmenistan - Chiny znacząco wzmacnia pozycję Chin w Azji Centralnej,* "Tydzień na Wschodzie" No. 43 (118), p. 4.

[11] Data after: *China in Central Asia: latest investments,* "Reuters" 11 March 2010, http://www.reuters.com/article/2010/03/ll/china-centralasia-idUSLDE6280-UR20100311 (accessed 27.07.2012).

to diversify their political and economic partners. By tightening their relations with Beijing, they undermined the traditional dominance of Moscow in that part of the world. Activities of the PRC are effective because they are non-confrontational, discrete and consistent. They bring tangible economic benefits and they do not entail any obligations in the area of human rights or to tighten military cooperation with the investing state. In result, the Middle Kingdom already in 2012 was the largest trade partner of Central Asian republics, surpassing the Russian Federation which previously dominated in the region.[12]

Moreover, Russia was forced to redefine its economic and political objectives connected with the potential of Siberia and the Far East. Until the end of the previous decade, implementation of Sino-Russian energy cooperation projects, which was of Beijing's huge interest, was in most cases a distant perspective. To put it bluntly, Russia was interested in the development of its eastern regions, and exploitation of large natural resources located there was to be the key. That, however, required huge foreign investment. Opening Siberia and the Far East to Chinese capital was perceived as a potential threat consisting in an excessive increase in Beijing's interests in that part of the world. That is why investment cooperation of both states in that area was long relatively little. The global economic crisis, however, forced the Russian Federation to cooperate with China on China's terms. An obvious manifestation of the above was the construction of the ESPO oil pipeline. Initially, it was planned to be a multi-directional transfer network (including Japan, South Korea and China) but eventually it transported crude oil solely to the PRC. It was launched in 2009 mainly thanks to Chinese loans granted to *Transnieft* and *Rosnieft* holdings.[13] Moreover, already in 2009, President Medvedev noticed that without China's involvement in large projects implemented in Siberia and the Far East, Russian plans of modernising those regions might prove unrealistic. That was a clear sign that the previous policy of "preventing" China's economic expansion, both in Russia and in Central Asia, was abandoned. Moscow approved of the intensifying economic cooperation between Central Asian republics and the PRC.[14] Obviously, bilateral financial cooperation on development and modernisation of eastern Russia is pursued on terms highly favourable for Beijing. China has always been interested in gaining access to natural resources of Siberia and the Far East and it invests in extraction

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[12] *China CA's biggest trading partner in 2010,* "Central Asia Online" 9 September 2011, centralasiaonline.com/en_GB/articles/caii/newsbriefs/201 l/09/09/newsbrief-08 (accessed 30.07.2012).

[13] For many years, Russia delayed the project completion by negotiating agreements on deliveries with various recipients and awaited inflows of foreign investment from diverse sources. That strategy aimed at avoiding dependence on one trading partner and to facilitate acquiring funds for Russian eastern territories' development programme as well as to prevent an increase of crude oil price possible due to competition between importers. Currently, the PRC, in line with its interest, is the sole buyer. More in: M. Lubina, *Ropociąg WSTO jako przykład pojedynku energetycznego Rosji i Chin,* in: P. Kwiatkiewicz (ed.) (2012), *Bezpieczeństwo energetyczne – rynki surowców i energii,* Poznań, pp. 113-118.

[14] S. Blank, *China's Russian Far East,* The Jamestown Foundation, 5 August 2009, http://www.jamestown.org/single/?no_cache = l&tx_ttnews[tt_news] =35371 (accessed 31.07.2012).

and transport industries.[15] China's investment has been very high. As Chinese press agency *Xinhua* reports, in 2010, the PRC invested approx. USD 3 billion in the discussed territories, i.e. thrice as much as Russia.[16] The Chinese financial involvement in those regions remains stable. A 2012 agreement signed by China Investment Corporation and Russia Direct Investment Fund proves it. The contract concerns the establishment of a joint investment fund in the form of a limited liability company. The planned value of the fund is to be between USD 2 billion and USD 4 billion.[17] Although such developments undoubtedly contribute to economic development of Siberia and the Far East, they also consolidate an unfavourable (from Russia's perspective) structure of trade with the PRC. What is developed are mainly structures for exporting Siberian and Far Eastern raw materials while imports from China include mainly processed goods. This pattern of trade has been increasingly followed. In 2011, the PRC was the second largest exports market and the largest imports source of the Russian Federation.[18]

Despite the fact that the asymmetry in Russia-China relation has deepened recently and the economic advantage of China has gradually led to an unfavourable for Russia leadership change in the region, alarmist concerns about the Russian Federation transforming into China's "resource reserve" result from an unduly simplification of the situation. For China, Russia as political partner is much more important than as a raw materials supplier. China-Russia relations are important for the region stabilisation and for advancing relations with the West, mainly the US. To put it simply, when it comes to US-Russian relations, China is interested in adhering to the rule: "no collusion and no collision" between the two.[19] Should China-Russia relations deteriorate, Moscow might turn toward the West and that would threaten strategic interests of Beijing which at all cost tries to prevent being encircled "geopolitically" by US alliances with China's neighbours.[20] On the other hand, an exces-

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[15] *China Looms Over Russian Far East,* http://thediplomat.com/2011/06/22/china-looms-over-russia-far-east/2/ (accessed 31.07.2012).

[16] *China Investing in Russian Far East More Than Russian Gov't,* Russia Briefing, 19 April 2011, http://russia-briefing.com/news/china-investing-in-russian-far-east-more-than-russian-gov%E2%80%99t.html/ (accessed 31.07.2012).

[17] C. Wenjiao, *China, Russia Launch Joint Investment Fund,* Caixin online, 6 June 2012, http://english.caixin.com/2012-06-06/100397751.html (accessed 31.07.2012).

[18] The Bank of Finland Institute for Economics and Transition, *Russia seeks to attract Chinese investment in Far Eastern Russia and Eastern Siberia,* http://www.suomenpankki.fi/bofit_en/seuranta/seurantaaineisto/pages/vw201218_l.aspx (accessed 1.08.2012). The PRC accounts for 15.6% of total imports to the Russian Federation, while 6.5% of total Russian exports goes to the PRC (which makes China the second largest buyer of Russian goods). The Netherlands is the largest (12.3% of Russia's exports). Data for 2011, after: https://www.cia.gov/library/publications/the-world-factbook/fields/2050.html, https://www.cia.gov/library/publications/the-world-fact-book/fields/2061.html (accessed 12.10.2012).

[19] D. Trenin (2012), *True Partners? How Russia and China see each other,* Centre for European Reform, London, p. 20.

[20] *Ibid.,* pp. 17-19.

sively tight alliance of Russia and China would make the West worry about security issues which would negatively affect relations of both states with the US, and no participant of this political "triangle" wants and can afford such a change. In practice, Russia and China's alliance serves the purpose of protecting themselves against undermining their role in Asia and in the world by the West, and against any actions of the international community perceived as interference in internal affairs of the two. Manifestations of the above are, for example, joint Russian and Chinese positions on Taiwan, Tibet, Xinjiang and Chechnya, and their convergent stance on international security issues presented on the UN forum in the case of Iran, Kosovo, Iraq, Syria or Lebanon. Though the opinion that China-Russia relations have never been a true "strategic partnership" might be justified, their cooperation at international forums is extremely important to China.[21] China's economic expansion in Asia, maintaining its dominant position in energy cooperation with Russia, and the trade structure favouring China are areas where the PRC is active but very cautious when taking any actions that could disrupt the current political order and trigger strong reactions of Moscow or Washington.

## CHINA'S ACTIVITIES IN THE EAST: ECONOMIC PRESENCE OF THE MIDDLE KINGDOM IN ASEAN

Undoubtedly, at present the PRC stimulates economic development of ASEAN countries. It has also played the role of "a stabiliser" of their economic condition during the crisis. In 2009-2010, Chinese investments in the South Korean production sector increased almost fourfold to USD 214 million.[22] Since 2011, main recipients of China's funds are Indonesia, Vietnam, the Philippines, Malaysia, Thailand and Singapore. Considering the growth of investment cooperation in the region, by 2015 the PRC may be the largest trading partner of ASEAN countries.[23] Increased economic activity of the Middle Kingdom is mainly due to China's current economic growth based on investments and exports. This, however, leads to more complex and far reaching consequences than a simple observation about the pace of the investing state's development. Apart from securing its presence in Southern Asian markets rich with raw materials, the PRC intensely enlarges its international network of economic ties, where its role is significant if not crucial. Obviously, this also increases its capability of non-economic impact on the countries whose cooperation with China is tight. The scale of their dependency on China is illustrated by the susceptibil-

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[21] B. Judah, J. Kobzova, N. Popescu, *op. cit,* p. 35.

[22] G. Yen Kuan, *China's Wen to Spur Investment, Tap Resources in Southeast Asia,* Bloomberg, 27 April 2011, http://www.bloomberg.com/news/2011-04-27/china-s-wen-to-spur-investment-tap-resources-in-southeast-asia.html (accessed 3.08.2012).

[23] K. Hodal, *China invests in south-east Asia for trade, food, energy and resources,* "The Guardian" 22 March 2012, http://www.guardian.co.uk/world/2012/mar/22/china-south-east-asia-influence (accessed 3.08.2012).

ity of various states to a decline in Chinese investment growth. According to IMF estimates, if Chinese investments decline by 1 percentage point (pp.), the economic growth of South Korea, Taiwan and Malaysia will fall by 0.6 pp., 0.9 pp. and 0.65 pp. respectively. To compare, in the case of Germany and Japan, consequences would be much less severe. A decline in investments by 1 pp. would results in the fall of economic growth by a mere 0.1 pp., which is due to smaller involvement of those countries in the Chinese supply chain and thus the discussed changes would have a weaker impact of on their trade turnover.[24]

Although some recipients of Chinese investments voice concerns and some oppose China's foreign economic policy (e.g. Burma in 2011), most countries accept the offered funds and gradually tighten their cooperation with the Middle Kingdom.[25] Currently, China is the only state capable of making large-scale investments in many countries concurrently. Moreover, unlike the West, China does not combine their contract decisions with requirements concerning political reforms or protection of human rights. In result, the PRC grants more loans to developing countries than the World Bank. China finances, among others, large foreign infrastructure projects including enlargement of energy and transport networks.[26] The Middle Kingdom and other East Asian countries are increasingly connected by a rapidly developing network of railways, roads, sea routes and foremost financially. Some Chinese academic and political groups are of the opinion that the progressing cooperation and the simultaneous strengthening of China's role as its leader, might contribute to the restoration of China's historical place of the Country of the Middle, i.e. the economic, cultural and political centre of Asia.[27]

## OUTSIDE THE REGION: DEBATES ON THE FUTURE ROLE OF CHINA IN INTERNATIONAL RELATIONS

China has the second largest, after the US, economy, and is a developing country. Its situation is very untypical. There is no consensus among the international community on whether China should be perceived as a potential threat or an increas-

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[24] *Decline in China's investments sharply cuts Korea's GDP: IMF,* IntellAsia.net, 27 July 2012, http://www.intellasia.net/decline-in-chinas-investments-sharply-cuts-koreas-gdp-imf-220563 (accessed 3.08.2012).

[25] In 2011, Burma decided to suspend the construction of the dam and hydroelectric plant on the Irrawaddy River. The implementation of this project, worth USD 3.6 million and financed mainly by the China Power Investment, was suspended because it was "against the will of the people", whose representatives associated in e.g. The Burma Rivers Network, voiced concerns that Burma would become excessively dependent on Chinese investors and contractors. Cf. J. Watts, *China angry over Burma's decision to suspend work on £2.3 bn dam,* "The Guardian" 4 October 2011, http://www.guardian.co.uk/environment/2011/oct/04/china-angry-burma-suspend-da (accessed 3.08.2012).

[26] K. Hodal, *op. cit.* (accessed 3.08.2012).

[27] P. Sokala, *ChRL w procesie redefinicji porządku międzynarodowego w Azji Wschodniej,* in: M. Pietrasiak, D. Mierzejewski (eds.) (2012), *op. cit.,* p. 30.

ingly important partner. China is searching for the best strategy in its foreign policy, a strategy that would correspond to the geographical outreach of China's influence. As US Secretary of State Hillary Clinton said: China and the US must find "a new answer to the ancient question of what happens when an established power and a rising power meet".[28]

The China threat theory about China's future development and behaviour in the international arena is both well-known and extreme. In accordance with the realistic paradigm, as ambitions and capabilities of Beijing rise, so does the probability that it will aim to dominate, both in its immediate international environment and globally. Thus the risk of destabilisation of the regional and global political order grows and so does the risk of confrontation of the new emerging power with the powers of today. In the case of China, the US is perceived to be its potential greatest rival. That is why many Western analysts examine the current development of the Middle Kingdom in the context of broadly understood US security.[29] Radical forecasts offered by the realist school assume that it is highly probable that the rising power will use its "hard power". Supporters of more liberal views underline the current significance of globalisation and a tightening international network of economic ties, which leads them to a conclusion that "soft power" instruments are crucial in foreign policy, while all conflicts, especially military ones, are gradually becoming less and less profitable. In this context, it is most probable that China will pursue its cooperation oriented foreign policy and not head for violent clashes.[30]

For advocates of the current international order, mainly the US, China is dangerous even if one assumes that the forecasts of realists and neorealists prove false. This follows from the fact that China's policies undermine the Western monopoly of financial aid provision to developing countries which is highly regulated. Before China attained the rank of an important player in global economic relations, money was America's main tool for shaping the global order and promoting its concepts. Currently, developing countries perceive Beijing as an alternative and a much more attractive donor of economic support. China transfers money and does not press loan recipients to advance democratisation processes, to respect human or ethnic/national minority rights, or to tighten any form of military cooperation. Of course, this does not mean that China's relations with recipients of its investments are problem-free. It suffices to mention Beijing's territorial claims over the East and South China Seas which make its relations with Vietnam, the Philippines and Indonesia alarmingly tense. However, notwithstanding disputable issues, China's economic involvement in these states is increasing, and the West simply has nothing to say as the finan-

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[28] After: S. V. Lawrence, D. MacDonald, *U.S. – China Relations: Policy Issues*, CRS Report for Congress, 2 August 2012, p. 1.

[29] K. R. Al-Rhodan (2007), *A Critique of the China Threat Theory: A Systematic Analysis*, "Asian Perspective" No. 3(31), pp. 46-48.

[30] J. Ye (2002), *Will China be a "Threat" to its Neighbors and the World in the Twenty First Century*, "Ritsumeikan Annual Review of International Studies" No. 1, pp. 58-63.

cial crisis has damaged its capacity to effectively compete with Chinese investment offers. At the same time, one should bear in mind that though the government in Beijing challenges the world order of diktats of one state only, it is not interested in taking over the role currently performed by the United States. Already in 2005, US Deputy Secretary of State Robert Zoellick urged the PRC to become a "responsible stakeholder" in the international system and not to be just its member.[31] However, there is no agreement in China and in debates between China and the rest of the world, on what China's responsibility is to be in practice and how to define it. It is a near-certainty that Beijing is not interested in protecting the existing international order in line with expectations of the West. In the political dimension, an adjustment would mean the necessity to support international interventions in various regions of the world and a revision of China's internal system. For example, it would not be beneficial for Beijing to adopt a position against Iran on UN forums, as Iran is an important supplier of energy raw materials to the Middle Kingdom. Supporting the western concept of respect for human rights and ethnic/national minority rights is also an option unacceptable to China owing to the complicated situation in Tibet and the Xinjiang Province to give but two examples. In the area of economy, abandonment of the cheap yuan strategy[32] for which Western countries (mostly the US) call, would lead a large increase in export prices and, in consequence, hit the foundations of China's economic growth. Economic liberalism is, of course, a cornerstone of fully liberal trade. However, it would be irrational of China to completely give up its protectionism supporting development of domestic technologies and brands.[33]

On the other hand, notwithstanding the abovementioned thorny issues discussed by China and the West, Beijing endeavours to secure its investments. As Chinese economic interests are already global, it is necessary to ensure economic and political stability in practically all regions of the world. Thus China cannot afford to be uninvolved in solving problems in particular regions and of the international order as a whole. China's involvement will entail serious challenges in formulating and implementing an appropriate foreign policy strategy.

Since the end of the 1980s, Chinese diplomacy has adhered to Deng Xiaoping's guidelines including, among others, *bu dang tou* meaning *never become the leader*

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[31] J. Eisenman, D.T. Stewart, *Can "Responsible Stakeholder" Hold?,* "Policy Innovations" 12 December 2007, http://www.policyinnovations.org/ideas/commentary/data/000027 (accessed 6.08.2012).

[32] Though most economists agree that the yuan is an underestimated currency, opinions on the level of its underestimation vary greatly. See: *IMF:RMB undervalued by 3-23%,* "Chinese stock information" 21 July 2011, http://www.chinesestock.org/show.aspx7id = 129000&cid=17 (accessed 6.08.2012).

[33] China's policy of "domestic innovations" has met with huge criticism in the West. This policy favours domestic production over foreign products. Though Beijing has agreed to exclude protectionism policy from governmental tenders and commissions, the actual implementation of this amendment is a complex process, as it requires the approval by local authorities in various provinces. See: S. V. Lawrence, D. MacDonald, *op. cit.,* p. 28; S. Lubman, *Changes to China's Indigenous Innovation Policy: Don't Get Too Excited,* "The Wall Street Journal" 22 July 2011, http://blogs.wsj.com/chinarealtime/201 l/07/22/changes-to-chinas-indigenous-innovation-policy-dont-get-too-excited/ (accessed 6.08.2012).

(of developing countries) and *bu duikang* meaning *do not engage in confrontations* (mainly with Western countries). While in the 1990s these rules were acceptable and helped to create optimal conditions for China's economic development, in the last decade discrepancies between them and the changing interests of the country surfaced. At the beginning of the 21st century the fourth generation of CPS (Communist Party of China) leaders started to officially promote China's "peaceful rise" or "peaceful development" which suggested its greater international involvement. Deng Xiaoping's ideology, however, continues to exert strong influence on Chinese political thought in its entirety.[34] Coexistence of new and old concepts makes objectives and intentions of Beijing hardly transparent and in a way suspicious to the international community. Foreign observers, especially in the West, do not trust China. On the one hand, China very assertively defines its political interests in Asia, invests heavily in various economies across the globe and is a largest beneficiary of globalisation. On the other hand, however, it tries to follow the old guideline to "conceal its capabilities" and, in its rhetoric, it harbours no leadership ambitions in developing countries while slowly becoming the centre point of their economic ties. That is why the "Chinese threat" theory remains popular, notwithstanding Beijing's declared intensions.

China's reluctance to abandon protectionist guidelines of Deng Xiaoping's foreign policy, is an issue in discussions on whether China is a regional power or already a global one. Some Chinese scholars claim that the country is a global power already, however, the prevailing opinion is at present China is at most a regional power. The current dominant view is that the PRC is still a developing country, and - as it is very large, it has greater capacity to act at the international level despite its numerous unsolved problems in internal modernisation.[35] In those circumstances, it would be logical to focus on securing economic growth and bridging the gap between living standards of Chinese citizens and residents of highly-developed countries. The problem is that in the case of the PRC, those goals are strongly connected with China's international activities. It is therefore necessary to comprehensively assess the guidelines on domestic and foreign policies. As China's economic potential and needs grow, countries in China's immediate environment cannot be the exclusive focus of its foreign policy.

When observing activities of Chinese foreign diplomacy, one might get the impression that the process of political expansion beyond regional borders is quite troublesome despite its successful economic dimension. This, to a large extent, results from lack of internal consent on whether China is a power or a large developing state. Debates also concern the form and extent of China's involvement in solving

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[34] The international community excessively associated the "peaceful rise" with the threat constituted by a new power in the global order. For this reason Chinese diplomacy quickly turned to the phrase "peaceful development".

[35] Z. Liaun (2010), *China's Foreign Policy Debates,* EU Institute for Security Studies, Paris, pp. 37-38.

global problems. "International responsibility" is variously interpreted by Chinese scholars and there is no agreement on its scope. There are suspicions that the responsibility concept is a "trap" set by the West to make China a guardian of Western global interests.[36] Beijing declares its support for multilateral initiatives and multilateralism in international relations but its "going out of regional borders" without clashing with other powers must be based on a clear vision of China's future role in building and ensuring the stability of the global order. In China, current debates on its foreign policy development suggest that its vision has not taken shape yet which additionally complicates the Beijing-Washington dialogue.

## FINAL REMARKS

In the 21st century, China's involvement in global economy will grow and thus its potential to influence the region and later the world will grow too. The 2008 economic crisis accelerated this process. It has made both Beijing and its partners aware that China is now on the path leading straight to attaining the status of a global power.

In the last decade, China pursued an active – yet directed at maintaining the *status quo* – foreign policy. By becoming the key economic partner of most ASEAN and Central Asian countries, China has strengthened its position of the regional hegemon in a more durable and less controversial manner than it would by entering close political alliances or military pacts. The PRC very clearly defines its basic interests in Asia, especially in Taiwan, Tibet and the Xinjiang Province. At the same time, China is very cautious when engaging in a dialogue with Washington and Moscow. Russia, although weakened by the difficult period of post-Soviet transformation, is unchangeably perceived by China as a major international player. Should Russia choose the US over China, it will be a geopolitical defeat for China, a dangerous "siege" of the Middle Kingdom by allies of the West. In order to avoid confrontation with other powers, both regional and global, the PRC strives to increase its international activities in such forms and areas that it will not be perceived as a violator of other powers' interests. That is why so much emphasis is placed on "soft power" instruments in Chinese foreign policy and on strengthening China's position by increasing economic interdependencies. The cooperation between China and Central Asian states is a good example of such an effective and cautious involvement. Without demanding any formal political or military leadership in the region, the Middle Kingdom consistently pushes out Russia, its traditional leader.

China's successes in the last decade have raised expectations of the international community. Beijing is aware that, in a long run, a new model of its engagement in solving global issues will be needed, if only to secure Chinese investments around the globe. China is, however, very focused on ensuring that its foreign policy serves

[36] Cf. *ibid.,* pp. 40-44.

China's stable internal growth which is the priority. Moreover, the PRC will not accept the type of responsibility for the global order that the West would like it to adopt. In this context, China's "going out regional borders" while pursuing its non-confrontational policy in relation to other powers, is a difficult, if not impossible, task.

ABSTRACT

*Global economic recession which started in 2008 significantly contributed to revealing China's growing potential on the international arena. For the Beijing administration this means a necessity to develop and implement an optimal strategy of "going outside the region" paying attention to the priority of internal development of the PRC and a non-confrontational course in policy toward other regional and world powers. However, expectations of the West concerning the international engagement of the Country of the Middle do not conform to the Chinese vision of a future global order. Strengthening its economic leadership in its immediate surroundings and maintaining stable relations within the triangle of Washington – Moscow – Beijing, China seeks the ultimate answer to the more and more frequent question on the character and scale of its "international responsibility" both in political and economic dimensions.*



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## Niemiecka polityka wobec Polski 1990-2010

[German policy toward Poland (1990-2010)]

**Bogdan Koszel, Krzysztof Malinowski, Zbigniew Mazur**

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The 4th volume of our series titled "The Federal Republic of Germany. Twenty Years after the Reunification" is devoted to most controversial issues in Polish-German relations. The influence and role of the reunited Federal Republic of Germany grew in the international arena. Its activities related to both European integration and development of a pan-European security system had to affect the shape of the Polish-German neighbourhood and cooperation.

The publication has three parts which deal with various aspects of relations between Bonn/Berlin-Warsaw and together present a complementary picture of German policy toward Poland in 1990-2010.

Breakthrough events and developments in the German reunification process, Poland's attitude toward the prospect of two German states being reunified, and problems in negotiating the Polish-German Border Treaty and the Treaty of Good Neighbourhood and Friendly Cooperation are discussed in the light of previously unknown materials. The Polish path to the EU is widely reviewed emphasising the support of Germany and démarches aimed at speeding Poland's accession. Much attention is also given to the cooperation of Poland and Germany in the European Union after 2004, which had its difficult moments especially in 2005-2007. Finally, Germany's involvement in developing a new European and Transatlantic Security Strategy after the collapse of the communist system is analyzed highlighting Germany's efforts to include Central and Eastern European countries in the new system and its support for Poland's aspirations to join NATO.

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# RUSSIA AT THE TURN OF THE 21ST CENTURY: RECONSTRUCTION OF POWER

For centuries, the goal of Russian statehood, irrespective of the actual political system, was to play a superpower role and modern Russian political thinking is strongly attached to this tradition. Starting from the 14th century, the power status of Russia derived from its territorial conquests in all possible directions. Equally important were Russia's spheres of influence and maintaining control over them. Russia as a power experienced crises, yet it was a large country and its size shaped Russia's specific national awareness with superpower and imperial ambitions.[1] Recently that power image was undermined by the collapse of one of Russia's superpower incarnations, i.e. the Soviet Union. The Russian state was defeated in its global primacy struggle against the US and the Western world. The Cold War ended with its collapse, which resulted in unprecedented political and territorial losses.[2] At the same time, Russia was unable to compete against Western powers, the US in particular. The Russian Federation emerged from the ruins of the Soviet Union and assumed its international role as its legal successor.

The new state was long associated with the presidency of Boris Yeltsin. Yeltsin inherited the *perestroika* political doctrine of Mikhail Gorbachev that outlined how medium-size and small countries should be approached. Freedom of political choice which excluded interference in international affairs of any sovereign state, was tantamount to Moscow's backing away from involvement in costly agreements and establishing troublesome alliances, and from the Brezhnev doctrine. However, it was difficult for Russia to define its new role in international relations. It was a challenge as Russia's political transformation and its high economic and social costs were not conducive to construing a clear and coherent vision of that role.[3]

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[1] Cf. M. A. Smith (1995), *Russia's State Tradition,* Camberley.

[2] Cf. M. Smoleń (1994), *Stracone dekady. Historia ZSRR 1917-1991,* Warsaw-Cracow.

[3] More in: T. Łoś-Nowak, *Rosja: między dawną a przyszłą wielkością,* in: T. Łoś-Nowak (ed.) (1995). *Postzimnowojenna Europa: ku jedności czy nowym podziałom?,* Wrocław, pp. 25-33; J. Bratkiewicz (1995), *Kryzys cywilizacyjny w Rosji. Jego implikacje dla stosunków polsko-rosyjskich,* "Sprawy Międzynarodowe" No. 2, pp. 89-106.

## RUSSIA IN THE END OF THE 2OTH CENTURY: A LOST BATTLE FOR CENTRAL AND EASTERN EUROPE

The first important test for the newly-established Russian state was to maintain influences in the zone encompassing not only the territory of the former Soviet Union, but also the Comecon and the Warsaw Pact countries. Their areas were commonly referred to as the "near and far abroad".

After democratic revolutions initiated in 1989 in Central and Eastern Europe, Russia "clashed" with a new reality after almost fifty years of its rule in that part of Europe. The new situation needed a new strategy. It was not easy as basic priorities of Russian domestic and foreign policies needed to be revised. In the beginning, Russia's situation seemed to be favourable as its relations with the West and especially US-USSR relations were successful. Moscow's position on arms race and disarmament was promising. Its policy toward reuniting Germany and its neutral approach to democratic reforms in Central and Eastern Europe were also important. At the time when the Russian Federation and the Commonwealth of Independent States were emerging, the Euro-Atlantic community analysed possible scenarios of further developments and the potential snowball disintegration of the Soviet Union was perceived as unbeneficial. Leaving nuclear weapons in the hands of several states implied lack of effective control. The West wanted Moscow to control the states involved.[4]

Despite thorough changes in the geopolitical and political structure of the Russian state, at the beginning of the 1990s its national interest still consisted in pursuing imperialistic goals. The basic goal was to strengthen Russian statehood which, in Russia, was synonymous to restoring its superpower status. Once the Russian state was strengthened, in the opinion of Moscow, it could re-win its place of the main player in reintegration processes, especially in Central and Eastern Europe. Regaining the role of the security patron of smaller states was to cover up Russia's internal weaknesses. Representatives of Russian authorities took every opportunity to underline the need to defend interests of their state and its people. Though such attitudes are quite common among other states, in the case of Russia the main threat consisted in its national interests being interpreted as those of a superpower state. For the first time in seventy years, to say the least, Russia could pursue an open policy toward its nearest neighbours. Meanwhile, Moscow's political elites perceived Russia as a country abandoned by its allies due its decline. Threats were exaggerated, both those resulting from rapid changes in the international situation and those born by the feeling of historic defeat. In this context, the isolation if not seclusion of Russia which sought a new identity, could have negative consequences for Europe as a whole.[5]

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[4] More in: A. Horelick (1990/1991), *US-Soviet Relations Threshold a New Era,* "Foreign Affairs" No. 1, pp. 51-69; G. F. Kennan (1990/1991), *Communism in Russian History,* "Foreign Affairs" No. 1, pp. 168-186; K.H. Kamp (1991), *Die Sicherheit der sowjetischen Atomwaffen,* Baden-Baden.

[5] More in: A. Andrusiewicz (1994), *Mit Rosji*, Vol. 1-2, Rzeszów; K. Dziewanowski (1995), *Polityka w sercu Europy*, Warsaw, p. 99.

Withdrawal of Russian military troops from East Germany (former GDR) at the end of August 1994 was a clear symbol of Russia's loss of its most western area of influence. Earlier, Russian troops were withdrawn from Czechoslovakia, Hungary and Poland. The old geostrategic equilibrium was changed to the detriment of Moscow, which meant that a new era of international relations began. The Kremlin initially did not explicitly outline its strategy toward Central and Eastern Europe. Russia's intentions and actions were not transparent and this did not strengthen its image of a trustworthy partner. Lack of political communication between Moscow and CEE countries after the collapse of the Eastern Bloc led to a situation where mutual intentions were misread and ill will was sensed everywhere. In the Russian political doctrine, Central and Eastern Europe was hardly a priority if not ignored.[6]

On the other hand, the negative perception of Russia in CEE countries had a double impact. Embitterment and historic conflicts were often more important than the new favourable political reality. In times of freedom and sovereignty, grievances and inferiority complexes dominated the new situation.[7]

Russia recognised the very existence of CEE states, which were devoid of security warranties, to be a positive factor resulting from the end of the Cold War. In Russia's view, CEE existed in a "geopolitical hole", where Russia could not find the right place for itself.[8] This way of thinking was very close to the thesis on the necessity of giving Central and Eastern Europe new Russian security warranties.[9]

In the Russian stereotypical view, the CEE region was a historical void. After the political, military and ideological Eastern Bloc disintegrated, dependencies within that Soviet space, where Russia and Central and Eastern Europe acted, vanished. Russia and Germany, the powers neighbouring with CEE, no longer competed for the Soviet zone. That view, however, had no practical consequences when it came to Russian politics.[10]

That is why resentments and concerns about the Russian power inclined CEE states to constantly refer to their unfortunate geopolitical location that had led to wars and partitions. At the same time, those countries increasingly acted as independent and sovereign states. Gradually they ceased to be perceived as a fragment of the Russian influence zone, the fate of which the West used to discuss with Moscow.

Russian politicians slowly became aware that Russia's CEE neighbours gradually stopped to fear Russia's aggression in the nearest future and that their main objective was to exit the buffer zone between Russia and Germany. CEE states did not

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[6] *Rosyjska polityka zagraniczna: priorytety MSZ*, (1994), "Eurazja" No. 5-6.

[7] A. Drawicz, *Przewartościowania w stosunkach polsko-rosyjskich*, in: S. Bieleń (ed.) (1995), *Polska-Rosja. Czas przewartościowań*, Warsaw, pp. 10-15.

[8] S. Karaganow (1994), *Nowa Rosja w nowej Europie*, "Eurazja" No. 5-6, p. 90.

[9] A. Kozyriew, *Polska w rosyjskiej polityce zagranicznej*, in: *W stronę nowego partnerstwa*, (1994), Kraków, p. 29.

[10] *Europa Środkowo-Wschodnia w rosyjskiej polityce zagranicznej. Zapis dyskusji*, (1995), "Polska w Europie" Vol. 18, pp. 70-71.

want to be victims of the policies of their two stronger neighbours any more. They wanted to attain the status of normal members of the Euro-Atlantic community of nations that share the same rights and obligations and adhere to the same democratic values.[11]

Central and Eastern Europe were important for Russia because of CEE geographical proximity and Russian superpower traditions. Yet security issues were most important. For security reasons Russia, Belarus and Ukraine postulated that CEE should be a nuclear-free zone, which in a way was a return to the 1957 proposal of Adam Rapacki. However, once the Warsaw Pact was declared disbanded (1991), establishment of such a zone would leave Central and Eastern Europe in a grey security zone. Meanwhile, countries of the region started to work on their full membership in NATO, which was tantamount to assuming all resulting obligations.

Russia's well-known concerns about NATO drawing closer to its border irritated governments of CEE states. Russia, however, consistently argued that its geopolitical situation would deteriorate with NATO expansion near Russian borders.[12] Russian diplomats intensely and invariably used anti-NATO rhetoric, which made Western governments worry about consequences of Russia's isolation if CEE states join NATO. The Kremlin rightly feared that the accession of CEE states to the Alliance would result in a new strategic situation at the Russian borders and will be a powerful pressurising instrument.

In Russian politics of memory (*Geschichtspolitik*), the conquest of Central and Eastern Europe during World War II came at the price of millions of casualties and was a war trophy. While it was difficult for Russians to come to terms with the necessity to retreat and peacefully withdraw from the area, it was much more difficult to accept that CEE countries entered the American zone of influence upon joining the North Atlantic Treaty Organization.[13] The enlargement of NATO may be viewed as a turning point as well as a reference point for designing a new geopolitical map of the world. Russia had to accept that its post-imperial inheritance was severely truncated and learn to function in an emerging multipolar geometry of international relations.

## RUSSIA'S ECONOMY BASED ON RAW MATERIALS INDUSTRY AS A PILLAR OF POWER STATUS

Russia's return to its imperial politics needed to be backed by its economy. Russia's global ambitions become transparent once its economic growth and manifestations of military power are scrutinised. Raw materials industry sectors and the

[11] O. Aleksandrowa (1993), *Niemcy-Polska-Ukraina-Rosja: dylematy wschodnioeuropejskich stosunków,* "Przegląd Zachodni" No. 1, pp. 33-51.

[12] Ch. Royen, *Zachód i Rosja a członkostwo Europy Środkowo-Wschodniej w NATO,* in: M. Dobraczyński (ed.) (1996), *Niemcy - Polska - Rosja. Bezpieczeństwo europejskie i współpraca społeczeństw,* Warsaw, pp. 155-168.

[13] *Russia and Eastern and Central Europe: Old Divisions and New Bridges*, (1996), Moscow, p. 6.

resulting financial resources allowed Russia to pursue a foreign policy active toward the West. After the collapse of the Soviet Union, Russia, like other states of the former Soviet bloc, had to deal with economic problems that accompanied political transformations. Russia was in serious financial trouble and loans granted by Western financial institutions made Russia one of the world's largest debtors. Upon Vladimir Putin's accession to power in 2000, Russia's debts amounted to about USD 160 billion, and the country was the largest debtor. The new President of Russia started to restore effective and efficient central control. He strengthened the Kremlin and monopolised the parliament and the mass media politically. The 'pacification' of Chechnya became a symbol of Russia regaining its military power as well as of the resurgence and modernisation of Russian armed forces. Putin's economic policy led to regaining state control over main crude oil and gas companies in the extractive industry and curbed the power of oligarchs. Legal, penal and administrative measures were applied. Thanks to maximising profits from oil and gas exports and strengthening their transit monopoly, the Russian Federation started to redress its economic stability.[14] Another factor of growth was the growing global demand for raw materials and energy supplies (e.g. the price of an oil barrel went up from approximately USD 20 to almost USD 100 in a few years and the correlated price of natural gas went up too). Thanks to its new investments, Russia increased its oil production and in 2006 it was the largest oil producer in the world. Thus the most effective instrument building a new powerful Russia were energy companies. Their exports generated profits which were used to create investment funds. During Putin's first two presidential terms, the GDP of Russia grew impressively. In 2006 it amounted to USD 920 billion while in 1999 it was only USD 200 billion. In this period, foreign-exchange reserves went up from USD 12.7 billion to USD 266 billion. In 2006, Russian budget surplus amounted to 7.5% of its GDP, and its share in global economic growth corresponded to half of that of the European Union. At the time, however, Russian economy was the world's 59th largest by nominal GDP and it was smaller than that of e.g. Italy.[15] Moreover, the growth pattern of Russia's economy and changes in its structure made its condition heavily dependent on demand for natural resources. This economic growth model entails many threats, especially in the long term. Income from exports allows for delaying difficult and painful economic and social reforms. The growth of personal income is financed mainly with profits from oil and gas exports and is not related to productivity and effectiveness improvement. Thus the competitiveness of Russian products and enterprises on the global market decreases. In a long run, discrepancies between labour productivity and living standards together with disappointed societal expectations may bring about crisis situations.[16]

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[14] More in: B. Kagarlitsky (2002), *Russia under Yeltsin and Putin: neo-liberal autocracy*, London, pp. 251-280.

[15] *International Monetary Fund,* "World Economic Outlook Database" of 2007, (URL) http://www.imf.org, after: I. Bil, T. Otłowski (2008), *Federacja Rosyjska jako mocarstwo? Stan obecny i perspektywy,* Warsaw, pp. 9-13.

[16] See also: A. Åslund (2007), *Russia's capitalist revolution: why market reform succeeded and democracy failed?,* Washington DC, pp. 277-300.

The year 2011 brought new challenges for Russia's economy. Their source is the World Trade Organisation (WTO) and the then approved Accession Package of the Russian Federation. According to experts, Russia's accession to the WTO was the most important step toward liberalisation of world trade in ten years, i.e. since China joined the organisation. However, the changes will be gradual, as Russia negotiated long transition periods. The breakthrough in 18 year-long negotiations was thanks to the involvement and determination of the European Union. The most important consequence for the European Union will be the increased stability and predictability of trade flows. The WTO principles protect against any unilateral introduction of measures restricting trade, among others thanks to the effective dispute settlement mechanism. As the WTO is a warrant of equal trade relations, the EU and Russia will use the same instruments to counteract unfair practices. One should therefore expect that this will enhance trade between the EU and Russia, increase investments and tighten economic ties. This also translates into lessening tensions in political relations as WTO regulations precisely define conditions for introducing economic embargo, the measure which Russia often used to exert political pressure and protect its own market.[17]

On the occasion of Russia's accession to the WTO, commentators and politicians in Moscow focused on negative effects of the event, underlining that it was not easy for Russia to persuade governments of all 155 member states to consent. Georgia's veto helped Russia to win the support of the United States. According to the World Bank, Russia can truly benefit from its WTO membership. In the first three years of the membership, Russia's GDP should go up by 3.5%, and by 11% in 11 years. Russian exporters will not encounter barriers in the form of import quotas that have protected attractive markets. Thus Russian metallurgists hope that the American market, enviously protected until now, will finally open for them. Producers of artificial fertilisers use cheap gas and expect that they will effectively compete with, for example, their strong Polish competitors. At the same time, Russia, upon adopting the rules and principles binding for all WTO members, will have to make its economy more transparent, predictable and, as a result, more attractive for both foreign and domestic investors. All the more since the latter transfer their capital abroad much too often. Most reservations are voiced by farmers and food industry, as it is feared that the country will be flooded with imported foodstuffs. Even worse is the mood in automotive, aircraft, light and machine industry sectors. Those sectors of Russia's economy are very outdated and underinvested. Russia negotiated with the WTO quite good conditions thanks to which its agriculture and industry would be protected against competition for some time.[18]

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[17] D. Jankowski (2012), *Strategiczne partnerstwo Unii Europejskiej i Rosji w polityce bezpieczeństwa: szanse, przeszkody i stan obecny*, "Bezpieczeństwo Narodowe" No. 21, I, pp. 49-65.

[18] W. Radziwinowicz, Światowa Organizacja Handlu nadzieja i strachy Rosji, "Gazeta Wyborcza" 07.09.2012.

However, Russia's first initiatives as a WTO member seemed to be alarming. *Gazprom* found itself in an uncomfortable situation, as the European Commission opened proceedings to investigate whether Gazprom monopolises the European market (especially Central and Eastern Europe). The company might be forced to pay as much as a dozen billion of dollars in fine, though it would be difficult to enforce the payment of such an amount for the execution of the decision is the obligation of the states where the company operates). Russia fired back announcing that it will lodge a complaint with the WTO against EU violation of the agreement on the free movement of capital and freedom of trade. This complaint follows from Russia's perception of EU policies as protectionist. It is likely that the EU-Russia dispute will not end shortly.[19]

Russia, upon becoming a member of the World Trade Organisation, strengthened its position in international economic organisations. It is expected that shortly Russia will find a way to initiate negotiations concerning its membership in the Organisation for Economic Co-operation and Development. However, the benefits of the new situation will largely dependent on the determination of Russian state institutions that aim to improve the effectiveness of Russian economy, eliminate corruption and implement appropriate economic and trade policies. It is estimated that if Russia introduces necessary reforms, it might become the world's 5th largest economy in 2020.[20]

## THE RUSSIAN ZONE OF INFLUENCE: "NEAR ABROAD" AND THE MIDDLE EAST

The "near abroad" is where Russia's great power ambitions focus.[21] Since the collapse of the Soviet Union, the Russian Federation has acted as its legal successor on the international arena. Russia's energy policy toward post-Soviet states was based on their dependence on supply or transit of raw materials. The aim was to restore or strengthen Russia's leverage there. Russia continued to hold a near-monopoly on transit routes to consumer countries and that helped Russia to effectively exert pressure on Caspian producers, especially those without direct access to importing countries.

For obvious reasons, the Caspian region became an area of competition and Russia used its raw materials policy to achieve its long-term goals. In result, Russia is a power capable of influencing the strategic situation in the Caspian Sea region. That area encompasses not only coastal states, i.e. Azerbaijan, Iran, Kazakhstan, Russia

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[19] O. Grimm, E. Steiner, M. Auer, *Energiepolitik: Machtkampf um Gaskartell,* "Die Presse" 29.09.2011.

[20] D. Jankowski (2012), *Strategiczne partnerstwo...*

[21] "Near neighbourhood" is the term used by Russian politicians and journalists to refer to former Soviet republics that are currently members of international organisations in which Russia plays a major role (Commonwealth of Independent States and the Union State of Russia and Belarus).

and Turkmenistan, but also Uzbekistan (which is a transit country for Turkmen gas, has huge natural deposits and plays an important political role), Georgia (which is part of an important transit corridor between Asia and Europe that allows for bypassing Russia and Iran) and Armenia (due to its political significance as the most loyal ally of Russia in the southern Caucasus).[22]

Ernest Wyciszkiewicz, in his paper on energy dependencies in international relations in the post-Soviet area[23], considered the role of external actors (the US, Turkey, China, Iran and Western Europe) which attempt to influence policies of particular states in the region (construction of transit infrastructure, political, economic, diplomatic and military measures), as well as of transnational and national private (non-state) entities (energy companies) that are profit oriented (and sometimes supported by states).

Once countries of the region gained independence, as sovereign states they could pursue their independent economic and foreign policies, including taking decisions on the usage of their natural resources. They managed to attract western investors. Initially, spirits were high even on an international level, as a new source of raw materials became accessible. It was widely recognised that an alternative to the Persian Gulf resources emerged. Largest consumers of oil – the United States and Western European countries – engaged in the region to reduce their dependence on supplies from the politically unstable Middle East. The region also drew the attention of strong regional players: China, Turkey and Iran. However the region was also perceived as a source of threats to international security due to unresolved conflicts in the southern Caucasus (e.g. Armenia-Azerbaijan dispute over Nagorno-Karabakh and separatist aspirations of Ossetia and Abkhazia). Those worries were strongly stimulated and fuelled by Moscow. In that situation, Russia could resume its intense political and economic activities aimed at neutralising the emerging competition and regaining influence in the region. Russia also took up actions directed at gaining direct access to deposits in Central Asia. The investment policy of Russian companies became an element of the state's geostrategy.

However, it turned out that Russia was unable to intercept oil and gas extraction from regional producers (supported by supranational corporations and governments of other states), and therefore the Russian Federation decided to secure its control over the transport of raw materials to external markets. Already at that time, Russia's control over transit routes was a major issue for the US and European countries which are main consumers of oil and gas. They got involved because introducing new export directions for the Caspian region was an opportunity to diversify their sources of energy supplies. At the time, the strategic importance of transit routes was referred to as "the geopolitics of pipelines".

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[22] Cf. T. R. McCray (2006), *Russia and the Former Soviet Republics,* New York, pp. 91-109.

[23] E. Wyciszkiewicz (ed.) (2008), *Geopolityka rurociągów. Współzależność energetyczna a stosunki międzypaństwowe na obszarze postsowieckim*, Warsaw, pp. 137-187.

In relation to regional producers (Azerbaijan, Kazakhstan, Uzbekistan and Turkmenistan) which could not export gas and oil directly to consumer countries, Russia aimed at maintaining its transit monopolist or dominant intermediary position. In relation to states completely or partially dependent on Russia's supplies - like Georgia and Armenia, Russia attempted to solidify dependencies (pricing policy, take-overs of energy sector enterprises and transit networks). If a state protested, deliveries were put on hold. That policy applied also to other countries dependent on Russian raw materials including Belarus and Ukraine.

The project of the Baku-Tbilisi-Ceyhan (Azerbaijan-Georgia-Turkey, BTC) oil export pipeline initiated in 1994 and called "the contract of the century", met with strong opposition in Moscow. It was pointed out that the project had no economic justification (as a pipeline passing through Russia or Iran would be less expensive). Threats were underlined as its route was to cross through unstable Georgia and Kurdish areas in Turkey. The Kremlin rightly recognised that the pipeline was a geopolitical project against Russia and that it was of strategic US interest. In fact, the Caspian region was recognised to be of America's vital interest already by the Bill Clinton administration. Washington provided political and economic support to stabilise the situation there and eliminate potential threats to international security. The discussed pipeline was an element of the strategy for developing the East-West transit corridor that was to utilise the Caspian energy potential. Of course, in result of that policy Russia's influence was to be limited and the importance of Iran reduced. Moreover, a pipeline leading to the Turkish city of Ceyhan would strengthen Turkey's position as a NATO member and key US ally in the Middle East.

Despite undertaking actions aimed at destabilising the Caspian Sea region and the South Caucasus, Russia failed to block the project. Currently, Russia has no direct influence on the transport of oil from Azerbaijan. The BTC pipeline was commissioned on 25 May 2005, and within four years it achieved full discharge capacity. It has become the main export pipeline of Azerbaijan. Apart from signing an agreement on the transport of Azeri oil, in July 2006, BTC shareholders signed a cooperation agreement with Kazakhstan on transporting Kazakh oil via the BTC pipeline (and bypassing the territory of Russia).

The inauguration of the BTC pipeline undermined Moscow's monopoly on exports of oil extracted in the Caspian Sea basin. From a strategic point of view, the Caucasus and especially Georgia and Azerbaijan which try to free themselves from Russia, are a favourable location for transport routes of key energy supplies from Central Asia to Europe. It was a reason why Russia supported separatist movements and trends in Georgian regions of Southern Ossetia and Abkhazia and of the 2008 war with Georgia that ended with Russia's victory.[24] However, in order to fully understand Russia's policy, one has to go back to the earlier Chechen conflicts (First Chechen War: 1994-1996; Second Chechen War: 1999-2009). At the time many ana-

[24] Cf. R. Grodzki (2009), *Wojna gruzińsko-rosyjska 2008. Przyczyny – przebieg – skutki*, Zakrzewo, pp. 70-79.

lysts believed that the key motives for the Russian intervention were Russia's interests in raw materials and Moscow's worries about disintegration of the Federation. Gas and oil pipelines that cross through Chechnya are unquestionably valuable and make Chechnya important strategically. The game, however, was about the contract of the century, i.e. the largest capacity pipeline to transport oil from the Caspian Sea through Chechnya. Russia needed control over and stability in the northern Caucasus to attract foreign investors. Meanwhile, in 1991, the province declared independence which thwarted Russia's plans and instigated the armed conflict. In result, the reluctance of Europe and the US to leave such an important route in Russia's hands and Chechnya's destabilisation due the wars, made Turkey the main beneficiary of the 1999 contract. Moscow also worried that Chechen separatism might initiate disintegration of the Russian Federation as other republics had similar demands and could easily become instability hot spots. Many analysts perceived the Chechen Wars as attempts to revoke the tradition of Moscow's domination over other territories. The Caucasus is also an area of specific security interests of the Russian Federation. It is the territory where Turkey and Iran have long competed. It is also Russia's southern border with Muslim states which is the border of cultural conflict.[25]

In the "near abroad", equally important strategic problems are part of Russia-Ukraine relations. The evolution of Ukraine's foreign policy in the direction of the West is a serious concern for Russia. Already at the beginning of 1997, Kiev declared that Ukraine wanted to join NATO, and on 9 July 1997, in Madrid, the NATO-Ukraine Charter on a Distinctive Partnership was signed. Moreover, Ukraine opposed attempts at deepening its cooperation with the Commonwealth of Independent States, and, in October 1997, it joined the Organization for Democracy and Economic Development (GUAM)[26] which associated post-Soviet states that underlined their independence and were drawn toward the West. Russia has perceived NATO enlargement to the east as a threat to its interests, and this process is the main bone of contention in its relations with the West. The Kremlin, in an attempt to restore its influence and subdue the former Soviet republic, turned to energy blackmailing and caused several energy crises in Ukraine by stopping gas supplies. Moreover, before the crucial Ukrainian presidential elections in November 2004, Russia officially supported Victor Yanukovych, allegedly pro-Russian. However, thanks to the "Orange Revolution", Yanukovych lost to Victor Yushchenko who was expected to change the Ukrainian foreign policy in a manner unfavourable for Russia. Indeed, in his foreign policy Yushchenko emphasised Ukraine's integration with the West. Russia

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[25] M. Rodriguez, *Co tak naprawdę kryje się za wojną w Czeczenii? Czeczenia: rozbijając dyskurs na temat międzynarodowego terroryzmu,* http://es.oneworld.net/; Forum Polityka http://www.2o.fora.pl/swiat,31/czeczenia,531.html, (accessed 08.08.2012).

[26] The GUAM organisation (the abbreviation stands for its member states: Georgia, Ukraine, Azerbaijan and Moldova) was established in October 1997 and was perceived as a counterbalance to Russia's position in the Commonwealth of Independent States. In 1999, Uzbekistan joined the organisation, and its name was changed to GUUAM.

penalised Ukraine in January 2006 by shutting off energy supplies, which resulted in the first ever serious disruptions in deliveries of Russian gas to Western Europe. Furthermore, Russia-Ukraine relations were severely strained when the possibility that Ukraine could join NATO, strongly advocated by the George W. Bush administration, appeared likely. In March 2008, President-elect Dmitry Medvedev said in an interview for the "Financial Times" that Ukraine's accession to NATO would constitute a threat to European security. The tension eased after the decision taken at the NATO summit held in Bucharest in early April 2008. It was decided that Ukraine was not yet ready to accept NATO's invitation. In January 2009, another, more serious, Russian-Ukrainian gas crisis broke out. The victory of Victor Yanukovych in the presidential elections of 7 February 2010 was generally perceived as Russia's success and that was confirmed with later events. In April 2010, Yanukovych and Medvedev signed an agreement on a 25 year extension of the lease on Russia's Black Sea naval base in the Ukrainian port city of Sevastopol. In return, Russia promised to cut prices on natural gas exports to Ukraine. The Ukrainian government declared that it would not pursue NATO membership.[27] It ought to be underlined here that Ukraine remains a country independent of Russia, with clearly outlined national interests, but, at the same time, it escapes influences of the West.

Russia's policy towards the Middle East is pragmatic. Its activities in the region focus on weakening the role the US and the European Union play there. The region is also relevant to Russia's energy policy. Russia's participation in resolving Middle East crises is to create Russia's image as a state of power status. The region is also of key importance to Russia's relations with the Muslim world. At the same time, Russia's policy is careful. Russia decided not to dominate in the Middle East and its role and position remain limited. In the aftermath of the Arab revolutions, the balance of powers in the Middle East changes. However, it does not seem likely that in a new situation Russia's chances to strengthen its role there will grow. The defensive and critical approach adopted by Moscow showed that Russia has not sufficient potential to impact political situations in the region or particular states. At the same time, Russia strives not to strain its relations with other players in the region and tries to make use of promising changes taking place in the region.

Russia's activities in the Middle East increased in 2002. The main reason for its involvement then was to cut off Chechen guerrillas from the support of the Arab world. Since then, Russia's political and economic activities in the Middle East have increased markedly. Moscow is involved in the Arab-Israeli peace process and solving the Iranian nuclear crisis, to give but two examples. Bilateral relations have been intensified, starting with Syria, then Egypt, Jordan, the Palestinian Authority, Algeria, Libya, and Saudi Arabia and smaller states in the Persian Gulf. Close relations with non-Arab states – Iran and Israel – complete the picture. Russian activities in the Middle East mainly serve the purpose of implementing objectives other than

[27] *Stosunki dwustronne Rosja-Ukraina,* http://www.stosunkimiedzynarodowe.info, (accessed 10.09.2012).

regional. Building its political influence in the Middle East has been perceived by Moscow as a measure for limiting US global dominance. It has also served as a bargaining chip in relations with the United States. Russian sales of arms to Iran, Syria, Algeria and Libya strengthened Russia's influence in the region but did not bring about expected results in markets dominated by the US and other western states (Persian Gulf countries). The economic significance of the region for Russian energy companies remains limited as their access to deposits is limited. Russian politics in this region, foremost its mediation in resolving crises, has been beneficial for boosting Russia's image as a power. That is what Russia wanted while engaging in the Iranian crisis and getting involved in solving the Arab-Israeli and Syrian conflicts.

Until now, the balance of Russia's policy in the Middle East is not good and numerous Russia's weaknesses have come to light. Moscow has won new customers and sells arms to them but Russia's energy politics aimed at increasing its impact on Europe was almost fruitless and mediation in solving crises has been limited to declarations. Russia, owing to US domination, failed to establish its influence zones except for Syria. In consequence of Russia's "precautionary" policy especially toward the Arab revolutions, Russia's intention to maintain good relations with all important players and the lack of will to be seriously involved politically and financially in the region, the results of Russia's policy toward the Middle East are mediocre if not poor.[28]

## RUSSIA-CHINA COOPERATION AND COMPETITION

Russia's superpower ambitions extend beyond the areas under its direct influence. In the multipolar world order, China is one of Russia's rivals. It is difficult to foresee how the Middle Kingdom will develop and to what extent its future will turbulent. It is also difficult to predict how much time China needs to develop its economy and strengthen its cultural impact to match those of the West. It seems that in a foreseeable future, the world order will be both multipolar and dominated by the United States.

In the post-Cold War times, competition between powers continues and the United States, Russia, China, Europe, Japan, India, Iran and other states strive to attain a regional hegemon status. In most cases they are forced to cooperate but the global struggle for leadership and influence is still a key feature in the world of international relations. The role of the United States has declined slightly but the US maintains its hegemony in all crucial domains and the gigantic American economy remains the pillar of the international economic order. American armed forces are the largest in the world and their ability to deploy rapidly and globally is the highest. China and Russia are not capable of carrying military missions abroad alone. They need as-

[28] M. Kaczmarski, *Bliskowschodnia polityka Rosji po rewolucjach arabskich,* OSW comments, 2011-07, http://www.osw.waw.pl, (accessed 03.08.2012).

sistance of Europe, Japan, India or a group of highly-developed states. Europe, after a number of failed attempts to build its own military potential through interoperability (right after the war in Iraq), resigned from counterbalancing American military power. This applies mainly to "old" Member States: France, Germany and Italy. Japan and India are clearly heading toward closer strategic cooperation with the United States. Despite costly interventions in Afghanistan and Iraq, the United States continues to increase its military potential and technological advantage (introduction of drones, bold space projects, etc.). After 11/9, the number of American military bases abroad increased (Afghanistan, Kyrgyzstan, Pakistan, Tajikistan, Uzbekistan, Bulgaria, Georgia, Hungary, Poland, Romania, the Philippines, Djibouti, Oman and Qatar). However, a possible reduction of American military presence in South Korea and Germany is a controversial issue in those two countries. American military presence worldwide may grow as many other states are willing to host American troops. This proves that most countries tolerate or support American geopolitical pre-eminence for security reasons. However, the fact that the US is the largest global power does not mean that the US is prone to and capable of imposing its will on everybody else. As long as the United States does not lose its economic and military leadership position and its potential rivals do not become an attractive option in the international system, the structure of this system should remain unaltered, i.e. one superpower and many powers.

While maintaining its world leader position, the United States competes against China for regional hegemony in Central and Eastern Asia, and against Russia in Eastern Europe, the Caucasus and Central Asia. Robert Kagan notices that once Americans enter a region, "they are remarkably slow to withdraw from it until they believe they have substantially transformed it in their own image".[29]According to Robert Kagan: "People who believe greater equality among nations would be preferable to the present American predominance often succumb to a basic logical fallacy. They believe the order the world enjoys today exists independently of American power. They imagine that in a world where American power was diminished, the aspects of international order that they like would remain in place. But that's not the way it works. International order does not rest on ideas and institutions. It is shaped by configurations of power. The international order we know today reflects the distribution of power in the world since World War II, and especially since the end of the Cold War.[30]

The emerging typical multipolar system, where the roles of Russia, China, India, Europe and the US are equally important, would surely be less beneficial for Washington and Brussels. One should remember that the system does not tolerate the void, and if the American influence in a region erodes, the configuration between main players present in that area changes. A reduction of American influence in the

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[29] R. Kagan, *End of Dreams, Return of History*, http://www.hoover.org/publications/policy-review/article/6136

[30] *Ibid.*

Middle East would surely lead to greater involvement of China and Russia and the strengthening of fundamentalism. China's foreign policy is pragmatic but China has great international ambitions. It avoids awaking the feeling of threat in other countries but is doing everything to restore its East Asian superpower role. The growth and modernisation of Chinese military forces correspond with that ambition.

Also Russian foreign policy is based on national ambitions. Russia's feeling of insecurity follows mostly from its hurt pride and the loss of the global power status. Russia is not really concerned with any threats NATO or the US may pose or their anti-missile defence system, but with the whole post-Cold War multipolar order. Russia also feels insecure due to its competition with China for influence over the Indian Ocean region. Nowadays, the battle between modernisation and globalisation, on the one hand, and traditionalism, on the other, is largely a sideshow on the international stage, but as Kagan writes, "The future is more likely to be dominated by the struggle among the great powers and between the great ideologies of liberalism and autocracy" and observes that "it is possible to have capitalism without political liberalization, it is much harder to have capitalism without cultural liberalization".

China, like Russia, opposes American dominance in its international security concept. China undertakes actions to establish a global miltipolar order where major countries have roughly equal influence. In this context, it is important for China that Russia supports its policy toward Taiwan, recognises China's rights to Tibet, and is involved in solving the trouble with North Korea. In return, China does not interfere in conflicts in Russia's "near abroad" and within the Russian Federation. Of course, both states also refrain from criticising each other for abuse of human rights, especially at the UN forum.[31]

China and Russia share their interest in stabilising Central Asia. They cooperate in combating religious fundamentalism, terrorism, ethnic separatisms and transnational crime. China hopes to diversify and increase its energy imports from Asia and imports from the Russian Federation are important for the Middle Kingdom. It is Russia which has stronger historical and economic ties with such countries as Kazakhstan, Kyrgyzstan and Tajikistan, and has its military bases there. Moscow is also intent on using its pipelines for transmission of oil and gas extracted in some of those states. Conflicts or increase in fundamentalist activity in that region could limit Russian influence and destabilise the so-called Russian soft underbelly. That is where Russian and Chinese interests intersect with those of the US. At the outset of the "war on terrorism", Washington's interest in this region grew and the US has established its military bases in Kyrgyzstan and Uzbekistan to support operations carried in Afghanistan. Furthermore, the US supports democratisation and the emerging free market economies of Central Asian states. American companies invest in oil and natural gas deposits in the region. However, China and Russia worry most about the participation of states of this region in the NATO Partnership for Peace

[31] Cf. B. Lo (2008), *Moscow, Beijing, and the new geopolitics,* Washington DC, pp. 91-132.

programme which China and Russia perceive as interference in their zones of influence. In response, Moscow and Beijing have widened their cooperation framework. Another characteristic feature of Russia-China dialogue are their good relations with Iran and their alliance to prevent any use of force by Western states to block the Iranian nuclear programme. Especially in Iran, thanks to the Western embargo policy, China is the only major player still active in the Iranian oil patch. Also for Russia, Tehran is an important economic and military partner in the region. They trade arms and nuclear technologies. Thanks to their cooperation, Russia, China and Iran limit US influences in the Middle East and Central Asia. In the future, however, discrepancies between their potential may be a problem. China's position keeps growing disproportionally to the position of its partners and thus, in a long run, their equal partnership will be problematic.[32]

## RELATIONS BETWEEN RUSSIA AND THE TRANSATLANTIC AREA

The most important and difficult area of Russian foreign diplomacy is the transatlantic cooperation and competition. To the end of the 20th century, Russia had no strategic impact on main international structures while the United States strengthened its position there and assumed the role of the sole superpower in various regions. Meanwhile, the Russian Federation, troubled with the political and economic crisis, remained at the margin of the international scene, and its role was notably reduced. In the mid-1990s, Moscow re-evaluated its policy toward the US and focused on protecting its interests at a level lower than global. The US has been active in former Soviet zones of influence and Russia had to deal with it. And though Russia strives to protect its interests, it is not a competitor equal to the US. Relations between those countries are multidimensional: bilateral (e.g. Russia as an ally in the war on terrorism), regional (e.g. competition for influence in the Middle East and Asia), and global (attempts to block US ambitions by e.g. taking action at international forums). In its efforts, Russia most often uses its status of a permanent member in the UN Security Council, its military potential and economic power (energy and raw materials).

In the area of security, both countries have similar goals, i.e. non-proliferation of weapons of mass destruction and, especially after 11/9, combating international terrorism. The 11/9 terrorist attacks in New York and Washington contributed to a notable rapprochement between the two countries. When it comes to nuclear arsenals, global stability still depends on Russia and the US. However, the United States withdrew from the Anti-Ballistic Missile Treaty (ABM) on 13 June 2002 and thus it has been free to develop its missile defence (MD) system. Russia perceives that system as a threat to its own security and prestige.

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[32] Ł. Niewiadomski (2006), *Stosunki chińsko-rosyjskie i ich wpływ na świat,* "Bezpieczeństwo Narodowe" No. 1.

The United States criticised Russia for its interference in the Ukrainian political crisis in 2004, using energy supplies as a political weapon against its neighbours (the 2005 gas crisis in Ukraine), and undermining Georgia's territorial integrity. Washington supported the Rose Revolution in Georgia in 2003, the Orange Revolution in Ukraine in 2004, and the Tulip Revolution in Kyrgyzstan in 2005. Russia, in turn, has not hesitated to develop cooperation with countries traditionally blacklisted by the US, i.e. Iran, Syria and Venezuela. Moscow also keeps trying to nullify the growing US influence in Central Asia.

The United States of America is acutely aware of the increasing involvement of Russia in the exclusive area of US interest, i.e. Latin America. In that region, Moscow pursues a policy of pragmatic interests and its activities in South and Central America are similar to those of the US in the post-Soviet area. Russia's relations with populist and anti-American Venezuelan President Hugo Chávez speak volumes here. Both countries belong to the group of "energy giants".[33] Other major US-Russia disputes were on the plan to install elements of an anti-missile defence system in Central and Eastern Europe, recognition of Kosovo by the West in 2007 (Kosovo's declaration of independence of 17 February 2008 was denounced by Russia), and the unsuccessful American initiative to offer Georgia and Ukraine a chance to participate in a NATO Membership Action Plan (MAP) in 2008.[34]

Washington policy toward Russia during the presidency of Barack Obama has been more pragmatic. Obama announced a reset of US relations with Moscow. The reset was to end the period of confrontation.[35] America needed to cooperate with Russia to pursue its policies toward Iran, Afghanistan, North Korea and the Middle East. At the NATO summit held in Lisbon in November 2010, President Medvedev declared the end of tensions between Russia and NATO. The reset included a tactical, as it turned out, suspension of the anti-missile defence system project. However, in the last year of Medvedev's term, the reset was under increasing pressure. Despite the fact that in March 2011 Moscow enabled the adoption of the UN resolution authorising NATO military intervention in response to events during the Libyan civil war, Russia opposed later attempts of the US and other states to take action against the regime of President Bashar Assad when the situation in Syria worsened.[36]

It is clear that, apart from some secondary activity, Russia cannot really succeed while confronting the US at the international arena and instead it provokes "substitute conflicts" and uses its diplomacy to block solving global problems like the issue of nuclear programmes of North Korea and Iran, conflicts related to North African revolutions and the war in Syria. Earlier, Russia also took similar actions in the case

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[33] A. Bryc (2009), *Rosja w XXI wieku. Gracz światowy czy koniec gry?,* Warsaw, pp. 158-171.

[34] *Stosunki dwustronne Rosja-USA,* http://www.stosunkimiedzynarodowe.info/kraj,Rosja,stosunki_dwustronne,USA, (accessed 08.07.2012).

[35] More in: J. Kiwerska (2012), *"Po wyborach będę miał większą elastyczność"*, „Biuletyn Instytutu Zachodniego" No. 79, http://www.iz.poznan.pl/news/444_USA-Rosja.pdf, (accessed 13.07.2012).

[36] *Stosunki dwustronne Rosja-USA...*

of conflicts in former Yugoslavia. Aware of Russia's weaknesses, Russian politicians appear to be in favour of a multipolar international system and thus of relative weakening of the dominant US position. In its relations with the US, Russia's options are limited, which does not mean that its foreign diplomacy is ineffective or does not give Washington a headache.

The energy policy pursued by Russia is aimed at making Western states maximally dependent on Russian raw materials. To this end, Moscow consistently increases its influence in countries rich with natural deposits (Kazakhstan, Turkmenistan, Iran, Azerbaijan) and transit capability (Turkey). Moscow severely limits activities of American oil and gas corporations in the Black Sea and Caspian Sea regions and has gained advantage there. However, without the capital and technology that American (and Western) companies can offer, the development of the extraction sector in Russia and Caspian countries is not easy. Currently, the United States may not be afraid of Russian energy blackmail contrary to Europe. European countries, however, are increasingly aware that ensuring energy security must consist in supply diversification, alternative energy sources and reduction of energy consumption.[37]

In its relations with the European Union and European countries, Russia has a much greater say that in its relations with the US. The basis for cooperation between Moscow and Brussels is the Partnership and Cooperation Agreement (PCA) signed on 24 June 1994. It entered into force in December 1997. The document, apart from promoting good bilateral relations, foresaw intensification of economic and political cooperation and of joint efforts to work out common positions on international issues, especially those that impact security. It was assumed that Russia would follow the transition path taken by Central and Eastern Europe, i.e. that Russia would introduce liberal economy, democratise its political life and respect civil liberties.

Ten years after the PCA entered into force, the European Union and Russia launched negotiations on their strategic partnership agreement. The negotiations, temporarily suspended after the Russia-Georgia War of August 2008, have not brought about the expected breakthrough. For example, Russia has not ratified the revised Energy Charter Treaty. The issue of security has been classed as a priority in EU-Russia relations as late as at the beginning of the 21st century. That delay was due to the earlier EU perception of Russia as an economic group whose role in the area of security was only symbolic.

A new impulse in EU-Russia relations was the EU proposal to reach political agreement in the form of a new Partnership for Modernisation presented at the summit in Rostov in 2010. It was announced that the partnership would promote free market reforms and mutual investments, innovations, energy effectiveness, alignment of technical norms and standards, protection of intellectual property, improvement of transport networks and ensure the effective functioning of the judiciary,

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[37] P. Pacuła (2007), *USA - Rosja. Współpraca, czy rywalizacja?,* "Bezpieczeństwo Narodowe" No. 5-6, pp. 130-145.

strengthen the fight against corruption and promote people-to-people links. The project did not produce expected results and did not make EU-Russia relations tighter. Russians have not been able to modernise their country both in the social and economic dimension. It is assessed that one of the factors responsible for Russia's lack of motivation to take expected steps was the fact that its economy is based on raw materials. Moreover, Russia has channelled too much of the funds earmarked for modernisation to restore its power status. On the other hand, as many as 18 of 27 EU Member States have bilateral agreements with Russia and their policies are little coordinated with the Partnership for Modernisation programme. Therefore, the lack of cohesion in the activities of particular Member States, the European Commission and the EU External Action Service continues to be a main reason for the ineffectiveness of EU policy toward Russia.[38]

The European Union has limited natural energy deposits (resources) and heavily depends on imports. It is Russia which - owing to its geographical proximity and immense deposits - is the main energy supplier to the EU. The EU is forced to cooperate with its eastern neighbour but seeks ways to depoliticise its relations with Russia in the area of natural gas supplies. It tries to reduce its dependency on the greatest supplier. EU Member States import 62% of gas, 23% of which is transported from Russia. According to forecasts of the European Commission, by 2030, due to an increasing demand for natural gas and decreasing domestic production, the EU will import as much as 84% of its demand of which more than a half will be supplied by Russia. A similar situation can be observed in the case of oil imports. By 2030, as much as 95% of EU demand will be covered by imports. It has been estimated that in 1998-2008 Europe's dependency on Russian supplies increased from about 12% to 27%.

EU high energy dependency forces it to seek options to diversify energy supplies, especially gas supply routes, and to develop a common energy policy. However, EU actions aimed at ensuring alternative supplies have, until now, been effectively mitigated by Russian interests and the lack of unanimity among EU Member States, not to mentions the involvement of European energy companies in competitive projects (*South Stream*, *Nabucco*). The telling example is *Nord Stream*. The pipeline increased the existing EU dependency on deliveries of Russian natural gas and hindered the implementation of the *Amber* project – the less expensive version of the pipeline that was to start in Russia, pass through Latvia, Lithuania, the Kaliningrad Oblast and across Poland and Germany. The *Amber* project foresaw laying a natural gas pipeline across EU Member States and its section in of the Russian Federation. The Russian *South Stream*[39] project is a pipeline transporting Russian natural gas through the Black Sea to Bulgaria and further to Greece, Italy and Austria. The proj-

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[38] D. Jankowski (2012), *Strategiczne partnerstwo Unii Europejskiej i Rosji w polityce bezpieczeństwa: szanse, przeszkody i stan obecny*, "Bezpieczeństwo Narodowe" No. I, pp. 49-65.

[39] Cf. A. Åslund, *Gazprom: Challenged Giant in Need of Reform,* in: A. Åslund, S. Guriev, A. Kuchins (eds) (2010), *Russia after the global economic crisis,* Washington DC, pp. 151-169.

ect is seen as rival to the planned *Nabucco* pipeline which is crucial in the European diversification strategy. This gas pipeline was to bypass Russia and transport natural gas from the Caspian Sea region through Turkey to Austria. However, Russia won European partners that withdrew from the EU common planning of energy supplies. It managed to sign contracts with Bulgaria, Serbia, Romania and Hungary which joined the *South Stream* project.

The European Commission strives to establish the European internal natural gas and electricity market, and ensure security of supplies between EU Member States. The common energy policy is based on principles of liberalism and competition (free market) and solidarity mechanisms. Nevertheless, in emergency situations, it will be a great challenge. The initiative of Jacques Delors and Jerzy Buzek of 5 May 2010 is one of the most important projects concerning the establishment of the EU single energy market. It foresees the introduction of the European Energy Community. The EU Energy Community initiative is to cover, among others, development of a competitive internal energy market based on trans-European networks for transporting electricity and gas that would warrant energy security and ensure that in the future, the EU would act as one negotiating entity. Working out a community approach and creating a community of interest in the EU energy sector is not an easy task as Member States pursue various interests and hesitate to pass their rights to EU institutions to implement a common energy policy. Meanwhile, the lack of such a policy helps Russia to divide the European community. In some cases it also helps Russia access strategic energy assets, including shares in some European transit networks. For Moscow, depoliticisation of EU-Russia relations in the area of energy policy would be tantamount to its failure and would reduce Russia's position to that of a client. Energy has become one of the tools of Russia's foreign policy and so far the European Union has not developed its strategy to counter it.[40]

After the Treaty of Lisbon entered into force, the importance of EU common energy policy among EU foreign policy priorities should grow gradually. In the nearest future, the importance of Russian natural gas will be high enough for the Russian Federation to retain its privileged position of Europe's main supplier and its capacity to exert political pressure. On the other hand, the power of Russia may weaken as Russia needs to modernise its energy sector and face competition of the growing LNG *(Liquefied Natural Gas*) market and shale gas producers, not to mention the growing share of renewable energy in the global energy balance. Russia's economy will need investments to increase its efficiency, reduce energy consumption and upgrade its energy industry technologically. This might force Russia to open up to European and Asian investors. On the other hand, the rising global gas consumption may contribute to tightening the cooperation of countries with largest deposits. Russia, actually, strongly promotes the idea of creating a natural gas cartel.[41]

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[40] T. Młynarski (2011), *Bezpieczeństwo energetyczne w pierwszej dekadzie XXI wieku. Mozaika interesów i geostrategii,* Kraków, p. 313.

[41] M. Ruszel (2009), *Kierunki rozwoju polityki energetycznej UE*, "Biuletyn Opinie" No. 25.

The last Russia-Georgia War and the fight to control European networks of energy supply have served the implementation of Russia's strategic interests to influence European politics, weaken NATO and the EU, and revive the European Concert of Powers in which Moscow will play a prominent role. Should those ideas come true, Russia's dominance over many European countries may seriously endanger the European project. In its bilateral relations with individual European states, Moscow would have a notably stronger position than in its relations with the European Union. For Russia, the most difficult Western opponent is the North Atlantic Treaty Organisation, which Russia considers to be a tool of American politics. While Moscow sometimes succeeds in playing Western countries off against one another in the area of economic relations, it is not a very attractive partner when it comes to values and ideas, and security in particular. That is why Russia strives to convince those NATO members with which it has good relations that NATO should give up its enlargement strategy. A good example were Russia's protests which effectively delayed Georgia's and Ukraine's membership in NATO. Germany and France accepted some arguments of the Kremlin against the enlargement and the 2008 Russia-Georgia War provided more arguments against Georgia's integration with NATO.

Russia needs the European Union mainly to counterweigh US hegemony in the international order and welcomes every misunderstanding in Euro-Atlantic relations. It is Russia's interest to use the EU to weaken the regional position of the US. At the same time, Russia tries to prevent strengthening of the European Union itself, as a strong EU speaking in one voice about security and energy strategies would hamper the achievement of Russia's strategic goals. Attempts of Russian companies to gain control over numerous corporations are a threat to the European Union. Russian companies invest in strategic European economy sectors. Their goal is to get access to new technologies and influence business decisions of European companies.

From Russia's perspective, Germany is its most important European ally helping Russia to pursue its policies toward the West. Russia's efforts are well received as Germany's geopolitical ambitions keep growing. This includes Germany's efforts to become a permanent member of the UN Security Council and to dominate EU economy. Berlin was the first capital visited by Dmitry Medvedev after he won presidential elections of 5 June 2008. There he gave a speech on Russia's European policy and proposed a European security pact that would include Russia. Paradoxically, Germany, in line with Russia's expectations, perceives NATO more as a platform for political dialogue than a military alliance. That is why Germany is critical of the construction of anti-missile shield elements in Europe[42]

The ongoing economic and financial crisis has boosted Russia's self-confidence. The EU has been weakened by its domestic crisis and by opinions of the international community about the situation. Russia opposes the Eastern Partnership project but does not have to worry much that the European Neighbourhood Policy will limit its

[42] G. Kuczyński (2009), *Strategia Rosji wobec Zachodu*, "Bezpieczeństwo Narodowe" No. 1-2, pp. 155-171.

influences. Especially after the European Union provoked and supported the colour revolutions but failed to cope with their consequences. Contrary to a popular in Europe opinion, the Russian neighbourhood policy is more advanced and better implemented than the European one. Russia can offer more than the Union. Russia's allies are offered cheap energy, access to Russian labour market, a growing receiving market, visa-free entry, and some cases Russian citizenship (e.g. the Ossetians). Russia has also developed a wide range of disciplinary measures: blocking energy supplies, raising prices, taking over transit infrastructure, supporting separatist movements, and – in extreme cases – military interventions.

It follows that the EU, which needs to restore its international position strained by the crisis, should change its policy toward Russia. In a long run, Europe should reduce the role Russia plays as the energy supplier and focus on such objectives as free competition, adherence to the rule of law, and an integrated and flexible energy market. However, the greatest challenge is to reach an agreement on EU common strategy and the support given to Russia's modernisation.[43]

German political elite is clearly irritated with and disapproves of Russia's stagnation. Germany's privileged access to the Russian market has ceased to suffice. The modern economic cooperation style requires a shift to a more advanced level, i.e. a level up from simple trading, and Russia is incapable to do so. This results from Russia's torpor and reluctance to implement the signed agreements and proposed solutions. Russia's accession to the WTO may change the situation but the effects will certainly not be instantaneous, and this is not in line with EU expectations.[44]

The above have an impact on EU-Russia relations. Europe and Russia have joint interests but are divided by values. From Europe's perspective, Russia is a most important energy supplier. From Russia's perspective, Europe is an importer of half of its exports and key energy buyer. In result, Moscow needs Brussels, and Brussels needs Moscow. Yet Europe tries to force Russia to modernise and Russia is not ready for it.

## CONCLUSIONS

Russia's reforms are not fast enough to catch up with global trends and appear to be a mere window dressing. Russia is not taking actions directed at modernising the state and adjusting its economy and social life standards to the requirements of international competition. Therefore, the perspective of Russia's actual adjustment to and inclusion into a group of major global economic and political powers is wishful thinking.

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[43] Cf. M. Leonard, N. Popescu (2008), *Rachunek sił w stosunkach Unia Europejska-Rosja,* Warsaw, p. 87.

[44] S. Meister (2011), *A New Start for Russian - EU Security Policy? The Weimar Triangle, Russia and the EU's Eastern Neighbourhood,* Genshagen.

In comparison to other rapidly developing economies, Russia's infrastructure is poor and this impedes its development potential. Upgrading the underdeveloped technical infrastructure (e.g. roads, railway, energy) in vast lands of the Federation would require immense investments. The relatively low level of technical culture is another major impediment. It should be noted that the condition of technical infrastructure in crucial industries, i.e. the mining and energy sectors, is deteriorating. Profits from oil and natural gas exports are little invested in the petroleum industry modernisation and that includes both exploration and production. Other negative factors are the high energy consumption by the Russian economy and its low efficiency. According to the World Bank, even high and long-term financial investments will not close the infrastructure gap between Russia and developed countries in the nearest future.[45] This is due the low share of investments in GDP and investment concentration in the primary sector of the economy. Moreover, high level officials in the administration (government) and business (top managers) originate from post-Soviet *nomenclatura* (oligarchy) and are hardly able and motivated to carry out reforms. Russian bureaucratic establishment (often corrupt) impedes creativity and entrepreneurship of the Russian society and is a major growth curbing factor. Russia's population is expected to shrink. According to UN forecasts, the number of residents of Russia will decline by 12%, i.e. by about 17 million people in 2000-2025, and currently the life expectancy at birth of men is only 59 years while women live 13 years longer on average.[46] In a long run, demographic changes will affect economic growth negatively. The structure of Russia's economy points to its vulnerability to a slowdown. A recession in global energy markets may halt its growth and revenues of the state and people will decline in the aftermath. For the time being, the government revenue generated by Russia's resource-based economy suffices to sustain the authoritarian rule and secures the interests of social and political groups which back the system.

In the beginning of the 21st century, the high demand for raw materials helps Russia to pursue its foreign policy priorities and exploit weaknesses and lack of consensus among its competitors. At the same time, Russia promotes an alternative political and social development model of "steered democracy". For the post-Soviet states, and many other countries, this model combined with appropriate economic, technical and military assistance might be an offer much more attractive and manageable than a remote vision of liberal Western democracy. Ukraine is an example the appeal of Russia's offer as Russia effectively persuades Ukraine not to cooperate closely with the European Union. Similar developments can be observed in other countries covered by the Eastern Partnership initiative which does not meet their expectations as the EU focuses on its financial crisis. In Asia, Russia has to

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[45] Cf. *The World Bank in Russia. Russian Economic Report. Reinvigorating the Economy,* No. 28, Autumn 2012 http://www-wds.worldbank.org, (accessed 12.10.2012).

[46] Cf. S. Niktina, *Population Decline and Population Ageing in the Russian Federation,* UN/POP/PRA/2000/13, United Nations Secretariat, New York 16-18 October 2000.

compete with new geopolitical centres, i.e. China and India whose modernisation is already much more advanced. Russia's resource-based economy, however, seems not to have the potential needed to sustain a stable economic growth of the country in a long run, especially since Russia's economic productivity grows slowly and demographic crisis approaches.[47]

ABSTRACT

*In this article, issues in Russian foreign policy at the turn of the 21st century are discussed in the light of Russia's efforts to restore its status of a global power. The defeat of the Soviet Union in the Cold War confrontation with the United States seriously limited the superpower prerogatives of the Russian Federation as the successor of the Soviet Union in international relations. In the next two decades that followed, Russia managed to ward off the threat of disintegration of its statehood and to reconstruct it on grounds of a strong authoritarian central rule. A worldwide demand for energy supplies helped it build foundations for an expansive resource-based economy which was concurrently a tool for implementing an imperialistic policy that proves successful especially in Russia's traditional sphere of influence. At the onset of the 21st century, Russia had to face competition from new actors in the multipolar international system that tends to polarize further. The traditional competition with the United States and Europe has expanded onto dynamically developing China and India. At the same time globalisation imposes far-fetched cooperation within this configuration curbed by Russia's inadequate coping with challenges of state modernisation. Therefore the growth or decrease of the role of the Russian Federation as a power will largely follow from the efficiency of the reforms it introduces. So far they have shown small dynamism and, in a longer perspective, barriers to development can contribute to a deterioration of the social, economic and political situation with relevant negative consequences to the international environment.*

[47] I. Bil, T. Otłowski (2008), *Federacja Rosyjska jako mocarstwo? Stan obecny i perspektywy,* Warsaw, pp. 9-13.



# OUR PUBLICATIONS

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## Gospodarka niemiecka 20 lat po zjednoczeniu

[German Economy 20 Years after Reunification]

**Tomasz Budnikowski, Editor**

Studium Niemcoznawcze No. 87, abstracts in English
ISBN 978-83-61736-29-5
Poznań 2011, pp. 238.

This publication is devoted to challenges which German economy faced in the first 20 years after the reunification, a topic which is both current and important from the perspective of research and economic performance. The authors - J. Misala, M. Götz, I. Romiszewska, P. Kalka, T. Budnikowski and M. Żukowski - comprehensively discuss the most important issues since East and West Germany merged.

The first issue discussed is how big the economic disproportions between eastern and western lands are at present. Then changes in Germany's foreign trade are analysed in detail as its role in Germany's economic growth is important. Next, the focus moves to the structure of R&D expenditure. A comparison of R&D outlays in Germany and other highly-developed countries shows that the volume of Germany's investments continues to be relatively huge.

Much space is given to Germany's social integration, primarily to unemployment resulting from the introduction of market economy in the former German Democratic Republic. Another issue tackled is the rapid ageing of German society and the functioning of the social security system.

Conclusions offered in each paper are on both the theory and practice of German economic policy, making this publication useful for researchers, students of economics as well as politicians and economists.

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JAKUB KORALEWSKI
Poznań

# INTERNATIONAL AND GEOPOLITICAL STATUS OF UKRAINE

Ever since Ukraine regained independence in 1991, the country is at the crossroads of civilisations despite efforts of successive political cabinets to pursue a multidirectional foreign policy since the beginning of the 1990s. At present, it is difficult to identify what the orientation of particular political players is, as the authorities of Ukraine declare their interest in both the Asian-Russian direction and friendly relations with Europe. However, the situation is far more complex and in a "geopolitical chaos", noble principles of the "Orange Revolution" got lost. They have been replaced with cold calculations of the broadly understood Party of Regions.

A couple of years ago one could argue that the year 2005 was a caesura in Ukraine's modern history as, initially, "Ukrainian policies were constantly and inevitably Europeanised". Unfortunately, as daily practice has shown, this statement is already outdated. What is worse, some actions of the authorities meet with an unprecedented activity of the opposition, which is more characteristic of "failed states" than of developing democracies. Unfortunately, many decisions taken by Kiev, irrespective of their political colouring and disputes between political fractions, immediately result in an economic downturn that deeply affects average Ukrainians.

In last 20 years, political changes in Ukraine did not have a positive effect on the country's economic stability. The example of Victor Yushchenko, who as Prime Minister was successful in economic affairs, shows that economic processes determine current policies at all levels. The Ukrainian political system is very shaky and increasingly less predictable. In the last two years of Yanukovych's presidency, "Belarusisation" of the Ukrainian political system became apparent as Ukrainian authorities gradually lose touch with the society and the announced reforms meet with protests of citizens only.

An objective observer might notice that particular actions of the authorities are a mixture of increasingly audacious social experiments which only seemingly improve living standards of an average citizen. Sources of this policy can be traced back to Minsk and Moscow. Many western analysts openly argue that the "Makiivka group, part of Donieck Oblast" (hometown of V. Yanukovych) introduces changes that are beneficial for them quicker than it has happened in Russia. The group pays no attention to the foreign public opinion, which is particularly sensitive to such developments.

After Victor Yanukovych was elected President of Ukraine in 2010, it was expected that Ukraine would abruptly turn toward the "East". However, Ukraine's relations with Russia need yet to be regulated, similarly as during the presidency of Leonid Kuchma. The attitude of President of the Russian Federation Vladimir Putin to Victor Yanukovych is lukewarm at best as the latter is not eager to implement the Kremlin objective to transform Ukraine into an area of Russia's influence.

The recent practice of Ukrainian foreign policy has clearly demonstrated that Russia's classic geopolitical mechanisms slowly, yet steadily, lose impact. The Russian Federation, as the political and cultural successor of the Soviet Union, takes a less rigid stance on many "disputable areas" in bilateral relations which, paradoxically, is conducive to Ukraine's sovereign objectives and improves its image in Western Europe. In recent years (particularly since 2010), Russian authorities have attempted to subtly entice Ukraine to engage in close cooperation by offering it a package of new economic mechanisms of the CIS common economic area. Exploiting the global crisis that has been affecting Ukraine for the last few years, the Kremlin hopes that Ukraine will finally opt for the "Euro-Asian vector" of its development and will dissociate itself from its European ambitions.

The Russian integration project (economy and politics) is intended to restore the power of the Russian Federation in CIS and foresees inclusion of all post-Soviet states in the project structures. Such ambitious high-risk objectives are, nevertheless, already actively implemented. Further integration stages are justified as measures to protect Russia's interests against the deepening crisis, unfair competition of western states and the weakening of the EU's economic foundations.[1]

Putin's Euroasian Union project includes the following elements:

– free trade area within CIS (an appropriate agreement was signed on 18 October 2011),
– customs union within EvrAzEs (Eurasian Economic Community), voluntary membership, has been gradually implemented since 2008,[2]
– common economic area constituted by the Russian Federation, Belarus and Kazakhstan. This project is based on a high number of various bi- and multilateral agreements, majority of which entered into force on 1 January 2012.

What role should Ukraine play in these undertakings? First and foremost, if Moscow persuades Ukraine to engage in any integration project, this will legitimise the Kremlin's actions in the territory of the former Soviet Union and will encourage other states to take similar decisions.[3] Apart from that, a clearly "pro-Russian

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[1] А. Ирхин, *Россия и США после «холодной войны»: затянувшейся путь к новой международной системе,* in: Этничность и власть, новая геополитическая карта Европы и проблемы безопостности в Черноморьско-Каспийском регионе, Симферополь 2009, pp. 132-142.

[2] www.evrazes.com, The EvrAzEs organisation was established on 10 October 2000 in Astana. Only post-Soviet states are members of the community: Russia, Belarus, Kazakhstan, Kyrgyzstan and Tajikistan.

[3] Н. Гвоздев, *Движется ли Россия к «цветной революции»?* http://inosmi.ru/politic/20111224/181204593.html, 23.12.2011.

Ukraine" would hinder activities of any opposition groups and this refers also to organisation of other potential "colour revolutions".[4] Pushing the "colourful threat" away from Russia's borders remains the main task of Russian security service and social organisations closely cooperating with the Kremlin.[5] Finally, and probably most importantly, Ukraine, with its population exceeding 40 million people and often compared to France in terms of potential, will be a buffer zone between the EU and the Russian Federation.

The structure of some organisations, the CIS in particular, and large economic projects suggest that Russia aims at establishing a new superstructure in the form of a Euroasian "community" which is to play an important role on the international arena. Authorities of Russia, Belarus and other states believe that they should join forces to rebuild the so-called industrial-technological complex that would surpass its Soviet counterpart in size and power, and would be capable of competing against largest global powers. However, according to experts, even theoretical premises of such a project development raise serious methodological doubts and political concerns.[6] Russia tries to attract former Soviet Union members (especially Ukraine) by offering them an appealing economic project. However, chances of success are slim. The Kremlin seems not to use an ideological criterion which was the foundation of the Soviet Union. Nevertheless, negotiations between Russia and other post-Soviet states revealed that they interpret the notion of integration quite differently. The Russian Federation very often equates integration with "full absorption", while the young states that emerged from the ashes of the Soviet Union, despite their warm feelings for Russia, do not want to lose their independence.[7] In this context, true problems which with former Soviet Republics struggle are pushed aside e.g. changes in the attitude to western investments, mechanisms of social aid for citizens and development of private businesses. This type of foreign policy practice employed by the Russian Federation is a satire of former Ukrainian President Victor Yushchenko's "geopolitical concept". From the very outset of his term as the head of state, Yushchenko promoted a double path for relations with Russia. He postulated that steady development of economic ties should be accompanied by notable weakening of political ties.[8]

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[4] *Макфол: для РФ готовили цветную революцию*, statement of US Ambassador to Russia, http://www.memoid.ru/node/Cvetnye_revolyucii_na_postsovetskom_pro-stranstve.

[5] А А. Филатов (2009), *ОДКБ и ЕЭП в качестве гарантов гражданской безопостности Украины,* „Чорноморська Безпека" No. 2(12), p. 55.

[6] С. Толстухов, *Перспективы Евразийского интеграционного проекта. Россия примеряется к мировым экономическим и политическим процессам*, www.ng.ru/courier/2011-1-31/11_perspective.html.

[7] Б. Шапталов (2005), *Русская экспансия: бей первым или погибнеш!,* Москва, pp. 225-226.

[8] В. Кириченко (2009), *Образы России в публичном дискурсе президента Украины В. Ющенка и президента Беларуси А. Лукашенка (сравнителъный аспект),* „Перекрестки, Журнал исследований восточноевропейского пограничья" No. 1-2, p. 251.

In general, Russia's efforts are aimed at deepening the integration of former Soviet republics, including Ukraine. However, Russia neglects to resolve issues most vital in its bilateral relations. A classic example illustrating the above is the delimitation and demarcation of the Russian-Ukrainian land and sea border. According to some Russian political scientists, the reason is that Ukraine will inevitably integrate with the "CIS geopolitical area", which apparently is to happen in the next five years (by 2017). That is why all actions aimed at tightening the Russian-Ukrainian border may, eventually, turn out to be politically and diplomatically unjustified.

The rise to power by the Party of Regions and its leader Victor Yanukovych completely changed priorities of Ukraine's foreign policy. The first profound change in Ukraine-Russia relations was the signing of the agreement on extending the stay of the Russian Black Sea Fleet in Crimea until 2042. The previous agreement signed by Leonid Kuchma foresaw that Russian forces would withdraw from Sevastopol by 2012, but nobody in Ukraine believed that would happen. In short, the extension of the 1997 Russia-Ukraine agreement delays any prospects of Ukraine joining NATO and pushes the US out of the region.[9]

In recent years, US military ships tried to enter the port of Sevastopol but did not succeed due to very emotional protests of local Russians and of Cossack organisations. Interestingly, as Russian military analysts and journalists observe, every time Ukraine cannot reach an agreement on key issues with Moscow, next to the Crimean Peninsula activities of US military vessels increases.[10] More perceptive Russian commentators noted that during the presidency of Victor Yushchenko, also Sevastopol councillors fervently protested against the presence of American ships in the vicinity of Ukraine's maritime coastal areas. During the first two years of Victor Yanukovych's term, the protests lessened markedly and currently US Navy ships have an official consent of Ukrainian authorities to operate in the area. For example, at the end of May 2006, four small vessels of the American fleet arrived at the Feodosiya port (Autonomous Republic of Crimea, Ukraine). Activists of the Party of Regions and the People's Opposition Bloc of Natalia Vitrenko quite effectively blocked loading those ships and the return of the crew that had disembarked from the vessels.[11]

Such actions taken by the American administration really irritate Russia. The events described constitute a small fraction of everyday political and social reality in the former Soviet lands, however, what happens at that micro-regional level proves that the rivalry between the United States and the Russian Federation continues. In this case, competing interests intersect in a strategic region (Black Sea).

In the widely understood geopolitical domain, i.e. embracing all political, economic and social actions taken in a given space, one's real influence on activities of particular states and groups of states is most important. Since the beginning of the 21st century, we have been witnessing the emergence of new political zones of

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[9] С. Ткаченко (2011), *Информационная война против России*, Санкт-Петербург, p. 22.

[10] В. Бовал, *Информационная война против России,* 27 января 2012, http://topwar.ru/10554-amerikanskie-boevye-korabli-u-beregov-kryma-chego-ozhidat.html.

[11] http://lenta.ru/story/feodosia/.

influence, as well as the formation of state and non-state groups capable of exerting pressure that will shape international politics in the coming years. As many experts argue, for a long time Ukraine will be a player whose geopolitical activity will be next to none, and its real impact on shaping its international position will be very limited.[12]

According to many analysts, journalists and observers, President Victor Yanukovych is a most diligent student of the Kremlin and Vladimir Putin himself. Yanukovych "pacifies" opposition activists much faster and in general complies with the law. After 2010 the new government accelerated the implementation of legislative changes, which was not observed earlier. Owners of private businesses are now subject to tight regulations; at the regional level, the Russian language shares the official status with Ukrainian, and issues in Ukraine's relations with its post-Soviet neighbours are gradually reviewed and resolved. The "Putinisation of the Yanukovych regime" – as opponents phrase it – is implemented by the book, which is certainly a surprise to the Kremlin. However, such actions are not leading Ukraine anywhere and its future appears to be increasingly less predictable.

Since 2010, at the initiative of the Party of Regions, a number of issues that were long part of its programme have been resolved. First and foremost, the authorities clamped down on small-size enterprises in a truly Belarusian-Russian style. Those private businesses were perceived as a large potential threat to the group in power. The status of the Russian language was partly regulated.

A major issues was the introduction of a new tax code in autumn 2010, which practically killed small and medium-size enterprises in Ukraine. That activity of Ukrainian authorities led to the Maidan of Entrepreneurs – a rally held on Kyiv's Independence Square (Maidan Nezalezhnosti). Thousands of people protested against the new regulations included in the bill drafted by the government of Mykola Azarov, which foresaw extension of competences of tax offices (which already were huge) and of the list of entities obliged to use cash registers.[13] The changes also included limitations on simplified taxation (to natural persons only, i.e. legal entities are not allowed to use that option), increase in land tax and fees for obtaining trade permits. More than 50,000 persons gathered on the central square of the Ukrainian capital and protests spread across the country. People's response to the announcement that their last modest privileges would be taken away from them was both impulsive and strong. According to some members of the Party of Regions, the protests of entrepreneurs were staged by people linked to the party of Yulia Tymoshenko. An MP from Victor Yanukovych's party said that the people at the square had practically no idea about what was going on, very often they were persons that did not pursue any business activity, etc.[14] The event was allegedly funded by foreign "sponsors".

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[12] А. Дынкин, В. Барановский (ed.) (2009), *Россия и мир: 2010, экономика и внешняя политика. Ежегодный прогноз*, Москва, pp. 142-143.

[13] Protests of entrepreneurs in Ukraine, 27.11.2010, http://www.twojaeuropa.pl/2197/protesty-przedsiebiorcow-na-ukrainie.

[14] Регионал рассказал, кто „оплачивал" Майдан предпринимателей, 01.12.2010, http://news.liga.net/news/politics/501881-regional-rasskazal-kto-oplachival-maydan-predprinimateley.htm.

The very patriotic part the Ukrainian society considered the new status of the Russian language, especially at the regional level, to be another most important problem. In Ukraine, there are several regions where the Ukrainian language has dominated, also in Soviet times. For all post-Soviet states (maybe except for Belarus), having their national language (other than Russian) is basic for legitimising the country's statehood, especially at the international arena. The language issue applies especially to people born after the collapse of the Soviet Union. Russian language skills gradually worsen among young citizens of the Baltic states and the same applies to other former Soviet republics. This trend has been noticed by the Kremlin and led to a new language policy of the Russian Federation which consists in a rich educational offer addressed to former Soviet republics.

After a long struggle, on 3 July 2012, the Ukrainian Parliament adopted the Principles of State Language Policy Act which allows for Russian to be recognised as an official minority language in Ukraine.[15] At the beginning of August 2012, Ukrainian President Victor Yanukovych signed the Act and Russian is step by step granted the status of a minority language by local authorities of regions where the number of Russian-speaking citizens exceeds 10%. Since the new Act entered into force, Russian has been recognised as an official minority language by authorities of Luhansk, Sevastopol, Donetsk and Odessa.[16] Sittings of local councils at which decisions based on the new Act were taken became a target of Ukrainian nationalists who tried to prevent adoption of new provisions. For example, in Sumy, protesters forced their way into the Town Hall and broke up the sitting.[17] At present, the issue of practical adoption of the Act continues to be hot and many commentators accuse the government of giving up an essential element of Ukraine's sovereignty during Ukraine's political and social crisis. However, in the opinion of supporters of the Party of Regions, the decision of the Supreme Council of Ukraine and its signing by President Yanukovych were simply the fulfilment of an election promise long delayed. In September 2004, Victor Yanukovych, who was Ukraine's Prime Minister at the time, announced that the status of Russian and Ukrainian languages would be equal.[18] For the Russian Federation, raising the status of Russian in Ukraine is a great success that paves the way for further actions strengthening the status of the Russian language in the territory of the former Soviet Union. This symbolic victory of the Kremlin in such a delicate matter as the levelling of the status of Russian and Ukrainian in some regions of Ukraine was probably a turning point in Russia's strategy to restore Moscow's influence in key former Soviet republics since 1991.

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[15] *Парламент Украины одобрил скандальный закон о русском языке* http://mir24.tv/news/politics/5190843, 03.07.2012.

[16] *Националисты не смогли сорвать голосование по русскому языку в Харькове* 20.08.2012, http://www.vesti.ru/doc.html?id=884316&tid=98474.

[17] Независимая газета: Украина превращается в Гуляйполе, 22.08.2012, http://podrobnosti.ua/outeropinion/2012/08/22/853744.html

[18] V. Kulyk (2009), *Language policies and language attitudes in post-orange Ukraine, in: Language policy and language situation in Ukraine. Analysis and recommendations*, Frankfurt am Main, pp. 24-25.

## POLISH INTEGRATION PROJECT

In popular opinion, relations between Poland and Ukraine are quite complicated. Poland keeps declaring it protects Ukraine's interests in Europe and is the advocate of Ukraine's efforts to join the European Union. That "strategic partnership for the poor" entails many question marks, especially about real intentions of Ukrainian authorities. Despite many summits and public declarations of friendly relations, since 2005, Poland-Ukraine relations have been downgrading, and since 2010 they have been threatened by the "soft Belarusian syndrome". That trend can only be reverted if one of the parties involved consents to continue the dialogue without referring to their current internal policies.

In last 20 years, it became clear that the "Jagiellonian" foreign policy revised by Jerzy Giedroyc and Ludwik Mieroszewski in Paris in the 1960s, was practically a complete failure. It supported sovereignty of Lithuania, Ukraine and Belarus and was pursued by successive governments of the Republic of Poland.[19] Despite the efforts of successive governments, social activists, diplomats and scholars, it proved impossible to build a foundation of a strong and effective Eastern policy, which was an objective declared on numerous occasions after 1991. In 2004, when Poland became an EU Member State, it turned out that efforts invested in establishing the eastern EU buffer zone consisting of independent Belarus and Ukraine failed completely.

Poland was the first CEE country to sign the Treaty on Good Neighbourhood, Friendly Relations and Cooperation with Ukraine. Unfortunately, the agreement was implemented only at a small extent. In 1992-1993, Ukraine was practically isolated at the international arena, and its efforts to enter the so-called Visegrad Group met with Poland's reluctance. According to some Ukrainian analysts, at the time Ukraine wanted to cut off from its "Soviet heritage" to accelerate its integration with the EU.[20] In fact, it was not until Leonid Kuchma rose to power in 1994 that relations between Ukraine and the West were stabilised (International Monetary Fund, World Bank, United Nations). That is why one should take into consideration Ukraine's lack of trust toward Polish initiatives concerning the "East". They might have been enthusiastically welcomed but their implementation has left much room for improvement.

Poland, as a dynamically developing CEE country and an EU Member State (since 2004), had, paradoxically, little to offer to Ukraine. This applies to the broadly understood geopolitical security and safeguarding Ukraine's interests in Europe in particular. In this context it needs to be underlined that the year 2004 was probably the last when so many new members could join the European community.[21]

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[19] Ю. Мерошевский, *«Польский комплекс» России и территории УЛБ*, www.inosmi.ru/ stories/05/05/083450/221519.html.

[20] www.oldrass.ru/politics/kontur/20010123.html.

[21] А. Ирхин (2010), *Интеграционная политика Польши в отношении постсоветского пространства: историческая традиция и моделирование будущего развитя*, in: „Науковий висник" No. 19 (120), Одесский державный университет, p. 80.

It needs to be remembered that many Ukrainian political and economic elites consider cooperation with Poland is a "necessary evil" and are sceptical about Polish proposals. Ukrainians remember that the idea that the old Polish Eastern Borderlands are "Polish territories under temporary Ukrainian occupation" is not totally dead and some fear that Poland may reclaim Lviv. When analysing Polish-Ukrainian and Polish-Russian relations, one might get the impression that the latter translate into practical actions and may evoke less concern among a large part of the Ukrainian society than Poland-Ukraine relations.[22]

The Eastern Partnership initiated by Poland arouses serious concerns among politicians both in Moscow and Kiev. According to some, Polish support for Ukraine's European ambitions may do more harm than good. They claim that the Polish initiative, after a closer inspection, is "empty" when it comes to its contents and exposes Poland's false conviction that it has a mission to fulfil in the "East".[23] Secondly, the EU and Ukraine belong to different civilisations and this hampers the needed cooperation, especially if the past is an issue. In fact, Polish elites do not have much to offer to the independent Ukrainian state and their influence on the political situation in Ukraine remains limited.

Since 1991, the Russian Federation, the United States and the European Union are the international players most relevant to Ukraine. EU Member States such as Poland, Germany and France are relevant but less than the EU. Many countries of the so-called "old" Europe identify former Soviet republics such as Ukraine and Belarus with Russian civilisation. According to Ukrainian geopoliticians, two players - the United States and the European Union - are responsible for quality international relations. Unfortunately, it is hard to assess the real power of the Russian Federation in this system as Russia's assets in post-Soviet republics are huge and Russia can directly influence situation there.

Recently (since 2010), relations between Kiev and Moscow have been warmer. In June 2012, presidents of Russia and Ukraine signed an agreement on the delimitation of the maritime border between the two countries in the Kerch Strait.[24] One day earlier, the parties agreed to speed up negotiations on the delimitation of maritime borders in the Black Sea and the Sea of Azov and on the Tuzla Island status. Disputes concerning demarcation of the border in those attractive areas started in the 1990s. After 2010, the Victor Yanukovych administration finally managed to reach

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[22] *Интервью Джорджа Фридмана польской газете «Rzeczpospolita»*, www.inosmi.ru/stories/05/09/02/3453/245577.html.

[23] А. Ирхин (2011)*, Геополитические циклы Евразии и национальные интересы Украины,* Севастополь, pp. 154-161; see also his: *Формирования империй, как фактор влияния на систему международных отношений,* in: Ю. Бабинов (ed.) *(*2011), *Христианство и ислам – диалог культур и цивилизаций*, Симферополь, p. 30, and: *Постсоветское пространство: геополитические параметры и методология моделирования интеграционных процессов,* in: Ученые записки ТНУ, серия политические науки, Т. 22(61), 2009.

[24] *Россия отдала Украине Тузлу в обмен на «право ключа» в Керченскиом проливе*, 2012-07-13, http://ukranews.com/ru/news/ukraine/2012/07/13/74549.

a compromise on those issues. (Interestingly, in 1998, a Russian scholar and former distinguished KGB officer wrote a brochure in which he argued that Russia's right to control the Kerch Strait was fully justified.[25]) The Tuzla Island or Split is a sandy islet in the middle of the Strait of Kerch. There, to the end of 2003, Russia started to build a dam from the Russian mainland to the Tuzla Island which in the early 20th century was connected to mainland of the Russian Soviet Federative Socialist Republic. Ukraine protested. The conflict resounded so loudly that during the election campaign to the Duma in 2003, the issue was publicised by Dmitry Rogozin of the "Motherland" party. However, the firm stance of Kiev halted the construction for almost 10 years. The dispute was resolved in July 2012.

Although the issue of Tuzla seems to be minor, its resolution was a breakthrough in Russia-Ukraine relations. The dispute actually concerned the administrative border of the Ukrainian Soviet Socialist Republic. Ukraine argued that the island belonged to its so-called internal part. Russia argued that in the Soviet Union internal maritime borders were not precisely delineated and that maritime borders are but "conventional" and thus all parties concerned can use the waters freely.[26]

Finally, Russia consented to transfer control over Tuzla to Ukraine, in return for the so-called "key right", i.e. the right of the Russian fleet to a free and undisturbed passage through the Kerch Strait.[27]

Paradoxically, that event bolstered the image of the Ukrainian administration in the EU and, especially, helped Ukraine's efforts to integrate with NATO structures. One ought to bear in mind that one of the conditions of tightening Ukraine-NATO and Ukraine-EU relations is the necessity to resolve border disputes by applicant countries. At the same time, Russian analysts believe that the agreement signed is a next step in the process of integrating Ukraine with the CIS geopolitical area. A Russian MP has underlined that quite recently Ukraine signed an agreement on humanitarian aid within the CIS, and the next logical step would be to join the CIS customs union and the CIS free trade area.[28] Actually, many Ukrainian politicians believe that any initiative of the CIS integration should have positive effects on an average resident in the fallen Empire. For them, the European Union sets the example of unrestricted movement of people, capital, goods and labour resources.[29]

The Common Economic Space project (Russian: *ЕЭП*) for the Eurasian Economic Community aims at integrating the territory of the former Soviet Union and is supported by Russian authorities. As quoted above Aleksander Irhin claims,

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[25] А. Травников (1998), *Коса Тузла: перечисленная территория.* Краснодар.

[26] *Украина и Россия договорились о делимитации Керченского пролива*, 13.07.2012, http://seafarersjournal.com/seanews/ukraina-i-rossiya-podpisali-dogovor-o-delimitacii-kerchenskogo-proliva.html.

[27] *Путин уступил Украине Тузлу в обмен на керченский «ключ»*, 13.07.2012, http://politics.comments.ua/2012/07/13/349581/putin-ustupil-ukraine-tuzlu.html.

[28] *Эксперт: Договор о границах - ключевой момент в отношениях двух стран,* 13.07.2012, http://rian.com.ua/politics/20120713/79115400.html.

[29] А. Чешмит (2004), *Государственная власть и политическое участье,* Киев.

Ukraine's reluctance to join the CES is the main obstacle to the project full implementation.[30] According to other researchers, the CES might bring benefits to both parties in a long term, one of the reasons being the natural ethnic and linguistic closeness and common post-Soviet heritage.[31] Other Ukrainian scholars argue that in a longer run, the CES project is an alternative to Ukraine's European ambitions. It is an alternative which does not entail breaching democratic standards and any universal modern principles of common operations of states.

Currently, the CES project is in the stage of a "permanent standstill" and there is not much hope that anything changes in the coming years.

The present global crisis is conducive to Russian geopolitical initiatives of integration, especially economic ones. Ukrainian authorities, which to an extent are hostage to the influential oligarch lobby, are inclined to reactivate Ukraine's economic ties with the entire territory of the former Soviet Union. It is expected that this process will deepen in the nearest future. All initiatives of EU Member States supporting the "European gravity" of Ukraine are seriously delayed and rather unfeasible in the coming years. Maybe in 15 or 20 years, when Ukraine finally develops its model of alternative social and economic development and effectively fights omnipresent corruption, a "new European opening" will take place.

Most important regional problems in Ukraine are the issue of independence of particular regions and its division into east and west which is regularly raised by western analysts. More than 11 million citizens of Ukraine are ethnic Russians and for years they have been perceived as a "delay-action bomb".[32] Apart from that, it is not clear how many Ukrainian citizens have Russian passports. The case of South Ossetia, where over 90% of citizens have had their Russian passports for years, is a relevant warning of potential threat to Ukraine.

Russia's region-oriented foreign policy in the CIS, especially in Ukraine, has been a quite successful alternative in the Kremlin's activities in the entire post-Soviet territory. However, as it is region-oriented, it is a proof that various pro-integration actions of Russian authorities have failed, especially in relation to Ukraine.[33] The concept of Ukraine serving as a buffer zone between the West and the East, promoted in the 1990s, remains valid today and revoked due to Ukraine's chronic political instability. Many western politicians (European and American) have hoped that Ukrainian authorities would know better and eventually define their interest orientation.[34]

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[30] А. Ирхин, *Геополитические циклы...* s. 116.

[31] Ю. Пахомов, Ю. Павленко (ed.) (2007), *Цивилизацённая структура современного мира. 3 Т.*, Киев.

[32] R. Solchanyk (1993), *Regionalismus und Nationalismus in der Ukraine*, in: *Ukraine: Gegenwart und Geschichte eines neuen Staates*, Baden-Baden, p. 249.

[33] S. Spahn, *Staatliche Unabhängigkeit – das Ende der ostslawischen Gemeinschaft? Die Außenpolitik Russlands gegenüber der Ukraine und Belarus seit 1991*, in: *Hamburger Beiträge zur Geschichte des östlichen Europa*, Hamburg, 2011, p. 11.

[34] M. Schunemann, *Die sicherheitspolitische Zwischenlage der Ukraine – Chancen und Risiken*, in: S. Bock, M. Schunemann (eds) (1997), *Die Ukraine in der europäischen Sicherheitsarchitektur*, Baden-Baden, p. 13.

Attempts to stabilise the legal and international status of Ukraine remain a hardly feasible "political dream", mainly due to the huge Kremlin's influence east of the Dnieper.

Lately, Ukraine improved its international image in the area of democratic institutions. Starting with 2007, successive parliamentary and presidential elections were declared free of serious violations. That is why some Ukrainians believe that they are subjected to "preventive ostracism" which stems from Ukraine's history more than from the current political situation.[35]

Recently, difficulties in approaching Ukraine are closely related to the unclear orientation of Kiev's foreign policy and its tough stance on opposition in domestic affairs. Last two years of Victor Yanukovych's presidential term buried all hopes for closer cooperation between Ukraine and the European Union, and countries like Poland.

The straw that broke the camel's back in EU-Ukraine relations was the issue of Yulia Tymoshenko. Tymoshenko, a former Prime Minister of Ukraine, has been held in custody since August 2011. She has become a symbol of the struggle between the Ukrainian government and the opposition that has recently adopted a boldly pro-European approach. Both in Ukraine and across the globe, it is believed that the imprisonment and conviction of Yulia Tymoshenko have been but an act of political vengeance by the new authorities and a final attempt to eliminate a dangerous political rival. The way the trial was prepared ensured that one accusation of many would work to lock Tymoshenko in prison for a long time. Disputes concern the fact that the 31-year-old judge had little experience and the hearings were held in scandalous conditions, e.g. in rooms without air-conditioning.

Paradoxically, the present Ukrainian authorities are capable of giving in only in one area which is ethnic policy at the regional level. The Autonomous Republic of Crimea (ARC), where a large part of the society is constituted by Muslims – Crimean Tatars – is a perfect example here.

Representatives of the Tatar minority readily exploit all weaknesses of Ukrainian authorities to attain their goals. They do not refrain from submitting official complaints to international organisations and foreign diplomatic outposts. For example, in autumn 2012, Crimean Tatars planned an International Tatar Forum with participation of important diplomats accredited to Ukraine, social activists, and politicians. Mustafa Jemilev, Chairman of the Mejlis, has very good contacts with EU and US ambassadors. When the new Prime Minister of the ARC, Anatoly Mogiliov, launched a clearly anti-Tatar policy, Jemilev complained at over twenty embassies in person. The Ukrainian Ministry of Foreign Affairs was very surprised with calls from various diplomats asking about the religious and social situation of Tatars. Actions taken by the leader of Crimean Tatars proved effective. Already in spring 2011, former head of the Crimean government Vasily Dzharty invited Mustafa Jemilev to a meeting. During a series of talks which followed, it was agreed that:

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[35] W. Templin (2008), *Farbenspiele – die Ukraine nach der Revolution in Orange,* Osnabrück, p. 275.

– the Crimean Tatars would be granted a firm and final consent to build their new central mosque in Simferopol. Warranties to that effect were put on paper and signed. This was preceded by a 15-year-long deadlock during which no agreement could be reached even with the involvement of top level authorities in Kiev. In March 2011, the cornerstone of the new mosque was laid. The ceremony was attended by Vasily Dzharty and Mustafa Jemilev.
– the Tatars would refrain from illegal settlement in the territory of the ARC and occupied plots would be returned or their ownership rights clarified, depending on the area, property rights, legal and territorial situation, etc.

## CONCLUSIONS

Drawing from examples discussed, it can be concluded that the internal policy of present Ukrainian authorities has strong external connotations favourable to particular interest groups. The new authorities have been implementing controversial political, social and economic projects for over two years now (since 2010) and are prone to engage in a dialogue only if it does not threaten Ukraine's internal stability.

Ever since Ukraine regained independence in 1991, it keeps seeking its path in foreign policy, which seems to be the greatest challenge for the emerging Ukrainian elite. What is characteristic of the emerging politics of post-Soviet republics is the uneven transformation of key segments of political life, which may delay every aspect of Ukraine's integration with Europe. Ukrainian authorities manage to resolve social, economic and ethnic issues at the level of regions but their effectiveness in handling foreign policy issues keeps decreasing. Whether we like it or not, we have to accept that the Russian Federation increasingly "embraces" Ukraine and, as recent months have shown, this is the most probable scenario for Ukraine. In this case, even actions taken by countries friendly to the authorities in Kiev do not produce tangible results. At the same time, Russia takes every opportunity to exploit each political and economic weakness of its smaller neighbour. The Kremlin's initiatives (i.e. the free trade zone and the Customs Union) look very attractive from Ukraine's perspective, however, Kiev will have to pay a high price including a loss of political independence. Should it happen, Ukraine will bury its ambitions of tightening its relations with the EU in the nearest decades.

## ABSTRACT

*The article offers an analysis of the state of the Ukrainian foreign policy with special emphasis on the period following the Orange Revolution of 2004-2005. The present authorities of Ukraine face a difficult choice of the model of transformation for the whole country, particularly in the context of its civilisation development. Russian economic initiatives are a very attractive alternative to the activity of the European Union. The Ukrainian society no longer believes in the assertions of European enthusiasts about a fast political and economic integration with western countries. Paradoxically, domestic*

*activities of the administration serve Ukraine's international position better than its complicated and rather chaotic foreign policy. The present authorities in Kiev implement the policy of accomplished facts especially in provincial areas and seem to be increasingly interested in the Russian offer. The authorities in Kiev have long been aware that a clear choice of one of the options of development would permanently bar its alternative. However, it should be kept in mind that the Ukrainian political establishment is unable to foresee the consequences of a "final decision" and does not have a vision of a long-term development of Ukraine's foreign relations.*



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## Stosunki gospodarcze miedzy Polską a Niemcami 20 lat po zjednoczeniu

[Polish-German Economic Relations
20 Years after German Reunification]

**Piotr Kalka, Editor**

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This volume of the "The Federal Republic of Germany 20 Years after Reunification. Politics – Economy – Society" series is dedicated to economic issues in an attempt at summarising Polish-German cooperation in this field in the years 1990-2010.

As Germany is Poland's most important economic partner, there is a constant need for monitoring trends in their bilateral cooperation and assessing changes that result from both internal and external conditionalities. Authors of this publication analyse financial transfers in the balance of payments to provide deep insight into Polish-German economic relations, the progress made in selected fields of cooperation such as foreign trade, migration of labour force and relations in the border zone. The latter is particularly interesting due to the history of the Polish-German borderlands, their economic and cultural diversity, varying local awareness, and long marginalisation of those regions. These are often decisive for barriers to cross-border cooperation and specificity of cross-border relations. The authors: Ilona Romiszewska, Piotr Kalka, Tomasz Budnikowski and Zbigniew Świątkowski, analyse Polish-German economic cooperation in the light of the balance of payments, trade exchange between Poland and Germany, migration of manpower, and the Polish-German cross-border economic cooperation.

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MYROSLAV KASHCHUK
Lviv

# ELECTORAL PROTESTS IN UKRAINE IN 2004

The Orange Revolution was one of the most significant political events in Eastern Europe after the dissolution of the USSR. Foreign observers compared electoral protests in Ukraine in 2004 to spectacular transformations in Central Europe at the end of the 1980s and the beginning of the 1990s claiming that what Ukrainians did not manage to achieve in 1991, they accomplished a bit later. Andreas Lorek stated that the Orange Revolution marked the beginning of a new stage.[1] Viktor Stepanenko wrote that the Orange Revolution was the beginning of a new age in the development of Ukrainian society and marked the end of the previous hybrid Soviet system.[2] Adrian Karatnycky claimed that "the orange revolution had set a major new landmark in the postcommunist history of Eastern Europe, a seismic shift Westward in the geopolitics of the region. Ukraine's revolution was just the latest in a series of victories for "people power" – in Poland, Hungary, and Czechoslovakia in the late 1980s and, more recently, in Serbia and Georgia."[3].

Five years later, most foreign observers avoided qualifying the 2004 electoral protests in Ukraine as a revolution, and if they did, it was only in a negative context only.[4] As the Orange Revolution did arouse great interest in Ukraine among the international community, the aim of this article is to analyse that extraordinary event in the context of social and political transformations that follow revolutions.

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[1] A. Lorek (2006), *Poland's Role in the Development of an 'Eastern Dimension' of the European Union*, Norderstedt, p. 34.

[2] V. Stepanenko (2005), *How Ukrainians view their Orange Revolution: public opinion and the national peculiarities of citizenry political activities*, "Demokratizatsiya: The Journal of Post-Soviet Democratization" Vol. 13, No. 4, pp. 595-618.

[3] A. Karatnycky (2005), *Ukraine's Orange Revolution*, "Foreign Affairs" Vol. 84, No. 2, pp. 35-52.

[4] See: A. Krushelnycky, *Orange Revolution implodes to leave a nation in despair*, "The Independent" 21.10.2008; R. Skaff, *The end of the Orange Revolution*, Centre for Research on Globalisation, 24.10.2008; A. Eberhardt (2009), *Rewolucja, której nie było: bilans pięciolecia "pomarańczowej" Ukrainy*, Warszawa; B. Harasymiw, *Ukraine's Orange Revolution and why it fizzled,* paper prepared for presentation to the annual meeting of the Canadian Political Science Association at the 76th Congress of the Humanities and Social Sciences, Saskatoon, 1.06.2007.

## MODERN FACE OF REVOLUTION

There are a great many definitions and quasi-definitions of the term "revolution" and it is not easy to find recurrent attributes of "revolution" in those recently proposed or adopted. The problem is that differently defined revolutions occurred throughout the entire history of mankind. Without getting into detailed deliberations on etymology, evolution and research on the phenomenon of "revolution"[5], it needs to be recognised that a revolution must entail significant social and political transformations, a popular social movement, an ideology and use of non-legal measures or violence.[6]

In the post-Cold War era the international community has not experienced one revolution which would fulfil all the criteria listed above. Nonetheless, mass protests against election frauds in Ukraine at the end of 2004 were referred to as a revolution. The Orange Revolution in Ukraine was not anything extraordinary on the international stage. It was one of the so called colour revolutions. That cover term has been used in reference to mass protests that led to removing corrupted and autocratic political elites from power through democratic persuasive measures, i.e. without violence.[7] Such revolutions took place in Serbia in 2000, in Georgia in 2003, in Ukraine in 2004 and in Kyrgyzstan in 2005. Considering the above, it seems appropriate to ask following questions: What was the Orange Revolution? Was it a revolution at all? If it was, then was it a turning point in democratisation and development of the Ukrainian statehood?

In history, revolution as an idea legitimised the assumption of power in result of using violence. It created favourable conditions for ambitious individuals who desired power at any price and could present their coup d'état in categories of a revolution, i.e. a battle with an unfair social and political system. When in 1991 liberal democracy triumphed after the collapse of the Eastern Bloc, the idea of revolution lost its significance and was replaced by new theoretical concepts. In the world built on principles of liberalism, there was no space for non-legal actions and violence. The liberals have assumed that economic interdependence, trade and money shape international bonds and contribute to spreading democratic principles. Democracies do not fight one another because they are based on the rule of law and system transparency.[8]

In the age of liberalism a new theoretical concept, i.e. "transition to democracy", has been coined to replace "revolution". Samuel Huntington believes that the third wave of democratisation meaning some form of democratic transitions from a non-

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[5] More on the notion and theory of revolution in: P. Sztompka (2003), *Socjologia: analiza społeczeństwa,* Kraków, p. 539-551; idem (2005), *Socjologia zmian społecznych,* Kraków, pp. 279-295.

[6] C. H. Fairbanks (2007), *Revolution reconsidered,* "Journal of Democracy" Vol. 18, No. 1, pp. 42-57.

[7] D. Ó Beacháin, A. Polese, *Introduction: What's in a colour?*, in: D. Ó Beacháin, A. Polese (eds.) (2010), *The Colour Revolutions in the Former Soviet Republics: Successes and Failures,* Abingdon, pp. 1-3.

[8] D. Reiter, A. C. Stam (2002), *Democracies at war*, New Jersey, pp. 86-88.

democratic system to a democratic one was first observed in the 19th century. The democratisation wave in the 21st century differs from all the previous ones in that both, changes in the politics of external actors and a significant shift in US foreign policy toward the protection of human rights (since 1974) have taken place.[9]

In 1983, the Reagan administration decided to establish the National Endowment for Democracy (NED) the purpose of which was to support democratic institutions in third countries by training people on the principles of democracy and financial grants management. This institution is a private foundation that transfers funds to American non-government organisations, including: National Democratic Institute for International Affairs (NDI), International Republican Institute (IRI), International Foundation for Electoral Systems (IFES), International Research and Exchange Board (IREX) and Freedom House.[10] They, in turn, allocate funds to other organisations operating in third countries, where they have been perceived as credible due to their non-governmental status. Allen Weinstein, the first director of NED, described the activities of American non-governmental organisations in 1991 in the following way: "A lot of what we do today was done covertly 25 years ago by the CIA"[11]. That meant that non-governmental organisations were emanations of US national interests, since their survival and activities largely depended on the assistance of American administration. Those institutions served penetrating of foreign countries by providing trainings of various sorts, funds, technical support, educational materials and whatever was necessary for the functioning of particular political parties, non-governmental organisations, student groups, trade unions, dissident movements and mass media.[12]

Credibility of American NGOs' operations on the international stage was strengthened by presenting them as efforts to build civil society. The concept of civil society, developed by ancient Roman and Greek philosophers, was not popular in the 20th century. It was revived after the collapse of the USSR, when the need for democratisation and triggering changes within systems of non-democratic states aroused.

Combining US national interests with development of civil society and democratisation processes proved that in the post-Cold War era what was going on in the states was as important as what was happening between the states. For decades, researchers in international relations have focused mostly on relations between the states that are major actors on the international stage. However, in the 1990s, chang-

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[9] S. P. Huntington (1993), *The Third Wave. Democratization in the Late Twentieth Century*, University of Oklahoma Press, Norman [Polish translation: *Trzecia fala demokratyzacji*, Warsaw, 1995, p. 54.].

[10] Y. Beigbeder (1994), *International Monitoring of Plebiscites, Referenda and National Elections: Self Determination and Transition to Democracy*, Dordrecht, pp. 275-288.

[11] After G. Sussman (2010), *Branding democracy: U.S. Regime Change in Post-Soviet Eastern Europe*, New York, p. 45.

[12] W. Blum (2006), *Rogue State: A Guide to the World's only Superpower*, London, pp. 238-243.

es in the global system were determined not so much by relationships between states as changes maturing domestically.[13]

In the US National Security Strategy, adopted after 9/11 (2001), democratisation was identified as a tool for combating terrorism and promoting peace.[14] Democratisation as a geopolitical strategy of the only global superpower could have been implemented following two scenarios. The first one, called "democracy promotion", assumed that the impetus for transformations and democratic development would come from outside. Such top-down democratisation occurred in Afghanistan in 2001 and two years later in Iraq.[15] The second scenario, called "democracy assistance", differed from the previous one in that the initiative for democratic development came from inside and assistance coming from outside was to support domestic efforts to develop democracy and civil society.[16]

The extent to which American non-governmental organisations were involved in democracy assistance in non-democratic states depended on the country's relationship with the US. For example, Islom Karimov's regime in Uzbekistan was perceived as one of the most autocratic in the former USSR territory because it painfully repressed Islamic opposition groups. Nonetheless, Karimov was an important US ally in the war on terrorism since he provided Americans access to a military base necessary for delivering supplies to the forces of counter-terrorism coalition in Afghanistan.[17] In Azerbaijan, the situation was similar. In 2003 Heydar Aliyev, the president leaving the office, transferred power to his son, Ilham, in a way which violated standards of democratic elections. In spite of this fact, the administration of George W. Bush recognised the heir as the rightful president due to his loyalty to US interests in the Caspian Sea region.[18]

## EXTERNAL AND INTERNAL FACTORS IMPACTING ELECTORAL PROTESTS IN UKRAINE

Starting from 2000, the American administration increasingly opposed policies of some post-Soviet states, especially the Russian Federation, Ukraine and Belarus. Relations between Ukraine and the US rapidly deteriorated, when American intelligence accused Leonid Kuchma of selling modern *Kolchuga* anti-aircraft systems to Saddam Hussein. The resulting scandal was the reason for withdrawing the invitation for Kuchma to NATO Prague summit in 2002. Despite not being invited,

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[13] A. D. Rotfeld, *Dokąd zmierza świat?: determinanty zmian w systemie międzynarodowym,* in: A. D. Rotfeld (ed.) (2008), *Dokąd zmierza świat?,* Warsaw, pp. 11-16.

[14] J. Snyder (2004), *One world, rival theories,* "Foreign Policy" No. 145, p. 57.

[15] A. Etzioni (2007), *Security First: for a Muscular, Moral Foreign Policy,* New Haven, pp. 19-35.

[16] K. F. F. Quigley (1997), *For Democracy's Sake: Foundations and Democracy Assistance in Central Europe,* Washington, p. 9.

[17] M. Bowker (2007), *Russia, America and the Islamic World,* Burlington, pp. 150-154.

[18] C. Leech (2006), *Crude Interventions: the US, Oil and the New World (dis)Order*, London, pp. 69-76.

Kuchma came to the summit. He was seated in the last row as for the first time in NATO history delegates were seated according to the French alphabet.[19] What is more, the US decided to revise its politics toward Ukraine.[20]

Although the changed attitude of the American administration toward Ukraine was an important external factor on the eve of the Orange Revolution, the feeling among Ukrainian society, i.e. an internal factor, was of much greater significance. Edmund Wnuk-Lipiński believes that a radical social change occurs when a favourable combination of external factors overlaps with internal factors thanks to which a change may be initiated and which later impact the course of the social change as well as the resulting social and political order.[21]

Discrediting Kuchma on the international stage coincided with him losing authority in Ukraine. Violations and infringements of human rights revealed earlier during his term of office were nothing compared to what was revealed in November 2000. At a parliamentary sitting, Oleksandr Moroz presented records of talks held in Kuchma's office which linked the Kuchma administration to illegal arms trade, election fraud in 1999 presidential elections, persecution of independent journalists, corruption of top-level authorities, manipulated investigations, power abuse and adverse management of public assets, violence against politicians and journalists (murder of Georgiy Gongadze).[22.]

Although it was not proven that the highest level governmental dignitaries were guilty and the authenticity of the recordings was not confirmed, their very disclosure made the opposition launch the impeachment procedure, start the anti-presidential campaign "Ukraine without Kuchma", collect signatures to set a referendum and undertake efforts to remove Kuchma from power.[23] None of the objectives listed above was accomplished for several reasons. Firstly, in 2000, the Ukrainian opposition lacked unity, structure and a charismatic leader. It was composed of only three parties: Batkivshchyna or All-Ukrainian Union "Fatherland" (Yulia Tymoshenko), Socialist Party of Ukraine (Oleksandr Moroz) and Communist Party of Ukraine (Petro Symonenko).[24] The first two parties supported anti-presidential campaigns. The

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[19] M. R. Freire, *The Russian Federation and the CIS*, in: E. A. Kolodziej, R. E. Kanet (eds) (2008), *From Superpower to Besieged Global Power: Restoring World Order after the Failure of the Bush Doctrine*, Athens, p. 165.

[20] I. Jeffries (2004), *The Countries of the Former Soviet Union at the Turn of the Twenty-First Century: the Baltic and European States in Transition*, London, pp. 96-98.

[21] E. Wnuk-Lipiński, *Etyczne społeczeństwo obywatelskie a upadek komunizmu i przejście do demokracji*, in: B. W. Mach, E. Wnuk-Lipiński (eds) (2007), *O życiu publicznym, kulturze i innych sprawach*, Warszawa, p. 21.

[22] T. Kuzio (2007), *Oligarchs, tapes and oranges: Kuchmagate to the Orange Revolution, "*Journal of Communist Studies and Transition Politics" Vol. 23, No. 1, pp. 30-56.

[23] E. A. Miller (2006), *To Balance or Not to Balance: Alignment Theory and the Commonwealth of Independent States,* Burlington, pp. 115-139.

[24] A. Polese, *Ukraine 1991-2006: Where Have AU the Communists Gone?* in: U. Backers, P. Moreau (eds.) (2008), *Communist and Post-Communist Parties in Europe,* Irvine, pp. 371-385.

Communist Party, however, perceived the anti-presidential movement as an "American conspiracy" that to all intents and purposes succeeded in Serbia several months earlier, where pro-Western political parties took power. In the case of Ukraine it was not entirely clear who represented the opposition. Throughout the mass protests from December 2000 to March 2001, Viktor Yushchenko was Prime Minister and was loyal to Kuchma. Moreover, Yushchenko together with Kuchma and the head of the parliament, Ivan Plyushch, wrote a letter in which they condemned protesters calling them fascists.[25]

Secondly, the mass protests were not manifestations of civil society development in Ukraine. Although some researchers quoted the number of 28 thousand non-governmental organisations registered in Ukraine on the eve of the campaign "Ukraine without Kuchma" to prove the opposite, Ukrainians' membership in those organisations was negligible.[26] Activities of protesters were chaotic and uncoordinated. Thus it was no surprise that they fell victims of provocations, were arrested and their riots contained and dispelled by the police.[27]

Thirdly, the opposition tried to remove Kuchma from office during the election cycle, that is in the period when the political regime was not threatened and weakened with a potential change. Removing the president from power one year after he started his second term of office was an extremely difficult task.[28]

Fourthly, anti-presidential manifestations in Ukraine were held only two months after the collapse of Milosevic's regime in Serbia. This was too short a period for Ukrainian non-governmental organisations to learn Gene Sharp's doctrine and practice of non-violent protests.[29] Sharp's ideas exerted huge influence on the conduct of Serbian opposition, especially on the *Otpor* student group which played a key role in overthrowing Milosevic. Only after succeeding at home, activists of *Otpor*, and American NGOs that supported them, started to focus their activities on other

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[25] T. Kuzio (2005), *Ukraine's Orange Revolution: the opposition's road to success,* "Journal of Democracy" Vol. 16, No. 2, pp. 117-130.

[26] N. Kolybashkina, *Reaching the equilibrium? State – third sector partnership in social services provision: A case study analysis of current policies in England and Ukraine*, paper prepared for 6th ISTR international conference: Contesting Citizenship and Civil Society in a Divided World, Toronto, 11-14.07.2004.

[27] A. Åslund, *The ancien régime: Kuchma and the oligarchs,* in: A. Åslund, M. McFaul (eds) (2006), *Revolution in Orange: the Origins of Ukraine's Democratic Breakthrough,* Washington, pp. 14-17.

[28] Mark Beissinger argues that all political regimes are weakened in the election period, when once again they have to solicit for internal and external legitimisation. What is more, elections attract attention of the international community. See: M. R. Beissinger (2007), *Structure and example in modular political phenomena: the diffusion of Bulldozer/Rose/Orange/Tulip revolutions,* "Perspective on Politics" Vol. 5, No. 2, pp. 259-276.

[29] Gene Sharp - American political scientist, well-known for his works on organising non-violent protests, i.e. bloodless revolutions. It is believed that his ideas formed the basis for colour revolutions and other anti-governmental and anti-presidential demonstrations in the world. See: G. Sharp (2003), *Front Dictatorship to Democracy: a Conceptual Framework for Liberation,* Boston.

autocratic regimes.[30] In Ukraine, the opposition heard about the events in Serbia but did not have the experience of coordinating mass protests. A missing key to success was the lack of education.[31]

When in Ukraine new mass protests, known as the Orange Revolution, broke out in 2004, many significant changes had taken place on Ukraine's political stage. In 2001, after anti-presidential demonstrations, Kuchma dismissed Yushchenko from the function of prime minister and thus "created" the leader of Ukrainian opposition. In the same year, on the initiative of American NDI a meeting of ten Ukrainian opposition parties was held in Poland. Thanks to that discussion forum, cooperation of various parties aiming at overthrowing Kuchma's regime became possible. The event was regarded as an unofficial birth of Viktor Yushchenko's election bloc "Our Ukraine" and of a united opposition with one candidate for president.[32] Efforts of opposition parties were rewarded in 2002, when in parliamentary elections they won 156 seats in the Supreme Council of Ukraine (Verkhovna Rada).[33]

The outbreak of the Rose Revolution in Georgia in 2003 was a strong impetus for opposition activities in Ukraine. The fact that the anti-presidential campaign "Ukraine without Kuchma" ended in a fiasco by no means meant social and political stagnation in the country. A nationwide series of civic protests under the banner of "Rise up, Ukraine!"[34] has been organised. As part of these protests such non-governmental organisations as *Clean Ukraine*, *Znaju* or *Pora* have been established. What is more, the protests created a training platform where experience of foreign NGOs could be utilised.

Stephen Nix, a representative of the International Republican Institute (IRI) in Ukraine, admitted that his organisation passed to Ukrainians the same knowledge as it had to political activists in Serbia and Georgia. It was not just a theory, for IRI also provided practical guidelines by organising foreign study trips and trainings for mentors to be. After participating in the trainings all new mentors worked with volunteers and the youth in Ukraine, teaching them how to inform and motivate the society, cooperate with the media, respond to provocations, communicate and coordinate their activities, behave when arrested, etc.[35] It may seem that methods to support democracy could not be taught on seminars arranged in hotels. However,

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[30] V. K. Fouskas, B. Gökay (2005), *The New American Imperialism: Bush's War on Terror and Blood for Oil,* Westport, pp. 211-213.

[31] J. T. Checkel (1998), *The constructivist turn in international relations theory,* "World Politics" Vol. 50, No. 2, pp. 324-348.

[32] M. Bader (2010), *Against all Odds: Aiding Political Parties in Georgia and Ukraine,* Amsterdam, pp. 116-118.

[33] Our Ukraine – 122, Yulia Tymoshenko Bloc – 22, SPU – 22. See also S. Whitmore (2004), *State-Building in Ukraine: the Ukrainian Parliament, 1990-2003*, London, pp. 46-48.

[34] T. Kuzio, *Ukraine: muddling along*, in: S. L. Wolchik, J. L. Curry (eds) (2008), *Central and East European Politics: from Communism to Democracy*, Lanham, pp. 349-353.

[35] P. Demes, J. Forbrig, *Pora – "It's time" for democracy in Ukraine*, in: A. Åslund, M. McFaul (eds) (2006), *Revolution in Orange*..., pp. 85-100.

having considered that IRI was one of many non-governmental organisations cooperating with the Ukrainian opposition and that on the eve of the Orange Revolution the American administration transferred USD 65 million to support democracy in Ukraine, it becomes clear that activities of the aforementioned organisations must have had an impact on the outbreak of Ukrainian protests in 2004.[36]

Learning social involvement and activities involved both ordinary citizens and members of Ukrainian political elite. In 2001 majority of politicians were loyal to Kuchma while in 2004 part of the political elite joined the united opposition. Considering the fact that Ukrainian politicians were influential businessmen, abandoning Kuchma should be treated as an additional financial support for the opposition. In 2001, representatives of big businesses controlled the media and their loyalty to Kuchma resulted in mass media understating the size of public protests. This largely contributed to stopping the inflow of protesters who made their participation in demonstration conditional on social proof (informational social influence). In 2004, financial and press tycoon Petro Poroshenko decided to support the opposition. His TV Channel 5 broadcast mass demonstrations in Kiev live, which contributed to increasing the number of protesters.[37] A number of Kiev authorities' members and representatives of the Ministry of Transport and the Ministry of the Interior also took the side of the opposition. The resulting consent to hold demonstrations ruled out the possibility of closing the entry to Kiev or use of violence against protesters.[38]

While part of the Ukrainian political elite learned their lesson from Serbian and Georgian colour revolution, Kuchma and supporting him Yanukovych learnt nothing from the defeats of Milosevic and Shevardnadze. Learning about social involvement could have been done in two ways: either political elites joined the opposition or supported its case seeing the enfeeblement of the old political regime, or the elites took actions aiming at preventing possible protests of the opposition. While Kuchma categorically rejected the possibility of a colour revolution in Ukraine[39], presidents of Russia, Belarus, Uzbekistan, Azerbaijan and Kazakhstan undertook special precautionary measures: increased state control over mass media, suppressed opposition and prohibited activities of American NGOs in their countries.[40]

Nothing like that happened in Ukraine. Nonetheless, in the context of the Orange Revolution one should not exaggerate the significance of external technical support since the weakness of the regime, striving to prolong its existence by vote rigging,

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[36] M. Kelley, *U.S. money has helped opposition in Ukraine*, "The San Diego Union Tribune" 11.12.2004.

[37] M. McFaul, *Conclusion: the Orange Revolution in a comparative perspective,* in: A. Åslund, M. McFaul (eds) (2006), *Revolution in Orange...,* pp. 176-179.

[38] P. D'Anieri (2006), *Explaining the success and failure of post-communist revolutions, "*Communist and Post-Communist Studies" 39, pp. 332-347.

[39] T. Kuzio, *Eyeryday Ukrainians and the Orange Revolution,* in: A. Aslund, M. McFaul (eds) (2006), *Revolution in Orange...,* pp. 45-49.

[40] H. Peimani (2009), *Conflict and Security in Central Asia and the Caucasus,* Santa Barbara, pp. 206-208.

was decisive for the outbreak of electoral protests. The protests led to a compromise among Ukraine's political elite that consisted in holding the second election round again in exchange for transforming Ukraine's political system (limiting president's power in favour of the government and the parliament)[41].

The chronology of the 2004 events and the significance of the results of the repeated election round are common knowledge and need not to be detailed. The question to be answered is whether the 2004 mass protests were in fact a revolution. Examining this issue in a narrow perspective, we may say, that it was an unprecedented event in the history of the Ukrainian state. Looking at it in a broader perspective, the Ukrainian Orange Revolution was a continuation of earlier colour revolutions that spread across the post-Soviet area. Due to their similarities, Michael McFaul distinguished several structural conditions required for an electoral revolution to arise: 1) a semi-autocratic rather than fully autocratic regime, 2) an unpopular incumbent, 3) a united and organised opposition, 4) an ability quickly to drive home the point that voting results were falsified, 5) enough independent media to inform citizens about the falsified vote, 6) a political opposition capable of mobilising tens of thousands or more demonstrators to protest election fraud, 7) divisions among the regime's coercive forces, and 8) favourable external circumstances.[42]

The conditions specified above occurred in Ukraine in 2004, but the question whether Ukrainians would have been able to succeed without referring to developments in Serbia and Georgia remains open. Due to an external inspiration and following the examples of other states, politicians originally from Kuchma's circle suddenly became leaders of the Orange Revolution and – with the rising tide of mass protests – took power from their predecessors. Such a change, assessed by Ukrainians as significant, was not a revolution, because the regime as such was not changed. The only innovation was the introduction of a constitutional reform. But the initiative of that change came from the resigning president who was interested in establishing political pluralism by transferring power to the parliament. Pluralism, on the one hand, excluded the possibility of continuous power concentration in the hands of one person but, on the other hand, it has led to internal political turmoil because the liquidation of the rule of an autocratic leader was not tantamount to establishment of the rule of law.[43]

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The 2004 electoral protests in Ukraine were not a revolution because during a revolution negotiations are not carried, concessions are not made and compromises are not reached. Generally, revolutions involve use of violence and strong reactions

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[41] A. Wilson, *Ukraine's Orange Revolution of 2004: the paradoxes of negotiation,* in: A. Roberts, T. G. Ash (eds) (2009), *Civil Society and Power Politics: the Experience of Non-Violent Action from Gandhi to the Present,* Oxford, pp. 335-352.

[42] M. McFaul (2005), *Transitions from Postcommunism*, "Journal of Democracy" Vol. 16, No. 3, pp. 5-19.

[43] M. Riabchuk, *What's left of Orange Ukraine?*, "Eurozine" 4.03.2010.

that lead to significant social, political or economic transformations. Nothing of that sort happened in Ukraine. If the 2004 events were a revolution, then the "perpetrator" of this revolution, i.e. Viktor Yanukovych, would never have been prime minister. What is more, he would never have represented Ukraine on the international stage as the head of state. As it happened, in less than two years after the Orange Revolution, Yanukovych was prime minister, and in 2010 he was elected Ukraine's president. The above leads to a conclusion that the success of Ukrainian 2004 electoral protests have contributed to a political evolution of the state. This evolution was somewhat interrupted during the presidency of Kuchma, who by vote rigging deprived Ukrainians of the "right to have such authorities as they deserved, that is, authorities elected in fair elections".[44]

ABSTRACT

*This paper is an attempt to analyse Ukraine's Orange Revolution, i.e. mass protests against fraud in Ukraine's November 2004 presidential election. The author presents the modern face of the revolution, external and internal causes of electoral protests in Ukraine and argues that the Orange Revolution was not a revolution in the full sense of the word. Throughout history revolutions erupted in the name of ideology, led to significant changes in the government, ideas, society and were violent. Nothing of the sort happened in Ukraine. Therefore the author presents the Orange Revolution as evolution because it reinvested Ukrainians with the law-sanctioned right to have a political system in which leaders are chosen in free and fair elections.*

[44] M. Riabczuk (2009), *Władza i reguły*, "Nowa Europa Wschodnia" No. 6, pp. 49-50.

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# GERMANY AND EXTERNAL TERRORISM

Since the 1960s, terrorist groups pursuing various goals have played an important role in international relations. After the Cold War ended, this component of the international power system has become stronger, mainly because of Islamist fanatics. Due to the above, the capacity and readiness to combat international terrorism has become a significant criterion in the assessment of the importance and power of particular states. It also applies to Germany whose ambiguous stance on terrorism raises serious questions.

For Germany, political terrorism is not a new phenomenon. Germany has already had to confront many leftist and rightist activities at home. In the second half of the 20th century, it also was a target of attacks organised from outside by the Palestinian movement and radical Kurdish organisations, especially the Kurdistan Workers' Party (PKK), which tried to transplant conflicts in Turkey to Germany. Since the beginning of the 21st century, the Federal Republic of Germany, like all Western countries, has also been a target of terrorist Islamist groups. The reason is that Germany is part of the West and it has joined the international "war on terrorism".

In the 20th century, external terrorism threatened Germany only indirectly but that was cumbersome nevertheless. Germany was not the main target of attacks. It was rather a substitute target, quite often randomly selected. The territory of Germany was used to carry out terrorist attacks and served as a logistics base. The situation changed after the "war on terrorism" was declared and German troops were deployed in Afghanistan. Germany became directly involved in the conflict, yet it remained a secondary target of terrorist attacks.

The objective of this article is to present Germany's struggle against external terrorism. How serious was the threat? What measures were adopted? Was a defined procedure followed? Or did Germans improvise temporarily modifying what was available to tackle emerging risks? Were actions taken effective and to what extent?

## THE PALESTINIANS

The Munich massacre during the Summer Olympic Games on 5 September 1972, was the first act of external terrorism performed in Germany. It was carried out by the Palestinian Black September Organisation. The goal of the organisation, whose

name is derived from the violently stifled Palestinian uprising against King Hussein of Jordan that broke out in 1970, was to destroy Israel and establish a Palestinian state, which was also the aim of other Palestinian groups. In 1972, it was estimated that the organisation membership was between 300 and 500 people.[1] Members of the group formed a network, similarly as the entire Palestinian movement after being exiled from Jordan. The group was active not only in the Middle East, but also in Europe, North Africa and the United States. Attacks performed by the Black September Organisation were well-prepared, and its militants were well-acquainted with the situation and traditions characteristic of countries where they performed acts of terror. Suffice it to say that the leader of the Munich massacre studied at a German university.

Actually, Germany was not the target. The attack took place in Munich only because there the Olympic Games were held and the event was the perfect setting for a terrorist action. Of some relevance were also contacts established by the Red Army Faction, an extreme leftist German terrorist group, with the Palestinian movement.

The cruelty of the terrorists shocked not only Germans but the entire western world. The attack scenario was very different from what the German police experienced earlier. In the morning, eight Palestinian terrorists broke into bedrooms of Israeli sportspeople. Two were killed, and nine were taken hostage. Terrorists demanded that 236 Palestinians detained and held in Israel and five terrorists held in German prisons be released. Negotiations with the German police took very long, and ended in an apparent agreement. Terrorists and hostages were transported by helicopters from the Olympic village to the Fürstenfeldbeck Air Base. They were to depart to Egypt and a Lufthansa Boeing 727, ready for take-off, awaited them there. Two terrorists got off a helicopter to inspect the empty plane. When they were on their way back to the helicopters, police snipers opened fire. A shooting ensued during which one of the terrorists threw a grenade into a helicopter and the other shot the tied up hostages. Five terrorists were shot and three arrested. All hostages died.

The operation of the German police was a complete failure. As German researchers put it, everything what could have gone wrong at the Fürstenberg airport, did go wrong. There were only five police snipers against eight terrorists. They shot so badly that soldiers in the air base tower, who happened to watch, feared for their lives. Backup arrived when it was all over.[2]

As the attack took place during the Olympic Games and the media provided live coverage, the dilettantism of the German police was widely commented upon both in the Federal Republic of Germany and abroad. It was generally suggested that such operations should be conducted by professionals. In result, a counter-terrorism and special operations unit of the Federal Police was created. The GSG 9, a Border

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[1] W. Dietl, K. Hirschmann, R. Tophoven (2006), *Das Terrorismus-Lexikon*, Frankfurt [Polish translation: *Terroryzm* (2009), Warsaw, p. 48.]

[2] *Ibid*., p. 50.

Protection Group, was formed at the initiative of then Minister of Internal Affairs Hans-Dietrich Genscher in October 1972.

For the first time in history, the attack revealed the huge supporting role mass media, and especially television live broadcasts, might play increasing the effectiveness of a terrorist attack. Although the attack was widely condemned, the television broadcast made it the terrorists' success. In the times of television and live coverage, it is not the effectiveness - understood as the attainment of set political or criminal goals - that matters but the pageantry of the attack.[3] It was also noted that terrorists might benefit from attacking a highly developed (industrialised) societies. Research on terrorism actually uses the term "elite nations" in reference to countries that attracted most media attention when attacked.[4] Western Germans, who lived in a wealthy and highly developed state, certainly belonged to that group.

Another Palestinian operation against the Federal Republic of Germany took place in the same month. A Lufthansa airplane flying from Beirut to Frankfurt am Main was hijacked. The hijackers demanded that the terrorists who survived the Munich attack be released. The demand was met almost immediately. The response of the federal government gave rise to numerous speculations. Some German media suggested that the hijacking could be part of some wide agreement between the Federal Republic of Germany and the Palestinian movement. In which case, the hijacking could have been staged only to provide an excuse for releasing the prisoners, in return of which the Palestinian movement would refrain from further actions in the territory of Germany.[5] It has yet to be confirmed whether those speculation were justified, however, they were highly probable. Further events confirmed that avoiding risks, ensuring that no pretext for an attack is provided and, simultaneously, saving face on the international arena at all costs, are most important elements of Germany's fight against external terrorism.

This strategy did not protect Germany against further actions by Palestinian terrorists. In the autumn of 1977, at the peak of terrorist violence, another Lufthansa plane was hijacked on its way from Mallorca. The plane with 86 passengers on board was hijacked on 13 October 1997 by Palestinian terrorists acting in concert with the leftist Red Army Faction (RAF). The attack was to increase pressure on the German government and force it to release detained leaders of the RAF. Another goal was to force the Israeli government to release detained Palestinian terrorists. When the plane landed in Aden in Yemen, the terrorists shot the pilot, Jürgen Schumann, dead and then took off for Somalia. On 17 October, the plane was recaptured at the Mogadishu airport. The passengers and the crew were freed by the German anti-terrorist GSG 9 unit. It was the first big operation performed by the GSG 9. It brought an end to Palestinian terrorist activities in the territory of the Federal Republic of Germany.

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[3] Cf. M. Tomczak (2010), *Ewolucja terroryzmu. Sprawcy - metody -finanse,* Poznań, p. 217.

[4] *Ibid.*

[5] W. Dietl, K. Hirschmann, R. Tophoven (2006), *op.cit*., p. 50.

## THE KURDS

Kurdish terrorism manifested itself in Germany after the reunification, in the 1990s. Attackers were *Gastarbeiters* brought to Germany from Turkey where the Kurdish minority was oppressed. Germany was an oasis of prosperity and a safe asylum for the newly-arrived. Problems started when the radical nationalist and leftist Kurdistan Workers' Party (PKK) started to "import" the conflict between the Kurds and the Turkish government to Germany thanks to the PKK numerous members and adherents residing there.

The Kurdistan Workers' Party was founded by Abdullah Öcalan at the end of 1978. Ten years later, it started to fight an armed struggle first for the autonomy and then independence of Kurdistan. Its goal was to create an independent socialist Kurdish state on the territories inhabited by Kurds in modern Turkey, Iraq, Syria and Iran. At first, it pursued terrorist activities in Turkey. The response of the Turkish government was very firm. Special units entered Kurdish territories bringing havoc and death. Torture was commonplace and the victims were not only persons suspected of terrorism but also the uninvolved.

Since the beginning of the 1990s, the PKK tried to negotiate a ceasefire. Yet its proposal was rejected by Turkish authorities and clashes between the PKK and Turkish troops continued. In 1993, the PKK attacked targets in Western Europe, in particular in the Federal Republic of Germany.[6] Its objective was to promote the Kurdish issue and make the Western public opinion aware that Kurds residing in Turkey were persecuted.

Germany was selected as a battleground for a number of reasons. One of them was a high number of Kurds residing in the Federal Republic of Germany. According to the German Federal Office for the Protection of the Constitution, in the mid-1990s, between 450,000 and 500,000 Kurds lived in Germany.[7] Another reason was that in November 1993, German authorities banned the PKK. For many Kurds, even those who did not accept the methods it used, the PKK was like a substitute of an independent Kurdish state. That is why the ban led to equating Germany with hostile Turkish and made Kurds more radical. The fact that Germany supplied Turkey with arms which, if only theoretically, could have been used to pacify the Kurds was also relevant.

First Kurdish terrorist attacks took place on 24 July 1993. PKK members occupied the Turkish consulate in Munich and took 23 hostages. At the same time, lesser actions against Turkish diplomatic outposts, airlines, travel agencies and banks were carried out across Germany (and in Europe). Motorways were blocked with burning tires, buildings were set on fire, assaults and clashes with police forces took

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[6] More on the PKK in e.g.: P. Ebbig, R. Fiedler, A. Wejkszner, S. Wojciechowski (2007), *Leksykon współczesnych organizacji terrorystycznych*, Poznań, , pp. 105-107.

[7] After: G. Gürbey (1998), *Von der Konfrontation zum Dialog. Perspektiven des Zusammenlebens von Kurden, Türken und Deutschen,* "Blätter für deutsche und internationale Politik" 43, November, p. 1362.

place. Incidents of self-arson were reported. Attackers demanded that the federal government issued a statement supporting the so-called Kurdish issue, i.e. the idea of founding the independent state of Kurdistan.[8]

The massive operation carried out by the PKK in Germany was considered to be another fiasco of German security forces. The failure occurred despite warnings issued by the Federal Criminal Police Office of Germany and the Federal Office for the Protection of the Constitution that after 1992 the PKK was a growing threat. Also interviews with PKK members published in Germany, including one with Abdullah Öcalan, the PKK leader, clearly demonstrated that Kurds intended to expand their activities as it was increasingly difficult to operate in Turkey which fought the Kurds ruthlessly.[9]

Meanwhile, Kurdish militants could still freely travel in Germany, supported by other Kurdish nationals residing in the Federal Republic of Germany, who provided the militants with funds for the "fight for freedom". The German police estimated that the aggregated funds amounted to millions of marks.[10] Events which followed, revealed that German security forces were not prepared to cope with the challenge. The police also failed in the face of concrete threats. Four police officers guarding the Turkish consulate in Munich were incapable of stopping the assault, and the back-up arrived after an hour and a half.[11]

The then introduced anti-terrorist measures and mobilisation of security forces calmed the situation down temporarily. The situation worsened again in the end of 1998 and at the beginning of 1999 due to developments little connected to Germany. First, the PKK leader, Abdullah Öcalan, had to flee from Syria where he lived in hiding. Öcalan first fled to Russia and then to western Europe. In Italy, where he applied for asylum, he was arrested under a German arrest warrant. However, the SPD-Greens government withdrew the extradition request as it feared Kurdish protests which could lead to clashes between Kurdish and Turkish immigrants living in Germany. Cem Özdemir, then an MP of Turkish background representing the Green Party, in an interview published in the German "Focus" weekly, openly stated that the decision was influenced by German internal politics: "We want to prevent Kurds from committing self-arson, blocking motorways and taking revenge on Turkish fellow citizens in this country. The situation has been tense. A war between Turks and Kurds would break out in Germany".[12] The official explanation of the extradition request withdrawal vaguely pointed to possibly "serious consequences for the Federal Republic of Germany" and the wish to avoid them.[13]

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[8] "Focus" (German Magazine), No. 26/1993.

[9] Ç. Akkaya (1995), *Türken und Kurden in Deutschland,* "Blätter für deutsche und internationale Politik" 40, September, p. 1046.

[10] Cf . "Focus" No. 12/1993.

[11] "Focus" No. 26/1993.

[12] "Focus" No. 49/1998.

[13] After: R. Scholzen (1999), *Der Fall Öcalan: In Grundfragen der inneren Sicherheit verlauft Schröder die Linien der alten Bundesregierung,* "Die politische Meinung" 44 (May) 354, p. 19.

After Öcalan was released from detention in Italy in mid-December 1998, he headed for Kenya. In Kenya, after he left the Greek Embassy, he was arrested in a joint operation of American, Turkish and Israeli secret services and transported to Turkey. The arrest took place on 15 February 1999 and was one of the reasons behind the riots of the Kurds all over Western Europe, especially in Germany. Kurdish militants attacked Greek and Kenyan Embassies, they also tried to barge into the Israeli Consulate General in Berlin where guards shot three of them dead. They took hostages and demolished Turkish shops and houses. Threats were also addressed to Germans. It was suggested that it would be better not to go on holiday for the PKK could organise attacks in holiday resorts. Spokespersons of the PKK advised against travelling to Turkey in particular.

German right-wing opposition argued at the time that massive Kurdish attacks were to an extent provoked by the federal government's opportunist stance. It was highlighted that the government should not show they feared Kurdish militants and that instead of giving up on Öcalan's extradition, Germans should have proved that they would not tolerate the import of conflicts on-going in Turkey to their country. Germany's firmness and determination were also to prevent Kurdish militants from making Germany their rebel base.[14]

Fortunately, later events did not confirm those fears. Öcalan was arrested and accused of high treason. To avoid death sentence in Turkey, he appealed to his supporters to stop violence. He also declared loyalty to Turkey. As a result, the PKK declared a ceasefire and cessation of violence, also on the territory of the Federal Republic of Germany.

The PKK enfeeblement did not lead, however, to a complete disappearance of violence in relations between Kurds and Turks staying in Germany. Much seems to support the thesis that the German secret service tried to ignore this phenomenon if it was possible. This led to another embarrassment by the end of 2011. A German right-wing extremist organisation, the existence of which was revealed quite accidentally, claimed responsibility for killing 10 people over several years, while the police had been inclined to link the killings to the feud between Kurds and Turks staying in Germany. Clearly, the cases were not investigated carefully, probably under the assumption that basically they were not a German issue.

## AL-QAEDA AND GLOBAL TERRORISM

The discussed above German experience of external terrorism was limited and thus most Germans did not treat external terrorism as a real threat to themselves and their country. One reason was that the victims were mostly foreigners staying in the FRG and not Germans. Operations of Al-Qaeda, a global Islamist organisation targeting the West - mainly the United States and Israel, have not changed this

[14] *Ibid.*, pp. 20-22.

attitude. In the 1990s, Al-Qaeda carried out many spectacular attacks in Africa and the Middle East. Its deadly "professionalism" was distinctly proved by the attacks on 11 September, 2001, which targeted the World Trade Center and the Pentagon in the US. The attacks resulted in the deaths of nearly 3,000 people and caused material losses.

The world was deeply shocked with the violence that took place on 11/9. Germans, however, were still not ready to admit that global terrorism was a threat to them. That attitude remained unchanged despite the revealed information that a substantial part of the terrorist attacks of 11 September was prepared in Hamburg by Al-Qaeda members who were university students there and some of the hijackers were seemingly assimilated, unsuspected students who lived in Germany for years. A common opinion among Germans was that their country might be a base for terrorist activities but it would never be a target of another attack.

German authorities at all costs tried to calm down the situation. The threat was qualified as *abstrakt hoch*, which meant that terrorist attacks in the territory of the FRG were possible but unlikely as no concrete activities to that effect were reported.

This approach was not significantly changed by either the attacks in Madrid and London or serious indications that the FRG could also be an attack target. Such indications included information on an intensified activity of German Muslims and preparations of terrorist attacks detected and prevented by the German secret service. On the contrary, the failed attacks reassured Germans that competences and skills of German counter-terrorism forces were high and nothing bad could happen. The first situation like that happened in 2002, when a terrorist group planned attacks on Jewish facilities in Berlin and the Ruhr region. The plot was discovered and foiled. In 2004, a group of Iraqis planned to kill the interim Prime Minister of Iraq, Ayad Allawi, during his visit to Berlin. At that time, German counter-terrorism forces also rose to the challenge.

Even kidnappings of German civilians in war-torn Muslim countries did not have much effect. In November 2005, Suzanne Osthoff was kidnapped in Iraq. In January 2006, two engineers were kidnapped there: Rene Bräunlich and Thomas Nitzschke. In both cases neither motives nor intentions of the kidnappers were discovered. However, it is beyond doubt that to make their demands stronger, the kidnappers used Islamic symbols. In both cases, they demanded that the federal government immediately stopped supporting the Iraqi Government. The same operation pattern recurred later. In February 2007, in Afghanistan, a German woman and her son were kidnapped. For their release, the terrorists demanded that all German forces were withdrawn from Afghanistan.[15]

The feeling of security was somewhat disturbed in result of the 2006 attacks on German regional trains. On 31 July, two Lebanese men planted bombs in suitcases on two regional trains. One of the trains was from Aachen to Hamm, and the

[15] A. Beyer (2007), *Selbstmordanschläge als terroristisches Mittel*, "Jahrbuch Terrorismus" p. 170.

other one from Mönchengladbach to Koblenz. The attacks failed not because they were timely discovered and prevented, but because the assassins made a technical mistake. They were caught but that time, Germans believed that a real tragedy was a close call. That belief, however, did not hold long and, shortly, the previous self-confidence was restored.

The public feeling was not altered also in 2009, when video clips with explicit threats addressed at Germany were published on the Internet. The first clip of that sort was published in January, the second one in February and next three in autumn, just before German parliamentary elections. Four clips featured a German of Moroccan descent, Bekkay Harrach, one clip featured Ayman al-Zawahiri, a leader of Al-Qaeda. All videos referred to the presence of German troops in Afghanistan. The first two were rather vague and could have been interpreted as an attempt to persuade Germans that it was necessary to withdraw the troops but the next two clips uploaded right before the elections were an ultimatum. The demand was that German troops leave Afghanistan and that Germans make a electoral choice to radically change German foreign policy. Should that not happen, within two weeks after the elections, Germans were to experience an "unpleasant awakening"[16]. The threat was accompanied by an appeal to German Muslims to stay away from all public places for two weeks after the elections. They were also asked to take special care of their children.[17]

The videos were an attempt at influencing the result of democratic elections. Terrorists tried to intimidate Germans and determine the composition of German government. That was made clear especially in the video with al-Zawahiri which contained accusations against German Chancellor Angela Merkel. The film suggested that she kept misleading German public opinion about Afghanistan. It also distinctly emphasised that greatest enemies of Islamists were conservative parties like the German CDU. Former Chancellor Gerhard Schröder, who objected to sending German troops to Iraq, was positively evaluated.[18] Contrary to Islamists' calculations, their actions neither influenced the result of the elections nor triggered panic.

In 2010, were warnings about a serious terrorist attack that might take place in a major country of Western Europe. In Germany, they did not cause much commotion. Germans remained calm even when, to the end of 2010, the possible place of the attack was narrowed down to two countries: Great Britain and Germany, and a specific date was mentioned: 22 December. Increased were only security measures at airports, railway and bus stations and places identified as probable targets, including popular in Germany Christmas markets and other places attracting crowds before Christmas.

Germans fought Islamic terrorism in Germany and on the international arena. Internally, they focused mostly on improving legislation and creating institutions able

[16] Cf. "Frankfurter Allgemeine Zeitung" 18.09.2009.
[17] "Bildzeitung" 23.09.2009.
[18] "Süddeutsche Zeitung" 24.09.2009.

to combat terrorism. External operations consisted in joining the "war on terror" and - at least in the beginning - in undertaking diplomatic initiatives. The most important of the latter was the first international conference on Afghanistan stabilisation held on 25 November – 2 December 2001 in the Petersberg Hotel near Bonn, after combat operations in Afghanistan ended. The meeting, which was attended by representatives of various Afghan organisations and political groups, contributed to setting the foundations for the new provisional government in Afghanistan. The greatest achievement was the Bonn Agreement, i.e. the Agreement on Provisional Arrangements in Afghanistan Pending the Re-Establishment of Permanent Government. The meeting was judged to be a great success of the FRG and Minister Fisher because it enhanced, both in Germany and on the international stage, the image of Germany as the state which valued political actions over military ones and, at the same time, was actively involved in combating terrorism.

The Afghan mission of the Bundeswehr also, though somewhat paradoxically, proved giving priority to political measures. It was composed of two elements: troops directly participating in Operation Enduring Freedom (OEF) led by Americans, and a much more numerous military-civilian contingent engaged in International Security Assistance Force (ISAF). Operation Enduring Freedom was strictly a military mission. Germans' involvement was extremely modest and limited to 100 soldiers from Special Forces Unit (Kommando Spezialkräfte). Germans' role was much more significant in International Security Assistance Force operating under NATO command and aiming at ensuring stabilisation and rebuilding of Afghanistan. Their tasks included e.g. protecting civilian activities aiming at rebuilding the country, assisting in the construction of facilities improving living conditions for the population (e.g. building wells), supporting the reform of Afghan security sector (e.g. training police officers). The ISAF was also to combat extremist and destabilising forces such as the Taliban units.[19]

From the beginning it was assumed that the presence of Germans in Afghanistan would be more political than military in nature. That is why soldiers were poorly equipped. Experts pointed out that the armament of Bundeswehr soldiers was in many cases outdated and it was also not suitable for the conditions in the Hindu Kush region. Due to the lack of advanced equipment, German troops fell behind soldiers from other countries of comparable to Germany potential in almost all areas, i.e. communication, command, precision weapons, et cetera.[20]

Restrictions imposed on German soldiers by the federal government and parliament additionally impeded the situation. The German ISAF contingent was to be a peace contingent not conducting military operations. Various restrictions were, originally, supposed to reduce risk for German soldiers. One of them read that the

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[19] K. Eichhorst, H. Ahlers, F. Grubitzsch (2007-2008), *Der Afghanistaneinsatz der Bundeswehr,* "Jahrbuch Terrorismus" pp. 171-173.

[20] After: M. Rühle (2009), *Afghanistan, Deutschland und die NATO,* "Sicherheit und Frieden" No. 1, p. 5.

German contingent might operate only in Kabul and northern parts of Afghanistan. A special permission had to be given to deploy ISAF German soldiers in the south of the country and as it usually took quite a long time, it limited troops' mobility.

A restriction blocking any Bundeswehr actions against opium poppy and cannabis cultivation, drug production and trafficking, which largely finance subversive activities and is a true plague in Afghanistan, had a similar impeding effect. In 2003, German Ministry of Foreign Affairs declared at the Bundestag forum that combating drugs was not a Bundeswehr task. The objective of such an assumption was to protect the soldiers against possible retaliatory actions of the drug mafia. In Afghanistan, however, the drug business and politics form an inseparable whole and that restriction substantially hampered German operations. It also hampered the fight against the Taliban for whom opium has been the main source of income. The above was acknowledged by German experts.[21]

Safety of German soldiers was to be ensured also by the injunction to take members of the mobile medical unit on patrols. This led to reducing the number of patrols and limited the possibility of establishing contacts with local people by German soldiers.

Competences of German soldiers were also questioned in result of restricted use of firearms to necessary self-defence. If the attacker gave up the attack and decided to flee, a German soldier was not allowed either to chase or shoot the opponent. The extent to which this restriction limited operation capabilities of German troops was revealed during an operation of the Special Forces Unit which was part of the ISAF since 2005. The objective was to catch a local Taliban leader responsible for organising several attacks. The wanted man was located, however when he started running away, the operation had to be ended.[22]

In result of those restrictions, the Bundeswehr actually did not carry any offensive operations by spring 2009. It was the drastic increase in the number of attacks against German soldiers which eventually led to softening some of the restrictions. Then German troops managed to carry many combat actions which were successful. Heavy combat equipment and American air support were used. All that made strong German pacifist groups active.

Over time, the voice of German pacifists became increasingly stronger both on the political stage and in mass media. Reluctance of German political commentators toward "resorting to arms" grew as did their negative assessment of the United States which insisted on such solutions. Additionally, television coverage of fights in

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[21] In areas controlled by the Taliban, drug dealers paid the so called religious taxes which were estimated to generate income at the level from EUR 150 to 300 million annually. More in: Th. Gutscher (2009), *Treibstoff für Terrorismus: am Hindukusch tobt ein Opiumkrieg, doch Deutschland schaut weg,* "Internationale Politik" 64, No. 7-8. See also: F. Wätzel, J. Krause (2009), *Das deutsche Engagement in Nordafhganistan - eine Bilanz,* "Jahrbuch Terrorismus" p. 393.

[22] *Ibid.,* p. 330, 331.

Afghanistan and especially reports on incidentally killed civilians met with much response in Germany. NATO's intervention in Afghanistan was criticised and protests were widespread. At the time it became obvious that the most important motivation of German pacifists has not been the experience of the past but the fear for people's own safety. One can say that over time the Afghan war was perceived less as an element of the war on global terror and more as a factor increasing the risk of terrorist attacks against Germany. Therefore it was not surprising that the decision taken in 2010 to withdraw coalition troops from Afghanistan by 2014 was welcomed in Germany. It was a relief.

Another campaign carried as part of the "war on terror", which from the very beginning was not supported either by the German society or by the authorities that had so far loyally supported the Americans, caused more trouble. The German refusal to participate in the war in Iraq was explicitly justified by assigning priority to political and not military solutions. In his speech given on the occasion of the centenary of the American Chamber of Commerce in Berlin on 13 May 2003, Chancellor Gerhard Schröder said that "German caution toward military violence" should be respected and accepted and that Germans believed that consultations were better than confrontations. Schröder added that whenever violence would have to be used as the last resort in conflict resolutions a "thorough and informed approval of German public opinion" would be indispensable.[23]

The stance of German authorities on Iraq won substantial support in the country. There were voices expressing satisfaction and pride that finally German politicians had the courage to oppose the United States and make their own independent choice. One could have an impression that it was not the reunification but the refusal to participate in the Iraq campaign that was the turning point in the history of Germany - the moment of regaining "true" independence.

Characteristically, the absence of Bundeswehr soldiers in Iraq was quite widely recognised as an effective counter-terrorism measure. In 2006, Christian Ströbele and Hans Erlenmeyer wrote that absolute security did not exist. They argued that 80 to 90% of effective prevention depended on political measures and only 10 to 20% might be ensured by legislation and security services. "And thus, surely, the refusal to participate in the Iraq war protected Germany much more effectively against attacks of Islamist terrorists than most comprehensive legislation packages or better equipment of police and secret service would have. [...] There was information from the Islamist network that the opponents of the war - Germany and France - were not to be considered as attack targets. Militants in Iraq were actually supposed to apologise for the fact that in one of their attacks, two German civilian officers were killed".[24]

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[23] After: *Schröder betont gute US-Beziehungen trotz Irak-Streits*, "Handelsblatt" 21.05.2003.

[24] Ch. Ströbele, H. Erlenmeyer (2005), *Sicherheitspolitik nach dem 11.9,* "Sicherheit und Frieden" No. 4, p. 136.

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Summing up, Germany's defensive approach to the issue of external terrorism should be emphasised. The strategy, endorsed by social democrats but actually implemented – despite its criticism by right wing politicians and media - by all political parties, consists mainly in eliminating threats to Germany and its citizens. When it was believed that concessions would ease the situation and divert terrorists' attention to a different direction, the fight was abandoned. This strategy was applied consistently before as well as after the reunification, regardless of political costs. The way of proceeding was not changed even if, as in the case of renouncing Öcalan's extradition, it discredited Germany on the international stage, or, as in the case of "the war on terror", made the United States and other NATO allies undermine the FRG credibility.

It appears that a similar strategy was followed in the case of criminal actions affecting foreigners living in Germany. The case of the East German right wing militia group illustrates the point. The group operated all over Germany and their crimes were not effectively prosecuted because they were ascribed to feuds between various groups of foreigners. In this case it was believed that it would be better not to annoy anyone.

Authorities of the Federal Republic of Germany tried to rebuild trust and credibility in international relations allocating substantial funds to combating terrorism. Germany's reluctance to take more concrete actions was explained with references to history and the resulting pacifism of German society which opposed any military solutions.

It is beyond any doubt that the adopted strategy usually was effective. Apart from the Munich massacre, Germany did not become the target of external groups in spite of belonging to elite nations. However, it must be noted that the German approach worked only because, at the time, others strongly fought terrorism. Were it not for Americans, Israelis, the British and others, the German strategy would not be possible at all.

ABSTRACT

*Political terrorism is not a new phenomenon for Germany, which has had to tackle numerous internal campaigns both left-wing and right-wing. In the mid-20th century, Germany became a target of attacks organised externally by foreign groups: the Palestinian movement and radical Kurd organisations. Since the beginning of the 21st century, the FRG, like all Western countries, has also become a target of terrorist acts carried by Islamist groups on grounds that Germany was part of the Western world and subsequently joined the international "war against terrorism". In all those cases a strategy was adopted that consisted in elimination of threats to Germany and its citizens. If it was thought that concessions would pacify the situation and direct terrorists' attention elsewhere, the fight was abandoned. This strategy usually proved to be efficient. Apart from the Munich massacre, Germany did not become the target of actions of external groups in spite of belonging to elite nations. However, it must be noted that such a way of proceeding was only possible because others were at the same time conducting a major fight against terrorism. Were it not for Americans, Israelis, the English and others, the German strategy would not be possible at all.*

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# DISINTEGRATION OF THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA

The last decade of the twentieth century shook the foundations of the then world order. The eroded communist bloc collapsed, and new states appeared on the map of Europe. Against the background of momentous events which changed the shape of the Old Continent, the Socialist Federal Republic of Yugoslavia (SFRY) was buried by peoples inhabiting it. Within five years, in Yugoslavia, thousands of people lost their lives in the name of ethnic-nationalist ideas fed to them by political engineers. In 1995, in result of negotiations led by representatives of the international security system, the Dayton Agreement was reached. It endorsed the disintegration of Yugoslavia and subsequent emergence of new independent states.

To understand and identify the reasons which caused the collapse or disintegration of Yugoslavia[1], one should consider historical conditionalities which had shaped the SFRY and induced erosive steps taken in the early 1990s which, eventually, led to the outbreak of bloody conflicts.

## POLITICAL AND ECONOMIC REASONS FOR THE SFRY DISINTEGRATION

The Constitution of the Federal People's Republic of Yugoslavia adopted on 31 January 1946, contained a passage stating that the Federal Republic was a voluntary community of equal and sovereign nations and their national republics. In essence, peoples of Yugoslavia lived in their national republics, i.e. Montenegrins, Croats, Macedonians, Slovenes and Serbs; in addition the Republic of Bosnia and Herzegovina, the autonomous province of Vojvodina and the autonomous Kosovo-Metohijan region were established. Later, a supra-ethnic designation of nationality of Slavic Muslims was recognised. Ethnic groups included those with a "national" minority status: Albanians, Hungarians, Italians, Bulgarians, Romanians, Slovaks, Turks, etc.,

[1] The term "disintegration" seems more appropriate. Relentless actions of the parties to the conflict, aimed at dividing the country into independent entities. At the same time, the international community was not committed to prevent the escalation of tensions leading to inevitable military actions.

and "ethnic groups": Vlachs and Roma. Other inhabitants were representatives of various European nations: Greeks, Russians, Czechs, Poles and others.[2]

After World War II, a new state, which was a unique ethnic collage, appeared on the map of Europe. At first glance, Yugoslavia seemed to be held together by the communist system, but if scrutinised, it had clearly visible cracks between various elements constituting the national sphere. Having regarded disputes between particular nations during the wartime struggle, Josip Broz Tito[3], who took control of the state, found that normalisation of relations between the citizens of Yugoslavia had to be one of the main objectives of the ruling party's policy. First of all, one had to offset the opinion voiced mainly by Croats and Slovenes that Serbs - since the beginning of the Kingdom of Serbs, Croats and Slovenes - had a dominant position in the state due to the size of the territory occupied by the Serbian people, the location of the state capital in Belgrade and the control of the country by the Serbian Karadjordjević dynasty. Marek Waldenberg[4] consistently contradicts this opinion, rightly arguing that, paradoxically, the Serbs' position was devaluated after WW II to a disproportionate extent in comparison to other nations. In his opinion, Tito crippled Serbs to ensure peace and stability of the state and thus to meet demands of other nations. He points out that Serbia was the only republic to have been divided by giving the autonomous status to Vojvodina and Kosovo-Metohija provinces of which the first was the cradle of Serbia and the second region was long dominated by people of Serbian origin who cultivated their traditions amicably along the Hungarian nation. He rightly underlines the lack of political will to separate, in the Republic of Croatia, the Krajina region, i.e. the so-called Military Frontier where, since the 17th century, Serbian population dominated.[5] The potential of the Serbian people was to be reduced further by the separation of the Republic of Montenegro and the Republic of Macedonia and artificial construing of identities of the peoples of those republics. Likewise argued Maciej Kuczyński writing that Tito sought to undermine the Serbs by granting their historical lands to other nations and establishing the Republic of

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[2] S. Wojciechowski (2002), *Integracja i dezintegracja Jugosławii na przełomie XX i XXI wieku,* Poznań, p. 35.

[3] Josip Broz Tito was a child of a Croat and a Slovenian, both farmers. He used his multicultural background for propaganda purposes, creating himself as a spokesman for the idea of eliminating ethnically motivated conflicts in the future SFRY. He made a career starting from a regular member of the Communist Party of Yugoslavia to gaining the highest position in the newly created state. His nickname *Tito*, which became an inherent part of his surname, supposedly comes from a saying which he would often address to his subordinates: *Ti češ uciniti to, a ti to.* Cf. M. J. Zacharias (2004), *Komunizm, federacja, nacjonalizmy. System władzy w Jugosławii 1943-1991. Powstanie, przekształcenia, rozpad,* Warszawa, pp. 36-37.

[4] M. Waldenberg (2003), *Rozbicie Jugosławii: od separacji Słowenii do wojny kosowskiej,* Warszawa, pp. 38-39.

[5] Consequences of the abandonment of creating an autonomous region became clear in 1991, when Serbs, in the course of operations which were a prelude to the war, decided in favour of their separation from independent Croatia and the creation of an independent Republic of Serbian Krajina (*Srpska Krajina*).

Bosnia-Herzegovina, which was to warrant the end of the Croatia-Serbia dispute. The desirability of such a move is beyond doubt, as in the newly established republic, both Croats and Serbs were in minority in relation to Muslims.[6]

In the context of the efforts made by Tito's apparatus to blur differences between the various nations in order to create a nation of Yugoslavs undivided by ethnic disputes, the decision to grant Muslims the status of a nation is puzzling. In accordance with the later amended Constitution, Muslims were one of Yugoslavia's nations, however, they did not have the opportunity to declare their national identity in the national census until the early 1960s. Not wanting to identify themselves with Croats or Serbs, they were referred to as "unspecified Muslims". Consent to the formal recognition of an ethnic group, and since 1968 of the Muslim nation, was a proof of the spreading of nationalist tendencies among inhabitants of Bosnia and Herzegovina and the government's attempt to halt such tendencies.[7] Effects of a formal separation of a nation, whose existence is disputed by researchers[8], led to the pursuit of its self-determination, legitimate under the international law, and as manifested by, *inter alia*, Muslims after the collapse of the federation.

Economic development of the federation, which the Communist Party treated as a non-negotiable priority, was to follow the principle of *bratstvo i jedinstvo*, i.e. brotherhood and unity. That postulate implied the need to minimise the risk of an outburst of nationalistic attitudes. The project to bring the nations together, was presented at the end of the 1950s within the framework of the so-called Yugoslavism programme. Its authors originating from the League of Communists of Yugoslavia and enjoying Tito's support, opted for getting the party and the people closer and building a Yugoslav identity in a socialist spirit. The failure to impose a uniform concept of national identity on citizens became apparent in 1971, during the events which are referred to as the "Croatian Spring". In consequence of deteriorating living conditions and accusing the party that its actions debased Croats and favoured Serbs, students walked out onto the streets of Zagreb, calling for changes in the Belgrade government policy. Those young people were supported by opposition activists of *Matica hrvatska,*a cultural organisation, which, together with the Association of Writers, postulated discussing the issue of the separateness of the Croatian language at the party plenum. Against the background of those events, the appearance of the name of Franjo Tudjman, a future president of independent Croatia, was significant. A historian, a major general, a member of the communist party, he joined the opposition in 1967, supporting nationalist tendencies emerging in Croatia. Expelled from

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[6] M. Kuczyński (1999), *Bałkańska pożoga. Wojny i konflikty na Bałkanach w latach 1981-1999*, Warszawa, p. 24.

[7] L. Benson (2004), *Yugoslavia: a Concise History*, Palgrave Macmillan, Basingstoke [Polish translation: *Jugosławia. Historia w zarysie,* Kraków 2011, p. 60 and 143].

[8] "Bosnian Muslims lack features most frequently mentioned in the definitions of a nation [...]. They are not, in any case, a nation shaped like Serbian or Croatian". M. Waldenberg (2000), *Narody zależne i mniejszości narodowe w Europie Środkowo-Wschodniej,* Warszawa, p. 455.

the party, he continued his research on historiography of Croatia, spreading dissident ideas about its separateness and right to independence. Tudjman's views fully crystallised on the eve of Yugoslavia's disintegration which, in the era of rampant nationalism, allowed him to assume the role of one of most important actors on the political stage.

Tito's reaction to events in Croatia was brutal: the Soviet model of purging the party was applied and members of the opposition were expelled and many sentenced to prison, among others, to the infamous Goli Otok[9]. However, party authorities were aware that terror would not calm the agitated public sentiment and that some concessions had to be made. In 1971, the idea of a centralised state was abandoned in favour of granting individual republics political and economic privileges, which *de facto* resulted in empowering the republics at the expense of the federation. The system of appointing members of the Presidium was changed and eight delegates led the state. They were selected annually (rotation) in the six republics and two autonomous regions. The adoption of a new Constitution in 1974, which introduced the principle of unanimity in the decision-making at the federal level, was a clear symptom of the weakening of the state centralism[10]. Repercussions of the above were reflected in the progressing separatism of administrative units, which, having been granted the right to veto, torpedoed decisions taken in Belgrade. It became particularly apparent in economy. Many authors[11] underline that one of main causes of the progressive slackening of the state was the economic crisis which affected Yugoslavia in the early 1980s. Symptoms of an economic decline surfaced in the 1970s due to a global crisis and the deepening disparities in the economic development of administrative units. Croatia and Slovenia, exceeding other republics in terms of their economic potential, accused authorities in Belgrade of discrimination and exploitation of their standing by subsidising poorer regions from their income. This led to opposing the idea of "brotherhood and unity" and was an impetus for local authorities to try to take over power which would enable them to pursue economic policies independently from Belgrade. Zagreb and Ljubljana experienced economic collapse and frustration and were convinced that opportunities for their development were being limited. Thus it

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[9] *Goli Otok* is an informal name for a heavy prison located on an island of the same name. For residents of former Yugoslavia, it was what the Gulag Archipelago was for citizens of the former Soviet Union. Just like for Polish readers the testimony of the suffering in the Gulag is Gustaw Herling-Grudziński's novel *Inny świat* ("A World Apart"), those who wish to get an idea of the functioning of the prison on the Naked Island (Goli Otok) should read short stories by Serbian writer Antonije Isaković. Cf. A. Isaković (1976), *Tren 1: kazivanja Čeperku*, Prosveta [Polish translation: *Ułamek sekundy,* Warszawa 1982].

[10] As I. Rycerska argues such a solution was treated as another sign of republics' equality. It resulted in a situation in which the federation authorities were not sovereign in respect to its constitutive parts and citizens, making it impossible to call the state a federation. Cf. I. Rycerska (2003), *Rozpad Jugosławii. Przyczyny i przebieg,* Kielce, p. 14.

[11] Cf. S. Wojciechowski (2002), *op. cit.,* pp. 41-42; M. Kuczyński (1999), *op. cit.,* pp. 29-30.

should not be surprising that secessionist ideas emerged and, after the death of Josip Broz Tito in 1980, citizens became aware of such an option.

Tito's death resulted in the lack of a binding agent keeping the country in a relative balance. Being President for over 27 years, Tito consistently followed the path of preventing the eruption of nationalist sentiments in the society, often using violent methods. When the charismatic leader was no longer there, first cracks in the Yugoslavian monolith - a society acting in solidarity, appeared in 1981, in Pristina. On the tide of nationalist protests of Kosovo Albanians[12] aimed against Serbs, for the first time Slobodan Milošević made his name among people who significantly influenced the 1990s politics.

## AT THE VERGE OF WAR

The economic crisis, which deepened in the 1980s implicating social unrest, contributed to the diffusion of separatist attitudes of local politicians. In two richest republics, i.e. Croatia and Slovenia, voices arguing for the need to transform the political system of the country by weakening relationships between administrative units and to form a confederation, were increasingly more popular. The situation was exacerbated by the breakup of the League of Communists of Yugoslavia in January 1990, which, until that time, was the collaborative platform of politicians from the republics. The split was a result of representatives of Croatia and Slovenia opposition to an economy restructuring plan presented by Prime Minister Ante Marković at the Congress of the League. The plan was supposed to overcome effects of the crisis, however in the opinion of Zagreb and Ljubljana, it would do so at the expense of Croatia and Slovenia. Secessionist tendencies began to surface after Milan Kučan came to power in Slovenia and the nationalist party led by Franjo Tudjman won Croatia's parliamentary elections. Although in 1990, President Kučan and politicians of the *DEMOS* coalition, which was the strongest party in Slovenia, opted for transforming the state political system from a federation into a union of sovereign states, in result of the events in the neighbouring republics, they changed their stance and became more inclined to the opinion that such a move would be *ad hominem.* Secession was considered the final solution. In the case of Slovenia, the consent on the need to leave the federation and declare independence was based on the conviction that Slovenia, after becoming independent, would fully exercise its economic assets and take the first step toward an integrating Europe.[13] In addition, separatist senti-

[12] The crisis in Kosovo began in 1981 and initially took the form of street demonstrations and postulates to improve the living conditions and transform the autonomous region to the seventh republic. In response to the protests, the *Skupština* decided to introduce the state of emergency in Kosovo and send troops to pacify protesters. Despite this step, the crisis remained unresolved and lurked until 2008, when Kosovo declared independence.

[13] The motto of the *DEMOS* coalition was: "Yugoslavia as a concept is exhausted. Slovenia simply wants to join Europe and is not willing to wait for the rest of Yugoslavia to decide to do the same". L.J.

ments were fuelled by reports from the Serbian republic on limitation of Kosovo-Metohija autonomy , introduced by an amendment to the republic's Constitution in 1989. Slovenian politicians skilfully exploited the alleged hegemonistic tendencies of Milošević[14] and gradually followed their path to Slovenia's independence.

The possibility of Slovenia's secession, the only ethnically-uniform Yugoslavian republic, could be justified by people's right to self-determination. However, Marek Waldenberg rightly notes that "the right of peoples to self-determination under international law could not justify a unilateral declaration of secession. And if it is believed that it was the justification, the question raises whether it was also the justification for the separatist aspirations of Serbs living densely together in Krajina, a part of the Croatian Federal Republic, and for the efforts of Bosnian Serbs and Croats to adjoin lands inhabited mainly by them to their native countries".[15] Referring to many opinions supporting the secession of Slovenia from the federation, it should be remembered that, according to the country's Constitution of 1974, the alleged secession should have been endorsed by all administrative units, which, given the opposition of the Serbian and Montenegrin republics, could not have taken place. Milošević, in accord with the idea of Yugoslavia's centralisation which was promoted since the Kosovo crisis, initially categorically opposed breaching its borders, however, his actions taken in the face of escalating separatist tendencies demonstrated that he pragmatically recognised the inevitability of Slovenia's secession. One should not forget that, unlike Croatia, Slovenia was uniform, i.e. ethnically homogeneous, and Serbia did not have any historically legitimate claim to Slovenian lands. In this context, it is not surprising that Milan Kučan and President of Serbia in their communication issued on 23 January 1991 asserted that Serbia respects the "right of the Slovenian people and of the Republic of Slovenia to choose their own path and discuss the shape of its future relations with other Yugoslavian peoples and republics" and that "Slovenia respects the desire of Serbian people to live within the borders of one state and is of the opinion that the future government of Yugoslavia should take adequate steps to address the above demand"[16].

The conflict between Belgrade and Zagreb was very different. It was inspired by ethnic and political antagonisms and extremely quickly substantive arguments ceased to be used in favour of an armed conflict. At the time, Franjo Tudjman,

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Cohen (1995), *Broken Bonds. Yugoslavia's Disintegration and Balkan Politics in Transition.* Boulder, San Francisco, Oxford, p. 90. Cf. M. J. Zacharias (2004), *op. cit.,* p. 479.

[14] Following the actions of the Slovenian elite, one can come to a conclusion that restricting the rights of Kosovo Albanians in result of the crisis in the region, has become a pretext for presenting the position that Slovenia was also threatened by Serbian nationalism and its spread could be prevented by leaving Yugoslavia.

[15] M. Waldenberg (2002), *Narody zależne...,* p. 447.

[16] A. LeBor (2003), *Milosevic. A Biography,* London, p. 135. Quoted in K. Pawłowski, *Polityka Federacyjnej Republiki Jugosławii wobec konfliktu w Bośni i Hercegowinie (1992-1995),* in: P. Chmielewski, S. L. Szczesio (eds) (2011), *Bośnia i Hercegowina 15 lat po Dayton. Przeszłość - teraźniejszość -perspektywy,* Łódź, p. 138.

the unquestionable political leader of the Republic of Croatia, became a main character in the unfolding drama. While tracing his actions in the early 1990s, one can be tempted to say in line with sociologist Erving Goffman's ideas, that Tudjman created a facade - a set of opinions and conducts which allowed him to manipulate public opinion in order to reach his objective, i.e. breaking away from the SFRY. Tudjman skilfully exploited ethnic animosities and Croatian people's irrational fears of Serbs' domination, and effectively fuelled national hatred, resorting to statements marked with extreme intolerance. In that context, his words "Thank God, my wife is neither a Jew nor a Serb"[17] are meaningful. One must not forget that Tudjman's actions were inspired by the Greater Serbian ideology propagated by Belgrade, and that suspecting Milošević of a relentless drive to unite all Serbs within one state, is unjustified.[18] It was Croatian nationalism[19] which is to be blamed for the Serbo-Croatian conflict. However, considering the fiasco of actions designed to centralise Yugoslavia and the progressing dismantling of the federation, enlargement of the territory of the Serbian republic by regions inhabited by Serbian people was a real threat. The above mentioned Military Frontier became a battlefield of uncompromising ethnic antagonisms in 1990. The *Vojna Krajina* was created by the Habsburg monarchy in the 16th century as a buffer zone protecting the country against attacks of Ottoman Turks. It was the destination of Serbian people fleeing from areas occupied by Muslims and became a region where people of Serbian origin constituted the majority. Tudjman's lack of political will to recognise aspirations of the Serbian population to have an autonomy, and the fuelled by Belgrade conviction of Croatian Serbs that their identity would be crushed by Croatian nationalism, brought about an undesirable effect, i.e. a growing distrust and hostility between nations. Milošević's support given to the Serb Democratic Party, founded in Šibenik by psychiatrist Jovan Rašković[20] and

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[17] L. Silber, A. Little (1996), *Smrt Jugoslavije,* Opatija, p. 75, in: M. J. Zacharias (2004), *op. cit.,* p. 481.

[18] To quote after A. Uzelac: "he would never use the phrase [..] "Great Serbia", he would also never say "all Serbs in one state". [..] formally, his hands remained clean". A. Uzelac, *Slobodan Miloszewić,* "Gazeta Wyborcza" 11.08.1995, "Magazyn" supplement, No. 32, p. 10.

[19] M. Waldenberg (2003), *Rozbicie Jugosławii...,* p. 115. Stjepan Mesić, a Croat and the last head of the SFRY, held an interesting view on the Great Serbia ideology of Milošević. He condemned the President of the Republic of Serbia, accusing him of megalomania and lack of political will to find a compromising solution which would prevent the conflict escalation. However, Mesić's opinions should be treated with caution as he explicitly emphasised his liking of Tudjman. More in: S. Mesić, *The road to war,* in: I. Žanić (ed.) (2001), *The war in Croatia and Bosnia-Herzegovina 1991-1995,* B. Magaš, London.

[20] From a psychological point of view, the overrepresentation of psychiatrists among key personalities who had a significant impact on the events, is interesting. Radovan Karadžić, the Bosnian Serb leader and President of the Republic of Serbia in 1992-1996, was a student of Rašković. Skills acquired in the course of his studies and practice proved to be effective in fear management and fostering hostility of Serbs. Rašković himself supposedly said: "I feel responsible because I have made preparations for the war, even though they are not military preparations. Had I not stimulated psychological tension in Serbs, nothing would have happened. Me and my party triggered the explosion of Serbian nationalism not only in Croatia, but also in Bosnia and Herzegovina". *Psychiatria nienawiści,* „Wprost" No. 33/1999, p. 23.

after his death in 1992, headed by Milan Babić, remains controversial. Opting for a quantitative policy, i.e. emphasising the ethnic dominance of Serbian people in the region, nullified Serbs' right to Kosovo advocated by Milošević. Kosovo, from this perspective, should be Albanian. Tudjman objected. Using Croatians' anti-Serb nationalism, he consistently argued that Serbs had only the right to cultural independence as the areas they inhabited were a historical and natural part of Croatia.[21] In result, Tudjman's objections consolidated the idea of independence among Croatian Serbs, which was confirmed by the proclamation of the Autonomous Region of Krajina on 1 October 1990, and which became the prelude to the Serbo-Croat war.

It was in the Republic of Bosnia and Herzegovina where the situation was most complicated due to its ethnic composition and political aspirations of particular nations. In face of the progressing erosion of the federation, the key question concerned the shape of the republic, should the state be dismantled. The then future of Bosnia and Herzegovina could be seen in three perspectives, i.e. of Muslims[22], Bosnian Serbs and Bosnian Croats. When considering the causes of the war in the republic, it needs to be remembered that it constituted the so-called Little Yugoslavia, i.e. an ethnic conglomerate, a complex mosaic of nations living side by side. It proved to be the proverbial powder keg as people who had lived there in harmony and peace for centuries, then were not able to jointly confront the demon of hatred which spurred them on a fratricidal war. It should be noted that a tight group of Croats lived in the west of Herzegovina, with its capital in Mostar and Serbs prevailed in the eastern part of Herzegovina and at the border with Serbia, while Muslims - whose number was the highest - did not form a homogeneous group occupying a large territory but often lived next to members of other nations. During the war, that ethnic layout turned out to be detrimental to Muslims who, surrounded by enemies, could find peaceful enclaves only in cities where they traditionally constituted an ethnic majority.

The undisputed political leader and representative of Muslims at the Yugoslavian forum was Alija Izetbegović, the first President of the Republic of Bosnia-Herzegovina. The role he played in the Yugoslav tragedy was a difficult and invidious one and the steps taken by him to prevent conflict escalation did not produce satisfactory results. In the 1980s, he was sentenced to prison for propagating the necessity of separating an independent Bosnian Islamic Republic within the federation. Later, however, to avoid the disintegration of Bosnia and Herzegovina, he called for its independence in a multi-ethnic form. In retrospect, appropriateness of him resisting the republic's disintegration may be puzzling, since independence could only mean

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[21] M. J. Zacharias (2004), *op. cit.,* p. 485.

[22] The term "Muslims" is used in accordance with the 1974 Constitution, i.e. as referring to a nation. Since 1993, in result of provisions of the *Bošnjački Sabor*, the nomenclature provides for the word *Bošnjak* which signifies a follower of Islam, as opposed to the word *Bosanac*, which refers to all citizens of Bosnia and Herzegovina, regardless of their religious or national identity. Cf. M. Waldenberg (2003), *Rozbicie Jugosławii...,* pp. 164-167.

war, of which Izetbegović had to be aware. Fears of the Muslim nation being dominated by neighbouring nations and the division of the republic, led Izetbegović to declare a secession, despite the prevailing mood among Bosnian Serbs and Croats. Serbs gathered around Radovan Karadžić, then President of the Serb Democratic Party, argued in favour of sustaining the federation, and in the case of the republic's disintegration, for the unification of all Serbs and adjoining lands occupied by them to their homeland, i.e. Serbia. A similar position was adopted by the Croatian Democratic Union of Bosnia and Herzegovina, headed by Mate Boban, which stressed that Croats living in Bosnia and Herzegovina should have the right to secede from the republic and adjoin territories inhabited by them to Croatia. Those demands were undoubtedly inspired by the authorities in Zagreb and Belgrade, which gave full support to opposition members led by Izetbegović. Tudjman supposedly questioned the existence of the Muslim nation, believing that Bosnians are Croats who should live in Croatia: "Bosnian Muslims are blood of our blood, a flower of the Croatian nation and therefore should be seen as Croats and inhabitants of Croatia"[23]. Milošević, in face of the escalation of the conflict with Croatia, initially intended to persuade Muslims to peaceful coexist within the federation.[24] When separatist tendencies among Bosnian Serbs increased, he fuelled ethnic resentments, seeing a breakup of Bosnia and Herzegovina as a chance to replace the existing SFRY with a new state within which a territory inhabited by Bosnian Serbs would be located. The final nail in the coffin for Bosnia and Herzegovina was Tudjman and Milošević's meeting in Karadordevo in March 1991, during which a decision was made to divide the republic between Serbia and Croatia and go ahead with resettlements necessary in that situation.

The declaration of independence by the Republic of Bosnia and Herzegovina in April 1992 and the outbreak of war wracked Belgrade and Zagreb's plans of the division, however the agreement reached by the politicians was a significant symbol of hypocrisy and self-interest and nationalistic efforts to annex as much territory of the bleeding Yugoslavia as possible in the name of ethnic unity. The war, which should be a measure of last resort, in the hands of decision-makers inflicting lethal wounds to long peaceful Yugoslavia, became but an instrument for the implementation of far-reaching plans to create independent national states. However, it is worth to give a thought to whether the end justified unconceivable crimes committed in the name of Serbian, Croatian and Muslim dreams of independence.

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[23] P. Żurek, *Bośnia i Hercegowina w wizji politycznej Franjo Tudmana,* in: P. Chmielewski, S. L. Szczesio (eds) (2011), *op. cit.*, p. 15

[24] This proposal suggested a threat of turning against Muslims, should they not be pragmatic. The threat was conveyed as follows: "If we have to, we'll fight. However, I hope that our opponents will not be stupid enough to fight us. For, admittedly, we do not know how to work and manage the economy, but at least we can fight." In: M. Grmek, M. Gjidara, N. Šimac (eds) (1993), *Le Nettoyage ethnique. Documents historiques sur une idéologie serbe*, Paris, p. 272, after: M. J. Zacharias (2004), *op. cit.,* p. 528.

SLOVENIA. THE TEN-DAY WAR

In 1918, which was a very meaningful year for Europe, the statement *Im Westen nichts Neues*[25], used as an anti-war slogan in the title of a novel by German writer Erich Maria Remarque, became invalid. The end of the maelstrom of war which lasted for four years during which people's "knowledge of life" was "limited to death"[26], brought about changes throughout Europe. New states emerged. Calls for autonomy and independence were popular. In the spirit of demolishing the existing order, in October 1918, a meeting of the last Emperor of Austria - Charles IV of Hungary, and Anton Korošec, a representative of the Slovenian political elite, was held. Korošec informed the ruler about Slovenia inevitably leaving the Empire and the planned establishment of an autonomous kingdom by Slovenes, Croats and Serbs. Arguments of Charles IV, who wished to keep Slovenia within the borders of the state, were dismissed by Korošec's famous words: "Too late, Royal Highness, too late"[27].

It is easy to imagine that a similar exchange of opinions could happen between Slobodan Milošević and Milan Kučan in 1990, at the verge of the war which buried Yugoslavia.[28] Slovenia took the first step toward independence by holding a referendum on 23 December 1990. The turnout was 94% and 89% of voters were in favour of establishing an independent state, which strongly supported opinions of Slovenian authorities that the disintegration of the federation was inevitable. Drago Jančar brilliantly summed up the referendum result, saying: "Living together in the Yugoslav marriage, seventy years after the joyful wedding, has become intolerable"[29]. The proclamation of sovereignty, which took place on 25 June 1991, crowned separat-

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[25] The communiqué "All quiet on the western front" delivered from the battlefront of the First World War cynically informed about a situation in which thousands of people died every day.

[26] E. M. Remarque, *Im Westen nichts Neues* [Polish translation: *Na zachodzie bez zmian,* Olsztyn 1992, p. 45].

[27] The anecdote was offered by Slovenian writer Drago Jančár in his essay published in "Gazeta Wyborcza". D. Jančar, *Wspomnienia o Jugosławii,* "Gazeta Wyborcza" 20.04.1991, p. 12.

[28] Leopold Unger, a "Gazeta Wyborcza" publicist, in his essay *Głośniej nad tą trumną* published in 1991, argued that one should not oppose the disintegration of Yugoslavia and the Soviet Union, which he called "Frankenstein states". He was of the opinion that Western European diplomats should actively support dismantling those countries. Marek Waldenberg argued with Unger cautioning against hastily supporting the federation's disintegration. He wrote: "The end of Yugoslavia will not end national conflicts in South-Eastern Europe [...], next to the 'coffin' in which it will rest, dozens of real coffins will appear". How prophetic his words were was proved by developments in the following months, which resulted in the outbreak of an armed conflict. Cf. L. Unger, *Głośniej nad tą trumną!* „Gazeta Wyborcza" 10.07.1991, p. 9; M. Waldenberg, *To nie było więzienie narodów,* „Polityka" No. 36/1991, pp. 23-25; idem (2003), *Rozbicie Jugosławii...*, pp. 31-34.

[29] The quoted sentence needs to be extended. Jančar ironically concludes that the secession of Slovenia makes him reluctant because "after formalities which were terrible and humiliating for both sides, finally the divorce takes place and there is emptiness. The emptiness of an abandoned apartment, after an amputated life, an empty sound of silence (in what is missing ...). Common sense dictates that it must be so, because that state was not properly constructed from the very beginning. And yet we spent our whole life in it and with it". D. Jančar (1991), *op. cit.*

ist sentiments. Two days later, units of the Yugoslav People's Army (YPA) crossed borders of the newly formed state. It was the beginning of military actions and the first act of the Yugoslav tragedy.

Milošević's position on Slovenia's secession has already been presented, however, the position of the command of the Yugoslav People's Army (YPA) on the planned disintegration of the state is worth mentioning too. The disintegration inevitably would lead to changes in military structures. The army, headed by Veljko Kadijević, the then Minister of Defence, strongly opposed Slovenia's and Croatia's secessions, rightly predicting that once the republics leave the federation, the army would be disorganised. The discord in attitudes of Milošević and the Serbian army command should be attributed to their different objectives. Milošević, following his vision of the Serbian nation within a united country, pragmatically accepted the succession of Slovenia which was ethnically uniform. He pressured the army command to abandon the plan of intervention in Slovenia and ensure security of Serbian enclaves in Croatia, which, in the case of the secession proposed by Zagreb, would be within Serbia's extended frontiers. Milošević's colleague Borisav Jović, President of the SFRY in 1990-1991, confirmed the Serbian leader's consent to Slovenia's independence. In his diary, where he described the events of that time, he wrote: "the difference in the position of the army and us in Serbia (Slobodan and me) is very clear. [...] generals are obsessed with Yugoslavia's unity as it is, with no harmony and future. […] Milošević suggested that we begin to act as soon as possible, but only against Croatia, and leave Slovenia in peace. And in Croatia we should act only where Serbs live"[30]. General Kadijević was not willing to make concessions to the president of the Serbian Republic when deciding to pacify Slovenia. About three thousand soldiers were sent to the Slovenia-Yugoslavia border and confronted by Slovenian National Defence Corps. Under the Act on National Defence of 1969, additional Territorial Defence forces were established. In contrast to the Yugoslav People's Army (YPA), which reported to federal authorities, units of Territorial Defence were obliged to carry out tasks assigned by a republic. In face of the approaching conflict, they constituted specialised forces capable of standing up to the regular federal army. That is why Kadijević sought to eliminate national defence squads, rightly fearing a confrontation of the ethnically non-heterogeneous army[31] with national Territorial Defence forces.

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[30] B. Jović (1995), *Poslednji dani SFRJ,* Belgrade, p. 201, 218 and 257. After: M. J. Zacharias (2004), *op. cit.*, p. 519.

[31] On the eve of the war, desertion of YPA soldiers coming from republics hoping for Yugoslavia disassociation were commonplace. The penalty for leaving army ranks was often death on the order of the command. In addition, Muslims, Albanians, Croats were not willing to pacify the Slovenian republic, which pursed their dream to withdraw from the federation. It is worth noting that in the troops of the Fifth Military District, which were sent to the Slovenian-Yugoslav border, Albanians constituted 30%, Croats 20% and Muslims 10%. Many soldiers immediately after the outbreak of hostilities, laid down their arms and surrendered to Slovenians. More in: L. Benson (2004), *op. cit.*, p. 226; M. Kuczyński (1999), *op. cit.,* p. 38.

In December 1990, in an interview with the Belgrad "Danas" weekly, Kadijević said: "Territorial Defence, which was created in the late sixties and seventies, is [...] a huge deception. Currently it facilitates creation of a basis for republican foundations, bursting the state's unity"[32]. Combat effectiveness of Slovenian defence forces, which, together with militia units countered the federal army, was confirmed by an incredibly quick victory, which resulted in the signing of a declaration ending "the ten-day war" on July 8, on the island of Brioni. Under the agreement, the federal army was ordered to leave Slovenia, which, having obtained recognition on the international scene, became a fully independent state of Europe.[33] Small losses (about 60 killed) and the short duration of the military action were astonishing compared to the bloody and long war which took place in the territory of Croatia and Bosnia and Herzegovina in the following months. The reasons were the lack of agreement between the military command and Milošević, ruthlessly aiming at war with Croatia over territories inhabited by Serbs, and the disproportionate effectiveness of the military, resulting from the federal army's disrespect for Slovenia's troops lacking heavy weapons. Another reason was the determination of Slovenes who, to win independence, stood up to tanks.[34]

## CROATIAN WAR OF INDEPENDENCE (1991-1995)

### Republic of Srbska Krajina

In parallel with the events that led to the secession of Slovenia, a conflict in the neighbouring Republic of Croatia flared up turning into a bloody war between its inhabitants, i.e. Croats and Croatian Serbs. Nationalistic ideas propagated by both Belgrade and Zagreb fed the fire of lurking ethnic animosities steadily deepening antagonisms between the nations.

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[32] D. Marijan (2000), *Jugoslavenska narodna armija u agresiji na Republiku Hrwatsku 1990-1992 godine,* "Časopis za suvremenu povijest" No. 2, p. 295, in: M. J. Zacharias (2004), *op. cit.,* p. 519.

[33] The first country to recognise independent states of Slovenia and Croatia was Germany, which did so disregarding decisions made at the European Community summit on 16 December 1991. The summit participants came to the conclusion that the recognition should take place in mid-January 1992, after Slovenia and Croatia have met international legal standards relating to e.g. protection of national minorities. German Chancellor Kohl's premature recognition of those countries was perceived as a symptom of arrogance and a step toward building the German sphere of influence in southern Europe. More on Germany's position on the secession of Slovenia and Croatia in: M. Waldenberg (2003), *Rozbicie Jugosławii...,* pp. 81-91.

[34] Journalist Tadeusz Olszański eye witnessed Slovenia's struggles for independence and described the confrontation of Slovenes and YPA soldiers as follows: "Tens of thousands of Slovenes went out to the roads and ran next to the columns of tanks. And it were not the barriers or hastily erected barricades, which, anyway, were crashed by the tanks, but the running exuberant crowds of thousands that, of course, were impossible to be shoot, which were the main cause of the defeat". T. Olszański (1995), *Mój brat Cię zabije!* Warszawa, p. 14.

Franjo Tudjman made a fundamental error disregarding demands of the Serbian minority living in a compact group in the region of the Military Frontier and Slavonia. Serbs demanded to be treated equally to the Croatian population. Lack of sensitivity in respect to Serbs' fear of Croatian domination in an independent state definitely contributed to escalating Croatian Serbs' hostility and led to the outbreak of the armed conflict. A manifestation of ill will toward the Serbian people, who for centuries lived in areas to be included in the planned independent Croatia[35], was the Constitutional Act of the Republic of Croatia, adopted by Franjo Tudjman's Croatian Democratic Union *(HDZ)* on 22 December 1991, which, with regard the peoples residing in the republic read as follows: "The Republic of Croatia is established as the nation state of the Croatian nation and the state of the members of autochthonous national minorities: Serbs, Czechs, Slovaks, Italians, Hungarians, Jews, Germans, Austrians, Ukrainians, Ruthenians, and the others who are its citizens"[36]. That very wording in the Constitutional Act could well be a reason for concern about discrimination as Serbs were denied the right to regard themselves as a nation equivalent to Croats, and it was.[37] Milošević was Tudjman's "worthy" partner in the *danse macabre* which was spinning up, fuelling fears and separatist sentiments among Serbs, who ceased to accept their coexistence with Croats within the borders of one state. He did not hide his involvement in pursuing the idea of ethnically heterogeneous Great Serbia, and readiness to use the army in order to unite lands inhabited by the Serbian population. He hypocritically consented to the planned secession of Croatia, but firstly its borders were to be "corrected" and regions where Serbs had their homes adjoined to Serbia. Serbs' houses frequently were next to houses of Croats living on the same street, in the same village or town. Milošević's efficiency in creating Serbs' nationalistic phobias stemmed from his belief in the need for unification of all Serbs within one state, which "entitled" him to make territorial claims against other republics.

According to the then President of the Serbian republic, "only nations have the right to self-determination. The premise of the Serbian nation is that currently it has its own uniform federal state and, as a nation, wants to decide on its future from that perspective. Serbian people want to live in one state, with uniform civil rights, within the same, internationally recognised, borders, with one army, money, market. If anyone wants to live with the Serbian nation respecting equal rights, one is welcome. [...]. A federation of minimal functions which will be possible to perform effectively, is the best form of functioning for Yugoslavia. In practice it means that we negate republics' right to break away. And that is because the right is not theirs but nations"[38]. This short passage is a blunt demonstration of Milošević's skill to

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[35] It should be observed that Serbs constituted about 12% of the population living in densely populated enclaves in the Republic of Croatia.

[36] *The Constitution of the Republic of Croatia of 22 December 1990* [Polish translation: http://libr.sejm.gov.pl/tekO l/txt/konst/Chorwacja, accessed10.05.2012].

[37] M. Waldenberg (2003), *Rozbicie Jugosławii...,* p. 113.

[38] M. J. Zacharias (2004), *op. cit.,* p. 518.

create reality. By indicating that nations have the right to self-determination, he does not question Croatia's right to secede, but he also warns against disregarding the right of national minorities to determine their own status in a country. The support given to authors of the Autonomous Region of Krajina, formed within the borders of the Croatian republic, exemplified Milošević's views. One of the main protagonists of the tragedy in Croatia breaking up along ethnic division lines, was Milan Babić, who after the death of Jovan Rašković, succeeded him as President of the Serbian Democratic Party (*Srpska Demokratska Stranka - SDS*). The Party's main objective was to protect rights of Serbian people living in the Croatian Republic. Milan Babić, with the approval of Milošević, used exacerbated rhetoric toward Croatian politicians, fuelling resentments and nationalistic attitudes among his countrymen. Pursuing guidelines coming from Belgrade, the *SDS* aimed at making territories inhabited by Serbs independent from Zagreb. In August 1990, a referendum was held and over 90% of Serbs opted for political autonomy should the Croatian Republic leave Yugoslavia. The referendum produced a snowball effect. The lack of will to reach a compromise in the dispute and recognise antagonists' postulates, demonstrated by authorities in both Belgrade and in Zagreb, led to an escalation of separatist attitudes which resulted in the declaration of independence of the Serbian Autonomous Region of Krajina (SARK) in February 1991.[39]

The announcement of the declaration of independence by Zagreb[40] led to self proclamation of the Serbian Autonomous Oblast of Eastern Slavonia, Baranja and Western Syrmia by Serbs living in Slavonia. Central Croatia was in the grip of Serbs, which, inevitably, led to a conflict. First armed clashes took place in the spring of 1990. They followed the non-recognition of the autonomy of territories inhabited by the Serbian people by authorities in Zagreb. [41] No consent to the secession of regions within the boundaries of the Republic of Croatia was justifiable since Tudjman by opposing authorities in Knin wanted to protect interests of Croats neighbouring with Serbs and threatened with resettlement.

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[39] The Serbian Autonomous Region of Krajina, on 19 December 1991, i.e. during the ongoing war, transformed into the Republic of Serbian Krajina with its capital in Knin. This satisfied the conditions for its recognition as a state (people, power, territory), but it was not recognised internationally. Five days later, after a second autonomous area adjoined, the Republic constituted 27% of Croatia and was inhabited by about 500 thousand people. M. Kuczyński (1999), *op. cit.,* p. 76.

[40] Tadeusz Olszański, who was in Zagreb on that day, described the reaction of the people to the news about the declaration of independence as follows: "Bells tolled loudly in all churches, people stood to attention, many of them crying. [...] I was moved by the great joy and emotions of people waving Croatian flags everywhere, by this unique moment." T. Olszański (1995), *op. cit.,* p. 13. Cries of joy of the residents of the capital of a new independent state were followed by cries of despair in the ruins of bombarded Dubrovnik and levelled to the ground Vukovar.

[41] The first ethnically "motivated" incident occurred in the town of Benkovac, which after the Serbian Autonomous Region of Krajina declared its independence, was part of it. Hostilities between Croats and Serbs in the newly proclaimed Republika Srpska escalated in spring 1991, when first fatal events started a period of hatred and killing.

## "Murder of Vukovar" and ethnic cleansing

The end of the war in Slovenia was the first act of the Yugoslav tragedy. In the summer of 1991, forces clashed in the Republic of Croatia. A description of particular clashes between soldiers of the Serb army, supported by the federal army, and the Croatian National Guard should be left to historians. However, to reveal the strength of antagonisms between nations inhabiting the ruins of the SFRY, one should point to crimes that long haunted mutual relations and hindered the post war dialogue. The list of animosities is very broad: vicious murders, rapes, unimaginable atrocities committed in the name of ideology, material gains, traumatic effects of fear, et cetera. The war in Croatia had yet another dark face which Bogdan Bogdanović, a distinguished Serbian architect and essayist, called a "ritual murder of a city"[42].

On August 22, the Serbian army began the siege of Vukovar in eastern Slavonia. Vukovar was an ethnic mosaic or collage typical of borderlands. The mosaic was composed of Serbs, Croats, Hungarians, Jews, and Slovaks. After 90 days of fierce fighting, the city surrendered and what was left were ruins and ashes. Fatal casualties included about three thousand defenders and over two thousand Serbian soldiers. Over 50,000 Croats were displaced in the name of purifying Slavonia, which was to lose its multi-ethnic character for the sake of Serbian homogeneity. Vukovar, like bombarded Guernica, Rotterdam demolished by air raids, and ruined Warsaw, became a symbol of the brutal killing of the city, a perverse manifestation of power resorting to a scorched earth strategy. The policy of destroying everything foreign in order to make room for what is "one's own" triumphed once again, and the hopeful words of John Paul II, "no more war"[43], which should be the basic premise of political activities of the modern world, turned out to be but an illusion.

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[42] This phrase is the title of Bogdanović's essay published the Belgrade newspaper "Borba" in 1992. Bogdanović concluded that the destruction of the cities is a sign of barbarism and conscious renunciation of civilisation. He expressed concern that in case of extremism, defenders of Serb villages and disappointed captors of Croatian cities could lose themselves in an effort to clean up Serbia's foreign cultural accretions. And this, as he ironically concluded, would lead a situation in which if they opted for a completely racial and national revival of cities and devotedly work to that end, all of those whom they would not be able to expel forever, they would transform into monkeys as holy books advise. B. Bogdanović, *Murder of the City*, English translation: http://www.nybooks.com/articles/archives/1993/may/27/murder-of-the-city/ [Polish translation: *Rytualne zabijanie miasta,* "Krasnogruda" No. 6/1997, pp. 15-17.

[43] Quoting Pope Paul VI, Pope John Paul II said so in 1979, during his pilgrimage to the remains of KL Auschwitz-Birkenau. His call for cessation of warfare at the memorial of victims of Nazi crimes remains universal. In the context of the bloody squandering of the Yugoslav coexistence legacy, it is also worth to refer again to his homily: "Never one at the other's expense, at the cost of the enslavement of the other, at the cost of conquest, outrage, exploitation and death." http://www.vatican.va/holy_father/john_paul_ii/homilies/1979/documents/hf_jpii_hom_19790607_polonia-brzezinka_en.html.

The fall of Vukovar and the ongoing fight for the city of Osijek mobilised the international community, which passively watched events in the Serbo-Croat battlefield, to take action.[44] Special Envoy of the UN Secretary General for Croatia, Cyrus Vance, negotiated with Tudjman and Milošević who decided to sign a truce. The next step in the normalisation of mutual relations was the acceptance of the peace plan designed by Vance, which provided for establishment of three demilitarised buffer zones (*United Nations Protection Areas – UNPA*), including Krajina and Eastern and Western Slavonia. The compliance with the conditions of the agreement and peace and security in the UPAs were to be ensured by UN peacekeeping troops, i.e. the United Nation Protection Force (UNPROFOR), established under the UN Security Council resolution of 21 February 1992. The introduction of "blue helmets" into the conflict area froze the front line. The UN mission did not prevent armed clashes between Serbian and Croatian soldiers in which more people were killed. The reason was the very nature of the UNPROFOR and restrictions on the use of arms.[45]

The consistent policy of Tudjman, who opposed the recognition of sovereignty of the Republic of Serbian Krajina, manifested itself in the Croatian military offensives repeated in 1993. They were opposed by the Security Council which demanded withdrawal of Croatian troops. Despite international mediation and the signed truce, the source of the conflict did not cease. It was fuelled by conflicting plans put forward by the Serbian and the Croatian parties[46]. The stalemate was overcome with tanks and machine guns in the spring and summer of 1995.

In the military operation codenamed "Lightning", the Croatian army captured Pakrac and Okučani, which were the main municipalities in Western Slavonia. The Croatian offensive led to a mass departure of Serbs living there (about 30-40 thousand people), which prompted the Security Council to condemn the "Lightning" operation, call for a truce and stopping human rights violation. Under the impact of events in neighbouring Bosnia, where Bosnian Serbs, Muslims and Croats fought one another, Tudjman decided to keep Serbian forces fighting and attack Krajina.

On 5 August, at dawn, the Croatian army launched a massive operation codenamed "Storm" which, after several days of fierce fighting, resulted in the defeat

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[44] Polish publications especially interesting in this context are: S. Wojciechowski (2003), *Społeczność międzynarodowa wobec kryzysu jugosłowiańskiego - wybrane aspekty,* „Przegląd Politologiczny" No. 3, pp. 31-36; M. Waldenberg (2002), *Narody zależne...*, pp. 444-447.

[45] From the beginning of military operations (25 June 1991) to the establishment of the peacekeeping force (21 February 1992) more than 10 thousand people lost their lives and about three thousand were found missing. Around 380 thousand Croats and 170 thousand Serbs were forced to change their place of residence due to ethnic cleansing. M. Kuczyński (1999), *op. cit.,* p. 50.

[46] In the 1994 referendum in Krajina, a vast majority of Croatian Serbs (over 90% of votes cast) chose that the republic join Yugoslavia. Tudjman, supported by the UN which decided that Krajina was Croatia's integral part, headed toward gradually taking control over the Serb-inhabited areas by Croatian forces.

of Serbian forces and caused massive expulsion of about 200 thousand Serbs from territories inhabited by them for generations. Forced migration of people - both Serbs and Croats, who fearing for their lives had to leave their homes, is one of unquestionable war atrocities. It affected individuals forced to go on exile frequently under threat of death, but also wasted the long coexistence of different nations, burdened after the war with the memory of mutual grievances and ethnic hatred that constitute an barrier on the road to forgiveness and dialogue. Atrocious murders, which in the course of the war were committed by both parties in conflict, cast shadow on Serbo-Croatian relations. Actions of the paramilitary troop of Serbian criminal, businessman and MP Želijko Ražnatović, known as Arkan, made a dark legend.[47] He created and financed a paramilitary force called *Tigrisi* (Tigers) responsible for the extermination of civilians after capturing the hospital in Vukovar. The wounded and the staff (about 300 people) were taken to the nearby village of Ovčara and executed there. The Croatian army under the command of Dobroslav Paraga, the leader of the extreme nationalist Croatian Party of Rights, was also responsible for ethnic cleansing crimes including genocide and forced relocation. At the beginning of the war, Paraga headed the Croatian Defence Alliance (*HOS*), which aided regular troops in the fight against Serbs, executing Serbian civilians in line with the Ustaše ideology.[48]

Buildings can be rebuilt, windows replaced, bullet holes can be masked, one may start working again, hang out with friends at a nearby restaurant. But where to find a cure for memories, a remedy to help forget the death one's father, mother, neighbour, forget about life to which there is no return? The war in Croatia which is now independent and grows rapidly, produced a void left by the expelled, killed, and buried in anonymous graves. Dubravka Ugrešić, a Croatian writer, in one of her essays wrote: "Seen from outside, at this moment the Yugoslav peoples resemble demented gravediggers. They appear stubbornly to confirm the dark stereotypes others have of them. Included in that repertoire of **stereotypes** is the idea that, throughout their history, the Balkan peoples have done nothing other than bury and dig up human."[49] Great determination of every individual affected by the war is needed for these words to become outdated, and for the desire of neutral coexistence to overcome mutual animosities.

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[47] Ražnatović, wanted in the 1990s by INTERPOL for robberies and murders, during the war became a close associate of Milošević. From 1992 he was a member and founder of the pro-presidential Party of Serbian Unity. Indicted by the ICTY for crimes against humanity, he said he recognised only courts in his country because they were independent. In his view, the court in Hague was a "political court". He was shoot dead in 2000 in Belgrade. There have been insinuations that he was assassinated on the order of Milošević who wanted to neutralise the threat of Ražnatović's knowledge of his actions. More in: H. Suchar, *Śmierć kata,* „Wprost" No. 4/2000, p. 34.

[48] M. Kuczyński (1999), *op. cit.,* p. 46

[49] D. Ugrešić, *The Confiscation of Memory*. "New Left Review" I/218, July-August 1996, http://newleftreview.org/I/218/dubravka-ugresic-the-confiscation-of-memory.

BOSNIA: "THE DAMNED YARD"[50]

## Bombardment of Sarajevo

On 1 March 1992, in the background of the ongoing conflict in Croatia, the authorities of the Republic of Bosnia and Herzegovina, called "Little Yugoslavia" due to its ethnic composition, held a referendum on the independence of the republic. This day is now celebrated as the country's Independence Day. However, as it was rightly observed by writer and journalist Gojko Berić, a Sarajevo inhabitant of Serbian origin, the holiday is of importance to Bošnjak-Muslims only. For both Croats and Serbs, it "evokes unpleasant associations"[51] . This observation is not surprising, considering that what politicians did at the time, led to a division of Bosnia and Herzegovina into territories hostile toward each other. In December 1991, Radovan Karadžić, implementing the idea of an alliance of all Serbs who should live in one state, proclaimed independence of the Serbian Republic of Bosnia and Herzegovina, with its capital in Banja Luka. Assured by Sarajevo that Bosnia and Herzegovina wanted to leave the federation in January 1992, he proclaimed that the new republic joined Yugoslavia. In effect, first armed clashes between Serbs and Muslims and Croats took place. Bosnian Croats living in a compact group in western Herzegovina and the so-called Posavina in the vicinity of Orasje in the north of Bosnia, in the first stage of the conflict opted for the republic independence, provided that areas dominated by them ethnically would potentially enjoy wide autonomy. Hand in hand with Muslims, in the spring of 1992, they opposed Bosnian Serbs. It should be noted, however, that the Croat-Muslim alliance, aimed at preventing the Serbian territorial expansion, was part of political games played by Mate Boban, the leader of Bosnian Croats. The fight against the common enemy increased Croats' chances to prevent Serbs from taking lands, which, in accordance with Mate Boban's and Tudjman's plans, were to be adjoined to Croatia, once Bosnia and Herzegovina were divided. The proclamation of the Croatian Republic of Herzeg-Bosnia with its capital in Mostar, in July 1992, was part of the project. Since then, chaos overwhelmed Bosnia and everyone fought everyone.

The city of Sarajevo was a witness to the drama.[52] Already during the war, it became a symbol of Bošnjaks' resistance and suffering. It was Sarajevo about which Muhamed Nerkesija, a poet who lived at the turn of the 16th and 17th century, said: "no other city like it ever existed"[53]. On 6 April 1992, the date of Bosnia and Her-

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[50] *The Damned Yard* is a title of Ivo Andrić's novel. Andrić was a Bosnian novelist and the 1961 winner of the Nobel Prize in Literature. *The Damned Yard* refers to a prison yard and is an allegory of enslavement by terror, fear and hatred, of a palce where everybody is guilty.

[51] G. Berić, *Ziemia niczyja,* „Gazeta Wyborcza" 24.02.2005, p. 15.

[52] On 1 March, the day of the referendum, a wedding procession in the Muslim part of Sarajevo was fired at. The victim was a Serb who carried the Serbian flag. Other guests were surrounded by Muslims and beaten. Cf. *ibid*., p. 181.

[53] J. Tlałka-Stovrag (2007), *Jeszcze żyję...,* Bydgoszcz-Kraków, p. 11.

zegovina's declaration of independence, Sarajevo, emblazoned in prose and poetry, was mercilessly besieged. The Army of Republika Srpska stationed in the surrounding hills and Sarajevo was bombarded almost continuously.[54] Reports from the capital of the newly formed state, which for over three years was besieged Serb forces, are a poignant testimony to the ravages caused by war which destroyed Bosnia and Herzegovina like cancer.[55] Throughout the entire period of the war, residents of the city were exposed to the threat of death in result of artillery or sniper fire[56]; they suffered from malnutrition, cold and relentless fear of being forced to leave their homes. More than 11 thousand people were killed in besieged Sarajevo and several thousand were forced to flee. The city, which before the war was a symbol of transnational cultural and religious symbiosis, ceased to exist. What was left were only the Sarajevo roses, a burnt library, bombarded churches, mosques and orthodox churches. There were also countless graves in cemeteries, which during the war were the only places where a Serb, Croat and Muslim could rest in peace one next to another.

## Mostar - Stari Most

The agreement on the common fight against Serbs, reached by Tudjman and Izetbegović in June 1992, proved to be short-lived. The proclamation of the Croatian Republic of Herzeg-Bosnia by Mate Boban a month later, in fact meant breaking the alliance and was a signal for Muslims to prepare to a war with Bosnian Croats. The bloodiest clashes between nations took place in Mostar, the capital of the historic region of Herzegovina, chosen by Bosnian Croats for the capital of the newly formed Republic. Mostar, due to the lack of a nation prevailing and long peaceful coexistence of different nations, better exemplified a pre-war peaceful cohabitation than Sarajevo. According to the last pre-war census, Mostar population was 34.8% Muslim, 33.8% Serb, 19% Croat and 12.4% defined as "others", most of whom identified themselves with the non-existent Yugoslav nation. Divided into East and West

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[54] Withdrawal of heavy equipment by means of which Sarajevo was bombarded for several years took place only in February 1994 as a result of an ultimatum given to Serbs by the command of NATO, which implied that failure to move the artillery over 20 km away from Sarajevo would result in a NATO military intervention.

[55] The situation in Sarajevo was documented by Poles, mainly in reports of war correspondents who were present in the city during the conflict. Recommended readings include: T. Olszański (1995), *op. cit.;* R. Bilski (2000), *Widok na Sarajevo,* Warszawa; D. Warszawski (1995), *Obrona poczty sarajewskiej,* Warszawa; S. Stovrag, *Pozwólcie mi milczeć,* „Gazeta Wyborcza" 16.10.1995. The most reliable Polish publication covering all conflicts in the former Yugoslavia since 1993, is the book by Dawid Warszawski, *Obrona poczty sarajewskiej*. Warszawski accompanied the Special Envoy of the UN Human Rights Commission, Tadeusz Mazowiecki, and had a direct access to testimonies of the war victims.

[56] The main street of the city, where most important buildings were located including a Holiday Inn which hosted foreign journalist, became a symbol of unexpected death inflicted by a rifle bullet. It was commonly known as the Sniper Avenue as it was filled with warnings: *Pazi - snajper* (Watch out for snipers).

by the Neretva River, Mostar was an example of a city where ethnic origin was of minor importance. Muslims densely inhabited the easten part of the city and Croats lived the western part. This division became relevant only after nationalist feeling escalated. Before the war, "You were neither a Croat nor a Muslim or Serb. You were a Mostarian, proud of coming from this city."[57]. Bombardment of Mostar made its citizens aware that the feeling of injustice when loved ones die calls for an identified enemy. Suddenly, it became relevant on which bank of the Neretva River one lived. In result of the fights between Muslims, Croats and Serbs, for whom the city became a battleground, not only its residents suffered. Mostar, like Vukovar, bombarded by Serbs Dubrovnik, and methodically destroyed Sarajevo, was a victim of the barbaric murder of the city by destroying its monuments and annihilation of manifestations of its culture, the roots of which went back many centuries. Events which took place on 9 November 1993, illustrate the point. On that day, in result of Croatian artillery fire from the nearby hills, the Old Bridge - the symbol of the city fell into the Neretva River. The *Stari Most,* called the "heavenly firmament" and the "stone crescent", was built in the 16th century at the order of Suleiman the Magnificent. Constructed by master Hayruddin, the Sultan's architect, it became an object admired throughout the Ottoman empire, as evidenced by Evliya Celebi, a famous sixteenth-century Turkish traveller, who wrote: "Viziers, nobles and high-ranking people would come from all sides to enjoy the view of the bridge."[58] Thus on the banks of the river a city began to emerge that owned its name to the so-called *Mostari*, i.e. "the bridge keepers". The demolition of the ancient symbol of the city, which not only was an example of the artistry of its builders but, most of all, a stone structure bonding people divided by a river, clearly demonstrates the intensity of ethnic hatred, the goal of which was the destruction of everything that was of "the others". The bridge, which for centuries served both Muslims and Serbs and Croats, was destroyed. Its remains at the bottom of the river can be considered an allegory of the ties between nations broken by the war. It is worth recalling the words of Croatian writer Slavenka Drakulić, who accurately assessed the importance of the destruction of the bridge writing that for four centuries, people needed the bridge and admired it. The question is not who bombarded and destroyed it. It is not even why somebody did so as destruction is part of human nature. The question is: what kind of people do not need the bridge? The only answer that has come to Drakulić's mind is: people without faith in the future - their own or their children's future - do not need that bridge.[59]

Drakulić worried but there were people who wanted to cure the wounds inflicted by the war. The ending of the conflict in Bosnia and Herzegovina in 1995 made rebuilding the destroyed bridge possible. With the support of EU funds and using parts of the bridge resting on the bottom of the river, the "stone crescent" has once again

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[57] J. Schneider, *Mostar* [Polish translation], "Krasnogruda" No. 6/1997, p. 145.

[58] *Ibid.*, p. 144.

[59] C. Merril, *Stary Most*, [Polish translation], *ibid.*, p. 161.

bridged the banks of the Neretva in 2003. The rebuilding of the bridge can be seen as the first symbolic step toward establishing relations and forgiving the harm inflicted in the course of military operations.

ABSTRACT

*The object of the study are the determinants of the collapse of Yugoslavia considering the historical circumstances that defined the shape of the Socialist Federal Republic of Yugoslavia and were a basis of erosive movements at the beginning of the 1990s that led to a bloody conflict. Relations among the Yugoslav nations under the rule of Josip Broz Tito are described. The situation in the federation on the threshold of war is analyzed with emphasis on the decisions of the political elite of those times who perceived armed conflict as instrumental in implementing the ideas of creating independent political organisms. The course of the 10-day war that led to the emergence of Slovenia as an independent state, is outlined. The endeavors of political decision makers to create a nationally homogeneous Croatia to the exclusion of the vital interests of the Serbian minority inhabiting compact enclaves in the region of the Military Frontier and Slavonia are discussed. The character of the war in Bosnia and Herzegovina is shown through a description of the besieged Sarajevo, a divided Mostar, the balance of wrongs experienced by inhabitants of Bosnia due to atrocities committed by all the warring parties.*



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## Stabilizacja nieładu i destabilizacja ładu Kryzysy humanitarne wywołane działalnością człowieka część I

[Disorder stabilisation and order destabilisation
Humanitarian crises caused by human activity, part 1]

**Joanna Dobrowolska-Polak, Editor**

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Humanitarian crises resulting from human activities are major threats to global security. They constitute a serious challenge to security policy of a state, its allies and partners.

The international community has instruments to ensure stabilisation: soft power of diplomacy, international sanctions, peacekeeping missions, military interventions and humanitarian aid. They constitute a comprehensive set of measures available to global powers and international organisations. However, in regions plagued by humanitarian crises, comprehensive stabilisation missions (preventing massive violations of human rights, enforcement of truce, restoration of peace and foundations of statehood, delivery of essential humanitarian goods) are held only occasionally. In most cases, different countries and organisations pursue fragmentary actions; sometimes their operations redundantly double; and often they are passive in face of humanitarian crises.

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The authors of papers included in this volume try to assess the impact of states and international organisations on areas of armed conflicts and failed states' territories and, vice versa, the impact of humanitarian crises on international and national security. They mostly focus on security policy of countries in the Euro-Atlantic region in relation to third countries outside the region, including the existing (and being shaped) security policies of international organisations, namely NATO and the European Union. Other issues discussed are socio-economic and political-military consequences of armed conflicts and consequences of failed states for stability, peace, and security in the Euro-Atlantic region and globally.

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# CYBER THREATS AT THE BEGINNING OF THE 21ST CENTURY

The very concept of cyberspace was popularised by *Neuromancer*, a science fiction novel by William Gibson. His *cyberspace* referred to a world of digital networks where interests of huge corporations clashed. Along with advancements and dissemination of information technologies, the word was adopted by academics. Cyberspace is a new dimension of human activity which Pierre Lévy defined as the new medium of communications that arouse through the global interconnection of computers. It is an open space where human beings communicate, and a network of IT memories. Another definition offered by Marie Laure Ryan emphasises that cyberspace is a virtual reality generated by machines.[1] Initially, IT networks were primarily used by research and military institutions. With the launch of the PC and the Internet, the importance of cyberspace started to grow rapidly. The process of computerisation and digitalisation began to include increasingly more areas of states' and societies' operations and activities. Regardless of enormous advantages of the above, the processes initiated were to bring about serious threats. Originally, they were single attacks by individuals for whom hacking was a hobby. Over time, however, the nature of that activity has changed. At the turn of the 21st century, hackers began to organise themselves in independent groups increasingly supported by state governments. The once petty cases of breaking into computer systems gradually evolved to orchestrated actions of groups of programmers collaborating with secret services, the aim of which was to obtain a specific political, economic or military advantage. Moreover, on-line attacks did not focus on websites only; increasingly often, they targeted servers and networks of critical importance to the functioning of state structures. Thus, at the beginning of the 21st century, cyberspace became an arena of activities that threaten not only the security of classified information but also the functioning of critical infrastructure.[2] Therefore, it is worth to consider measures taken by states and international organisations to adapt to the new security situation at the turn of the first and second decade of the 21st century.

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[1] M. Lakomy (2010), *Znaczenie cyberprzestrzeni dla bezpieczeństwa państw na początku XXI wieku*, "Stosunki Międzynarodowe" No. 3-4, p. 56.

[2] *Ibid.*, p. 56.

## NEW CHALLENGES FOR NATIONAL CYBERSECURITY AT THE TURN OF THE 21ST CENTURY

Activities of both states and non-state groups in cyberspace can generally be divided into three groups: cyber terrorism, cyber espionage, and the use of cyberspace for military purposes.

Cyber terrorism is usually defined as an attack on computers, networks and/or information systems, aimed at achieving a specific political advantage. Already in the 1980s, both the United States and the Soviet Union made first attempts to use cyberspace to that end. However, the attempts were sporadic cases of relatively minor importance. In the 1990s, the situation changed somewhat due to the Internet popularisation and digitalisation of increasingly more areas of life. First threats were generally caused by hobbyists who developed computer viruses. In the second half of the 1990s, the number of hacking attacks on computer networks and government institutions grew. Hacking attacks were performed not only by individual hackers, but organised crime groups as well. In the first decade of the 21st century, cyberspace began to be exploited by states. Groups of hackers hired by governments to accomplish certain tasks in the Internet began to play a special role.

The turning point in the debate on cyber threats were undoubtedly events in Estonia in April 2007. Then, a heated political debate between Tallinn and Moscow on the removal of a Soviet war memorial led to a massive attack on the Estonian Internet. Groups of Russian hackers, who used the so called botnet[3], paralysed not only most important public and private institutions, but also, inter alia, the banking system. The scale of their attack was unprecedented. Though, according to experts, the on-line attack on Estonia resembled more "cyber riots" than a "cyber war", it proved the growing importance of information and communication networks for the state security.[4]

The growing importance of cyber terrorism in state politics was further confirmed during the Russia-Georgia War in 2008. During that armed conflict, for the first time the potential of cyberspace was exploited in addition to traditional instruments of warfare. Like in the case of Estonia, throughout almost the entire period of the conflict, Russian hackers associated in the *Russian Business Network* were able not only to block websites of the Georgian government, academic institutions and major mass media, but also communication infrastructure, e.g. mobile VoIP. On the official website of President of Georgia Mikhail Saakashvili, they posted materials accusing Tbilisi of starting the war. The photo of the president was replaced with

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[3] Botnet is a group of PCs infected with malware and covertly controlled by a group of hackers. B. Łącki, *Botnet od podszewki (Botnet inside out)* Heise Security,13.06.2007. http://www.heise-online.pl/security (accessed 25.01.2011).

[4] S. Waterman, *Who Cyber Smacked Estonia,* 11.06.2007, http://www.upi.com/Business_News/Security-Industry/2007/06/11/Analysis-Who-cyber-smacked-Estonia/UPI-26831181580439/ (accessed 25.01.2011).

a photo of Adolf Hitler, which had a strong propaganda effect. During the war, Russians proved their very high potential in cyberspace operations which enabled them to effectively block the Georgian government's efforts to inform the world about events in South Ossetia. The Georgian Minister for Foreign Affairs was forced to use a Google blog. President Saakashvili also faced similar problems not being able to contact journalists wanting to interview him by phone. The events in the Caucasus in August 2008 have been called the "second cyber war", during which the ICT space was massively used against another country. According to Kevin Coleman, an expert in cybersecurity, the above proved that this new aspect of state security could not have been ignored any longer. Cyberspace has become an integral part of modern armed conflicts. Bill Woodcock shares Coleman's view, emphasising that cyber attacks are extremely dangerous, cheap and easy to mount, and will remain a feature of modern warfare.[5] Interestingly, the third "cyber war" started only a few months later. In early 2009, there were massive cyber terrorist attacks in Kyrgyzstan. The reason for blocking almost the entire Kyrgyz Internet, again by Russian hackers, was a discussion held in that country on the US future access to a military base.[6]

The emergence of new cyber terrorist threats was also confirmed by the events in Iran. As experts point out, Israel has developed the most advanced computer virus ever, designed specifically to paralyse Iran's nuclear power plants. The worm, called Stuxnet, was introduced to computer systems in plants in Natanz and Bushehr by Russian subcontractors. Due to its highly complex design, the worm successfully interrupted the operation of uranium enrichment centrifuges which, in some opinions, effectively slowed down the Iranian nuclear programme. The exceptionality of the Stuxnet worm consists in its highly specialized malware payload. It has been designed solely to attack computer systems that control industrial processes in nuclear power plants and tinkers feedback software concealing its existence.[7] It needs to be added that increasingly often cyberspace is used by terrorist organisations. For example, at the beginning of the 21st century, possibilities of computer attacks for the purpose of propaganda, training, and recruitment were examined by Al-Qaeda and Hezbollah.[8]

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[5] J. Markoff, *Before the Gunfire, Cyberattacks, "*The New York Times" 12.08.2008; K. Coleman, *Cyber War 2.0 -Russia v. Georgia,* DefenseTech, 13.08.2008. http://defen-setech.org (accessed 12.03.2011); M. Lakomy (2010), *Znaczenie cyberprzestrzeni...,* p. 61.

[6] K. Coleman, *Russia Now 3 and 0 in Cyber Warfare,* DefenseTech, 30.01.2009. http://defensetech.org (accessed 12.03.2011).

[7] A. Aneja, *Under cyber-attack, Iran says, "*The Hindu" 26.09.2010; *Stuxnet heralds age of cyberweapons, virtual arms race, "*Homeland Security Newswire" 27.01.2011, http://homeland-securitynewswire.com (accessed 01.03.2011); *To był izraelski cyber-atak na Iran*, Dziennik.pl, 01.10.2010, http://wiadomosci.dziennik.pl (acccessed 01.03.2011).

[8] S. Moćkun (2009), *Terroryzm cybernetyczny - zagrożenia dla bezpieczeństwa narodowego i działania amerykańskiej administracji*, Raport Biura Bezpieczeństwa Narodowego, Warsaw, July, p. 2; M. Łapczyński (2009), *Zagrożenie cyberterroryzmem a polska strategia obrony przed tym zjawiskiem*, "Pułaski Policy Papers" No. 7, p. 1; P. Sienkiewicz, *Wizje i modele wojny informacyjnej*, in: L. H. Haber (ed.) (2003), *Społeczeństwo informacyjne - wizja czy rzeczywistość?*, Kraków, pp. 376-377.

Cyber espionage can be defined as an attempt to steal classified information from servers or networks of both public and private institutions. The People's Republic of China plays a special role here, since it was the first country to use computer hacking on a large scale to obtain new technologies and secret information. Already in 2003-2005, Chinese hackers carried the *Titan Rain* operation which consisted in a series of attacks on servers of research and military institutions in the United States. Hackers stole the project data on the next generation *F-35 Joint Strike Fighter*. In another series of cyber attacks carried in the late 1990s and known as the *Moonlight Blaze*, Russian hackers targeted a number of servers of American research and military institutions, stealing, inter alia, information about the American missile system.[9]

In 2008, the most serious hacking attack ever targeted US military networks. Probably Russia was involved. No information was disclosed about the volume of secret information lost, but the incident must have had serious consequences as it took American programmers 14 months to remove the malware.[10] Around the same time, another serious attack was carried out by a group of Chinese hackers called *GhostNet*. They broke into nearly 1,300 computers of governmental institutions, corporations and research institutions in 103 countries. Considering its geographical range, it has been the largest spy attack carried out via the Internet.[11] Further increase in China's activities was proved by the *Aurora* operation carried out in the second half of 2009. Chinese programmers attacked servers of about 20 US corporations, including Google, Yahoo and Symantec, to gain access to new technologies.[12]

Last but not least, there is the possibility of using cyberspace in armed conflict conditions. In the mid-1990s, J. A. Warden recognised communication networks to be the fifth component of armed combat.[13] Already during the war in Kosovo, there were cyber incidents but they were of practically no significance. It was in Georgia, in 2008, where massive cyber attacks were carried out in armed conflict conditions. The attacks by Russian hackers, however, had political and propaganda purposes mainly. That is why, they are usually classified as instances of cyber terrorism.

The enormous potential of using cyberspace while conducting military operations was demonstrated by Israel in September 2007. The IDF Air Force carried out the operation *Orchard*, the aim of which was to destroy a Syrian nuclear facility of a military purpose. The airstrike was successful as IDF aircrafts were not detected by the Syrian anti-aircraft defence system. This was possible because the Syrian air defence network was compromised by a computer virus introduced by the Israelis. It

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[9] M. Łapczyński (2009), *Zagrożenie cyberterroryzmem...,* p. 1; P. Sienkiewicz, *Wizje i modele...,* pp. 376-377.

[10] W. J. Lynn III, *Defending a New Domain,* "Foreign Affairs" September/October 2010.

[11] S. Adair, R. Deibert, G. Walton, *Shadows in the Cloud: Investigating Cyber Espionage 2.0,* "Information Warfare Monitor" Shadowserver Foundation, 06.04.2010.

[12] K. Jackson Higgins, *'Aurora' Attacks Still Under Way, Investigators Closing in on Malware Creators, "*Dark reading" 10.02.2010, http://www.darkreading.com (accessed 10.03.2011).

[13] J.A. Warden (1995), *Enemy as a System,* "Airpower Journal" No. 9, pp. 40-55.

enabled the IDF to control Syrian radars, so that IDF aircrafts remained undetected while flying over Syria. That event clearly proved that cyberspace could be successfully used in an armed conflict. It was the use of the telecommunication space which made it possible, i.e. to achieve a result that would be almost impossible with traditional methods.[14]

To recapitulate, in the first decade of the 21st century, cyber threats to the security of states started snowballing. They are not only incidental events caused by a single person or small groups of programmers, but increasingly often they are massive, organised attacks motivated and/or carried out by national governments to achieve some political, military or economic advantage.

## PERCEPTIONS OF CYBER THREATS IN SECURITY POLICIES OF SELECTED INTERNATIONAL ACTORS

Focusing on the threats discussed above, it is worth to consider how, in the early 21st century, the issue of cybersecurity has been addressed by most prominent actors in the international arena. Certainly, the leader in the fight against cyber threats is the United States which, currently, experiences the largest number of hacker attacks in the world. In 2008, the servers of the Department of State were attacked nearly six million times per day, which clearly illustrates the scale of the problem.[15] As it was mentioned earlier, US intelligence service made their first steps in cyberspace in the 1980s, but they had a symbolic meaning only and did not meet with the interest of policy makers. The scale of cyber threats, however, was recognised in the US relatively early, i.e. in January 1995. The US Department of Defense established the *Information Warfare Executive Board* responsible for protecting US interests in the ICT environment. Moreover, it was also in the US where the research on the effects of the use of cyberspace in a traditional armed conflict began. The turning point for the US cyber security policy was certainly the presidency of George W. Bush, whose administration published *The National Strategy to Secure Cyberspace* in February 2003. In the document it was recognised that securing cyberspace was a strategic challenge for the United States. The document also read: "Of primary concern is the threat of organized cyber attacks capable of causing debilitating disruption to our Nation's critical infrastructures, economy, or national security". The American strategy had 5 priorities:

– development of a *National Cyberspace Security Response System*, including both state and private entities;

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[14] D.A. Fulgham, *Why Syria's Air Defense Failed to Detect Israelis,* "Aviation Week and Space Technology" 03.10.2007.

[15] M. Łapczyński (2009), *Zagrożenie cyberterroryzmem...,* p. 1; P. Brągoszewski (2007), *Świat żywych trupów,* "PC World" May.

- introduction of a National Cyberspace Security Threat and Vulnerability Reduction Program based on the cooperation of particular state agencies and a system of analysing the regularity of attacks in ICT networks,
- promotion of a national Cyberspace Security Awareness and Training Program, aimed at making Americans aware of Internet threats;
- introduction of new technological solutions securing government cyberspace;
- fostering cooperation in the field of cyber security not only between different government agencies but also with other countries in the so-called Safe Cyber Zone.[16]

The true turning point in American cyberspace security policy and in other countries' policies, however, was the "first cyber war" in Estonia. In January 2008, experts began to develop the Comprehensive National Cybersecurity Initiative which was to be a coherent response of the US government to Internet threats. The CNCI consisted of 12 separate projects, addressing, inter alia, deployment of intrusion detecting systems identifying unauthorized users' attempt to gain access to government networks, development of R&D projects on cybersecurity and coordination of research in this area. An extensive report prepared for Barack Obama by the Center for Strategic and International Studies (CSIS) December 2008 should also be mentioned. The document reads that cyber threats are major challenges to the state security in the 21st century. In its authors' opinion, a new strategy is needed that would include not only traditional political, economic, and military components, but cybersecurity issues too. In their view, the fight against cyber threats should be multidirectional. Firstly, due to the nature of the threats, government agencies should cooperate with the private sector. Secondly, the government should establish minimum security standards for telecommunication networks to ensure that core services in cyberspace will continue to be provided. Thirdly, the US should develop technologies which will identify web users better. Fourthly, the US legislation should be updated since the existing provisions have not efficiently provided for cybercrime cases. Fifthly, the US administration should purchase necessary ICT technologies. Last but not least, the US should conduct research and educational programmes strengthening the US leadership in cyberspace.[17]

President Barack Obama has largely followed the above mentioned recommendations and cybersecurity has become a priority for the new administration. One of first decisions taken by Obama was to appoint the US Cybersecurity Coordinator and create the Cybersecurity Office within the National Security Staff. The work of the new entity resulted in a report titled "Cyberspace Policy Review", which defines key objectives of US cyber security policy including establishment of structures needed to combat cybercrime, appointment of an official to ensure privacy and civil liberties

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[16] M. Lakomy (2010), *Znaczenie cyberprzestrzeni*..., pp. 61-64.

[17] *Securing Cyberspace for the 44th Presidency: A Report of the CSIS Commission on Cybersecurity for the 44th Presidency*, Center for Strategic and International Studies, December 2008. http://csis.org/files/media/csis/pubs/081208_securingcyberspace_44.pdf .

in cyberspace, initiatives raising public awareness about on-line threats and development of crisis response plans to counter attacks in American cyberspace.[18]

A direct outcome of the conceptual work, which began in 2008, was that new entities and structures were established to protect American cyberspace. The Department of Homeland Security and the National Security Agency have established a unit composed of ca. 2000 computer experts whose task is to conduct both defensive and offensive operations in cyberspace. Moreover, the National Cyber Security Division was established which is part of the Department of Homeland Security. Its task is to monitor, analyse, and protect the American Internet. The most important decision, however, was the creation of the United States Cyber Command in June 2009. Its tasks include, inter alia, coordination of the US defence network in cyberspace and carrying out attacks. The command consists of e.g. the 10th Fleet and the Marine Corps Forces Cyberspace Command. [19] An interesting result of the conceptual work on cybersecurity was a provision that in the case of an attack on network servers crucial to the state interest, the US administration may cut off some telecommunication networks.[20] Despite the above efforts, according to Mike McDonnell, a former US National Intelligence Director, the US still does not have the capacity sufficient to defend itself against most serious attacks on, for example, its critical infrastructure components.[21]

Not long ago, cyberspace threats have been recognised also by decision-makers in Poland. Like in other countries, the turning point were the events in Estonia and Georgia, which demonstrated that the risk of a conflict outbreak in cyberspace is high. First references to cybersecurity were made in the 2007 *National Security Strategy of the Republic of Poland* but they were fairly general. Taking into account the experience of Estonia and Georgia, and the systematically increasing number of attacks in the Polish Internet, in 2008 the Internal Security Agency took steps to review the security status of servers and websites of government institutions. The next step was the *Governmental Programme for the Protection of Cyberspace in Poland for the Years 2009-2011* approved on 9 March 2009. Its introduction reads that cyber terrorism has now become a key and growing form of terrorist attacks. The general objective of the programme was to raise the level of the state's cyberspace security. Specific objectives included e.g. improvement of Poland's critical ICT infrastructure security, development and implementation of a single cyberspace security policy for all state institutions, reduction of a cyber attack impact, development of a sustainable coordination system covering the private sector and government institutions, widening of cybersecurity competences of entities involved in the protection of the state

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[18] M. Lakomy (2010)*, Znaczenie cyberprzestrzeni...*, pp. 64-65.

[19] *Memorandum for Secretaries of the Military Departments*, The Secretary of Defense, Washington D.C., 23.05.2009.

[20] T. Romm, *NCTA praises Rockefeller-Snowe cybersecurity bill*, "The Hill" 18.03.2010.

[21] M. Bosacki, *Cyberwojna: Chiny vs USA*, "Gazeta Wyborcza" 02.02.2010.

infrastructure, and raising the awareness of users of ICT networks in that regard.[22] The document was, in fact, the very first national strategy which comprehensively addressed the cybersecurity issue.

In June 2010, experts of the Ministry of Defence, Internal Security Agency, Border Guard, and the Research and Academic Computer Network NASK completed their work on a document covering the government's plans for the next six years. *The Government Cyberspace Protection Programme of the Republic of Poland for 2011-2016* has been much improved in comparison to the previous programme. In the preface, the authors wrote: " In the face of globalization, the cyberspace security has become one of the key strategic objectives in the area of security of each country." According to the authors, in the 21st century, the thin line between peace and war becomes increasingly more conventional. In consequence, there is an increasing need for cooperation between public (military) and private (civilian) sectors. Provisions of the new programme cover not only ITC systems and networks belonging to state institutions but also those of companies of strategic importance to the state, and natural persons using the cyberspace. Interestingly, the document does not cover classified ICT networks and systems, the protection of which is regulated by separate provisions. Unlike in the earlier version, key terms were defined:

- cyberspace - a space of processing and exchanging information created by the ICT systems;
- cyber terrorism – an offence of a terrorist nature committed in cyberspace;
- cyber attack – an intentional disruption of the proper functioning of cyberspace;
- incident - a single event or a series of adverse events related to information security;
- critical ICT infrastructure – critical infrastructure distinguished within communication and ICT systems.

The strategic objective of the document is to achieve an acceptable level of cyberspace security of the state. Specific objectives include:

- increasing the level of security of the state ICT infrastructure;
- improving the capacity to prevent and combat threats from cyberspace;
- reducing the impact of incidents threatening the ICT security;
- determining the competence of entities responsible for the security of cyberspace;
- creating and implementing a coherent system of cyberspace security management for all government administration entities and establishing guidelines in this area for non-state actors;
- creating a sustainable system of coordination and exchange of information between the entities responsible for the security of cyberspace and the cyberspace users.

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[22] *Rządowy program ochrony cyberprzestrzeni RP na lata 2009-2011(Governmental Programme for the Protection of Cyberspace in Poland for 2009-2011*), CERT, Warsaw, March 2009, www.cert.gov.pl (accessed 02.02.2011).

– increasing awareness of the cyberspace users of the methods and safety measures in cyberspace.

The programme implementation is the responsibility of the Ministry of the Interior (and Administration), Ministry of Defence, National Security Agency, and the Military Counterintelligence Service. Major objectives of the programme include:

– making relevant state authorities obliged to report the risks and problems encountered in cyberspace to the Ministry of the Interior;
– taking legislative measures to adapt present legislation to tasks set out in the programme;
– reorganising the existing national cyberspace infrastructure to its full potential;
– education of current and future ICT users;
– technological advances aimed at reducing cyber threats;
– identification of entities responsible for the protection of Poland's cyberspace;
– legal recognition of the Governmental Computer Security Incident Response Team (CERT);
– appointment of the Intra-Government Coordination Team for the Protection of Poland's Cyberspace;
– appointment of plenipotentiaries for the protection of cyberspace in organisational units of government administration;
– introduction of ICT security topics as a permanent element of higher education to ensure a supply of qualified personnel;
– providing training to civil servants;
– conducting social campaigns aimed to raise awareness of the risks appearing in cyberspace;
– undertaking national research programmes on cyber security issues;
– expansion of cyberspace incident response teams, early warning emergency systems, and on-going testing of security measures;
– development of Computer Security Incident Response Teams (CERT) in government administration;
– preparation of Continuous Action Plans.[23]

The document has as many as 26 attachments addressing, inter alia, the development of CERTs and the Internal Security Agency's cooperation with NATO. This programme has been thus significantly improved as compared to the 2009-2011version. It seems that it constitutes a proper response to the most serious challenges for Poland's ICT security.

The most significant outcome of the government's interest in cyber security issues was the decision of 1 February 2008 to appoint the Government Computer

[23] Cf. *Rządowy Program Ochrony Cyberprzestrzeni Rzeczpospolitej Polskiej na lata 2011-2016,* Ministry of Interior and Administration of the Republic of Poland, Version 1.1., Warsaw, June 2010, and *Cyberspace Protection Policy of the Republic of Poland*, Ministry of Administration and Digitisation, Internal Security Agency, Warsaw, 25 June 2013, https://mac.gov.pl/wp-content/uploads/2013/06/Polityka-Ochrony-Cyberprzestrzeni-RP_wersja-ang.pdf

Security Incident Response Team (CERT), established under the agreement between the Ministry of Interior (and Administration) and the Internal Security Agency. The CERT tasks include: coordination of the incident response process, publishing announcements concerning security threats, resolving and analysing incidents (including collection of evidence by a team of forensics), publishing notifications (security bulletins), coordination of responses to security weak spots, detection of incidents in networks protected by the ARAKIS-GOV system and administering security tests. It should be noted here that responsibilities of the CERT covers only government servers and the state critical infrastructure.[24] In August 2009, plans to establish the first Polish military unit designed to operate in cyberspace and protect the Ministry of Defence and military commands against cyber attacks, were disclosed. In mid-2010, the Cyber Security Centre was established as part of the 9th Signal Battalion in Białobrzegi, the operation of which is strictly confidential. In 2010, there was also some information that the Ministry of Defence foresees establishment of the first "digital" battalion of the Polish army.[25] The government also plans to appoint a plenipotentiary for cyberspace security, whose main task will be to coordinate the work of all departments involved in the protection of ICT networks.[26] The signing of the Poland-US agreement on the exchange of information and network security on 21 June 2010, was another important event demonstrating Poland's growing interest in cyberspace. Director General of the Ministry of National Defence Jacek Olbrycht commented on the event as follows: "I am deeply convinced that the agreement will allow both parties to increase the capabilities of prevention, detection, and reaction to cyber attacks, as well as ensure appropriate protection of information being processed in information and communication systems.".[27]

NATO has also recognised the importance of cyberspace, which was primarily due to the events in Estonia in 2007. NATO's first response to the Estonian crisis was to send a group of its best experts on cybersecurity to Tallinn. At the time it was questionable as allies' obligations under Article 5 of the North Atlantic Treaty of 1949 do not cover cyberspace. Only after those events, NATO Secretary-General Jaap de Hoop Scheffer declared that the Alliance would include cyber security issues into its new strategy. The Estonian crisis met with a concrete response in 2008 when the decision to establish a new NATO Cooperative Cyber Defence Centre of Excellence (CCD CoE) in Tallinn was taken. Its mission is to conduct research on cyber warfare. The following countries have participated in the work of the Estonian CoE:

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[24] M. Lakomy (2010), *Znaczenie cyberprzestrzeni...,* pp. 64-65.

[25] *Wojsko polskie tworzy cyfrowy batalion,* Polskie Radio, 01.12.20101, http://www.polskieradio.pl (accessed 02.02.2011); *Armia ma sposoby na ataki hakerów,* Newsweek.pl, 01.12.2010, http://www.newsweek.pl (acccessed 02.02.2011).

[26] S. Czubkowska, *Polska cyberprzestrzeń będzie pod specjalnym nadzorem,* Forsal.pl, 14.09.2010, http://forsal.pl (accessed 10.02.2011).

[27] *Polish-US MoU on information exchange and network security*, Ministerswtwo Obrony Narodowej, 21.06.2010.

United States of America, Slovakia, Italy, Spain, and the Baltic States.[28] Cyber security issues were fully regulated in the new NATO's *Strategic Concept*, adopted at the Lisbon Summit in November 2010. It provided for the fact that cyberspace terrorism is a major threat to the security of NATO member states in the 21st century. As cyber attacks become increasingly more frequent, more organised and harmful to government administrations, businesses, economies and potentially also to transportation and supply networks and other critical infrastructure, they may reach a threshold beyond which they will threaten both national and Euro-Atlantic stability and security. That is why, the Heads of State and Government of the NATO member states have declared that NATO needs to develop instruments that will allow it to respond to any kind of threat. It has been decided that NATO will develop its capacities to prevent, detect and defend against cyber attacks, inter alia, by coordinating activities of government agencies and bringing all NATO bodies under centralised cyber protection.[29] As of today, NATO's cyber defence policy is based on four pillars:

- coordination and advising on cyber defence which has included the establishment of the Cyber Defence Management Authority (CDMA), headed by the Cyber Defence Management Board, consisting of the heads of the agencies of member states involved in ensuring cybersecurity. The main task of this institution is to coordinate activities of member states in area of NATO ICT data networks' protection;
- research and training: they take place at the CCD CoE established in Tallinn, which is part of NATO's new Emerging Security Challenges Division. It consists of ca. 30 professionals;
- assistance to member states: the Alliance has been developing mechanisms to provide immediate assistance to the states that fell victim of attacks in cyberspace using Rapid Reinforcement Teams (RRT), i.e. groups of experts in cyber defence. The support provided to Estonia in 2007 was a manifestation of this policy;
- cooperation with other international partners and organisations: exchange of experience and information, and - in some cases - mutual assistance.[30]

The importance of this dimension of security for the Alliance was confirmed by consultations between US Deputy Secretary of Defense William J. Lynn and representatives of NATO and its member states held in January 2011 in Brussels. During the talks, the importance of cooperation between government agencies and private sector entities was strongly underlined.[31]

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[28] C. C. Chivvis (2009), *Considerations on NATO's Future Direction,* "Politique étrangère" No. 4, p. 65.

[29] *Strategic Concept for the Defence and Security of the Members of the North Atlantic Treaty Organisation,* Adopted by Heads of State and Government, NATO, Lisbon, 19.11.2010.

[30] *NATO's cyber defence policy and activities,* North Atlantic Treaty Organisation, http://www.nato.int (accessed 04.02.2011).

[31] J. Garamone, *Lynn Discusses Cybersecurity with NATO, U.S. leaders,* U.S. Department of State, American Forces Press Service, 24.01.2011.

Until 2010, the European Union showed little interest in solutions in this area. In 2010, it intensified its work on a strategy to prevent cyber threats. The European Commission plays a special role in that respect since it is working on a package of legislation governing this security dimension. One of the European Commission's proposals is to, inter alia, provide for a full penalisation of all hacking software used in cyber attacks.[32] The EU body dealing with cyber security is the European Network and Information Security Agency ((ENISA), established in 2004. Its main task is to support member states, the European Commission, and the private sector in foreseeing, preventing, and responding to threats emerging in ICT networks. Some prerogatives in this area belong to the Joint Research Centre which, in 2010, organised with ENISA the first European simulation of a cyber attack.[33] The EU project called FISHA (A Framework for Information Sharing and Alerting) is also worth mentioning. Its main objective is to develop a European Information Sharing and Alert System, a pan-European system for sharing information relevant to the IT network data security.[34]

Also countries outside the Euro-Atlantic area do develop their potential in cyberspace. A good example of a modern approach to the ICT security issue is Israel. According to Israeli Military Intelligence chief Amos Yadlin, using computer networks for espionage is as important to warfare today as the advent of air support was to warfare in the 20th century and Tel Aviv has a military unit dedicated solely to carry battles in a cyberspace environment. Cyberspace has become a new tool in the hands of the IDF. In addition to military response teams fighting cyber attacks, Israel has also at its disposal specialists working for the intelligence of *Szin Bet, Mossad*, and - strikingly – for the Ministry of Finance. This, however, is not a complete list of entities involved in this particular dimension of the state security. In April 2011, Israel's government apparently planned to establish another special unit dedicated exclusively to combating acts of cyber terrorism. The unit would support the existing structures of Israeli intelligence. This information speaks for Tel Aviv being among world leaders in the field of cyber security solutions. The factor facilitating the development of Israel's potential is certainly the high advancement of technologies developed in this country, especially in the area of computer and communications systems security. It was probably Tel Aviv which developed the Stuxnet virus and successfully used it to compromise Syrian radars in September 2007, which proves the advancement level of Israeli solutions.[35]

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[32] M. Chudziński, *KE boi się ataków DDoS*, "Dziennik Internautów" 06.12.2010, http://di.com.pl (acccessed 09.02.2011).

[33] M. Maj, *Pierwsza europejska symulacja cyberataku,* "Dziennik Internautów" 05.11.2010, http://di.com.pl (accessed 09.02.2011); *UE: Nowym prawem w cyberprzestępczość*, "Dziennik Internautów" 01.10.2010, http://di.com.pl (accessed 09.02.2010).

[34] *CERT Polska w projekcie FISHA,* "Dziennik Internautów" 01.04.2010, http://di.com.pl (accessed 09.02.2011).

[35] D. Eshel, *Israel Adds Cyber-Attacks to IDF,* "Aviation Week DTI" 10.02.2010; *Israel May Create Elite Cyber Security Unit*, eSecurity Planet, 07.04.2011, http://www.esecurityplanet.com (accessed

Apart from the United States, NATO and Israel, other actors highly relevant to cyberspace security are, of course, Russia and China. According to McAfee corporation experts, Russia and China are most advanced in their work on a "cyber weapon", i.e. a software capable of paralysing ICT networks of other countries. Although little information on the subject has been disclosed by their governments, some data has been published in the media and special reports. The approach of the Russian Federation to cyberspace has been aptly expressed by General Sherstuyuk who heads the Russian Institute for Information Security Issues. While interviewed about whether Russia has been working on the development of a cyber weapon, he replied: "It is not only Russia. It's just the 21st century. It is because of the high technology." As the former general said, Russia's IT security policy is mainly focused on combating threats posed by terrorist groups. It is true that the Russian cyberspace has not yet experienced serious acts of cyber terrorism, but -as he said - a serious threat is the use of the Internet by organised groups of fundamentalists to recruit new members and organise and plan assaults.[36] In fact, the Russian Federation has been one of the first countries to propose signing an international agreement on arms control in cyberspace.[37] It is known unofficially that Russia has been long developing its offensive capabilities in cyberspace. The Russian potential was demonstrated by events in Estonia, Georgia and Kyrgyzstan, where Russia proved that it belongs to world powers in this field. Kevin Coleman, an expert of DefenseTech, while referring to the problem, stated that "Russia has advanced capabilities […] necessary to carry out a cyber attack anywhere in the world at any time.". He believes that the Kremlin allocates ca. USD 127 million to its Cyber Warfare Budget annually and employs approximately 7300 experts as its cyber force. According to Coleman, its strongest assets consist in the BotNet and the advanced malware, including viruses and worms ("cyber logic bombs"), Trojans, and other tools designed for e-espionage.[38] Russia's activity in cyberspace is based on the so-called Russian Business Network, which controls the world's largest BotNet with between 150 and 180 million nodes, according to DefenseTech. This again proves Moscow's great potential in cyberspace.[39]

China has a similar potential proved by its capability by carrying out several, successful attacks on US networks in public and private sectors. As in the case of the Russian Federation, there is little official information on China's cyber security policy. First of all, it should be noted that the PRC is one of the few countries where the usage of the Internet is very highly controlled. The basic principle of China's

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08.04.2011); D. Lev, *Experts: Israel's Cyber-Defense Can Stop Stuxnet Worm,* "Israel National News" 04.10.2010, http://www.israelnationalnews.com (accessed 08.04.2011).

[36] D. Talbot, *Russia's Cyber Security Plans,* "Technology Review" MIT, 16.04.2010.

[37] J. Markoff, A. E. Kramer, *In Shift, U.S. Talks to Russia on Internet Security,* "The New York Times" 12.12.2009.

[38] K. Coleman, *Russia's Cyber Forces,* DefenseTech, 27.05.2008, address: http://defen-setech.org (accessed 04.02.2011).

[39] K. Coleman, *Russia Now 3 and 0 in Cyber Warfare,* DefenseTech, 30.01.2009, http://defensetech.org (accessed 05.02.2011).

cyber security policy is, at least officially, to combat computer incidents and illegal and malicious software. Only in 2010, over 460 people were arrested there and charged with participating in computer hacking. Beijing has also supported a number of international initiatives aimed at controlling the use of the Internet, to mention the Resolution 57/539 of the UN General Assembly on *Creation of a global culture of cybersecurity*. Another manifestation of China's activity was the 2009 ASEAN-China framework agreement on network and information security emergency response.[40] At the same time, China's white information needs to be distinguished from actions actually taken by China. According to DefenseTech experts, today China's potential in cyberspace is the second highest in the world. Although only around 55 million dollars is allocated to its development, this is compensated by a large group of top IT experts working for the government, i.e. about 10 thousand people. According to Kevin Coleman, the strongest assets of the Chinese potential, as in the case of Russia, include: advanced large BotNet and highly advanced malware of all types. Furthermore, in his opinion, it is China which now is the most serious threat to cybersecurity of Western countries.[41] The growing capabilities of the PRC can be further proved with the Chinese plan of action in cyberspace in the event of war against the United States, disclosed by "The Sunday Times." The plan includes not only crippling US financial or ICT capabilities but also for paralysing the US aircraft battle carrier fleet with a cyber attack.[42]

One should also remember that both Iran and North Korea have increasingly larger capabilities in cyberspace. The regime in Pyongyang has repeatedly been accused of carrying out attacks against South Korean and US websites. The most serious attack took place in July 2009. It is estimated that 18 thousand computers and 11 government websites were infected in South Korea alone. According to the American Enterprise Institute's expert Nicholas Eberstadt, that attack has proved that North Korea tries to complement its nuclear potential with its offensive capacity in cyberspace.[43] It is estimated that Pyongyang employs about 12 thousand computer experts and spends around USD 56 million per year on its activities in cyberspace. Experts have ranked North Korea eighth among all countries with such capabili-

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[40] *China's Cybersecurity and Pre-Emptive Cyber War*, China Defense Mashup, 13.03.2011, http://www.china-defense-mashup.com (accessed 04.02.2011); *China's Faltering Cybersecurity Efforts Offer Chance for Engagement*, China Defense Mashup, 10.12.2010, http://www.china-defense-mashup.com (accessed 04.02.2011).

[41] K. Coleman, *China's Cyber Forces*, DefenseTech, 08.05,2008, http://defensetech.org/2008/05/08/chinas-cyber-forces/.

[42] T. Reid, *China's cyber army is preparing to march on America, says Pentagon*, "The Sunday Times" 08.09.2007. More on the American-Chinese conflict in cyberspace in: C. Bartholomew, L.M. Wortzel, *Report to Congress 2009*, U.S.-China Economic and Security Review Commission; N. Hachigan (2001), *China's Cyber-Strategy*, "Foreign Affairs" March/April.

[43] D. Kirk, *What's behind cyber attacks on South Korea, US?*, "The Christian Science Monitor" 08.07.2009; S. Gorman, E. Ramstad, *Cyber Blitz Hits U.S., Korea,* "The Wall Street Journal" 09.07.2009.

ties.[44] The policy of Iran is similar and Iran is one of five states capable of waging war in cyberspace according to CIA. Operations of the Iranian Cyber Army (ICA) testify to the skills of Iranian experts. It regularly attacks US and European servers. During one of such attacks, in October 2010, the hackers targeted over a thousand French, British and American websites.[45] The ICA has one of the largest BotNet of around 400 thousand personal computers.[46] According to DefenseTech, Iran has about 2400 computer experts working for the Islamic Revolutionary Guards. Their budget is, according to Kevin Coleman, around USD 76 million.[47] Moreover, in early 2011, Iran established a special police unit dedicated to trace on-line crimes. That event also testifies to the advancement of Iranian solutions.[48]

## CONCLUSIONS

Cyber threats that have emerged along with the processes of computerisation and dissemination of the Internet, keep evolving. At first, there were relatively not serious incidents caused by home computer hackers. In the second half of the 1990's, however, computer security hackers or crackers emerged along with the growing interest of some countries in the potential of cyberspace. The use of cyberspace has facilitated operations the outcomes of which are extremely difficult to achieve using traditional methods. The factor strengthening this trend is a specific nature of ICT networks. In cyberspace, it is easy to remain anonymous, there are no traditional boundaries, and the cost of operations is low. In addition, there are uncertainties about the applicability of existing political solutions (e.g. alliance treaties) and provisions of international law to cyber threats. This makes some countries adventurous in cyberspace. The turning point for the perception of new security challenges were surely the years 2007-2008. Events which took place in Estonia, Georgia and Iran clearly demonstrated that cyberspace can be used to carry out actions aimed at disrupting basic functions of the state.

The potential of the ICT space was discovered first by the United States, then Russia and the People's Republic of China. Political strategies and technological solutions developed in those countries have provided not only for the use of cy-

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[44] *North Korea Waging Cyber Warfare?,* CBS News, 09.07.2009, http://www. cbsnews.com (accessed 04.02.2011); C. Clark, *North Korea: Cyber Mad Dogs or Bluster Kings?,* "Dod Buzz" 20.04.2009, http://www.dodbuzz.com (accessed 04.02.2011).

[45] *Iran's Cyber Army Hacks 1,000 US, British, French Govt Websites,* FARS News Agency, 30.08.2010, http://english.farsnews.com (accessed 04.02.2011).

[46] *Irańska Cyber Army tworzy botnet,* "Dziennik Internautów" 31.10.2010, http://di.com.pl (accessed 09.02.2011).

[47] K. Coleman, *Iranian Cyber Warfare Threat Assessment*, DefenseTech, 23.09.2008, http://defensetech.org/ (accessed 04.02.2011).

[48] *1st Cyber police unit launched in Iran*, Press TV, 24.01.2011, http://previous. presstv.ir (accessed 04.02.2011).

berspace for defensive purposes (such as critical infrastructure protection), but for offensive actions as well. Already in the 1990's, the United States recognised potential problems stemming from the dynamic computerisation and "informatisation of life". This was mainly due to the fact that already at that time, the US was the most frequent target of hacking attacks. This resulted in a relatively prompt launch of research that accurately foresaw further development of cyberspace and the specific character of actions taken in this dimension (including, inter alia, legal and political controversies).[49] What is also important, the US was one of the few countries which took concrete steps in this area before Estonia and Georgia were attacked. The US created the first military command for cyberspace which, with time, will provide the US with capabilities adequate for using ICT networks in conditions of armed conflict. Thus, the US is certainly the leader in the field of innovative cyber security solutions.

Other countries in the Euro-Atlantic zone have certainly been inspired by the American experience and solutions. Poland's cyber security policy started to emerge after the crisis in Estonia. The experience of the government in Tallinn made Polish secret service take steps to evaluate the security of government servers. They were conducive to the development of the first government document which comprehensively covered the issue of the cyberspace impact on national security. Poland's solutions in this area have been largely based on the experience of the United States and other European countries. In addition to creating an institution responsible for the protection of government networks (CERT), which is now a standard procedure, Warsaw has also established the first Polish military unit designed to operate in cyberspace, which should be considered a substantial success. Poland's *Government Cyberspace Protection Programme of the Republic of Poland for 2011-2016* has set the path for future undertakings. For quite inexplicable reasons, however, Polish secret service showed no interest in participating in the CCD CoE in Tallinn.

As far as allied countries are concerned, certainly one of the most advanced is Israel. Despite little official information on Israel's cyber security policy, the potential of Tel Aviv can be assessed on the basis of its use of IT potential against countries in the Middle East. Using a virus to blind Syrian radars was the first ever military operation, the success of which was primarily due to the use of ICT technologies. Definitely more important, however, was the development of the *Stuxnet* virus software. According to experts, the use of this virus against Iran is comparable to the explosion of the first nuclear bomb[50]. The *Stuxnet* software has been the most advanced and sophisticated cyber weapon ever created and marked a new stage of "arms race" in the cyberspace environment. Its importance has been confirmed with slowing down the Iranian nuclear programme and that is a success.

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[49] Cf. B.W. Ellis, *The International Legal Implications and Limitations of Information Warfare: What Are Our Options?*, U.S. Army War College Strategy Research Report, 10 April 2001.

[50] *Stuxnet heralds age of cyber weapons, virtual arms race,* "Homeland Security Newswire", 27.01.2011, http://homelandsecuritynewswire.com (accessed 01.03.2011).

Interestingly, international organisations seem to take much less action. Among them NATO is surely an organisation that has advanced solutions in the field of cyber security. First and foremost, this is due to the attack on Estonia which has resulted in the inclusion of this security dimension in NATO's new strategic concept. In spite of the above, however, it should be noted that solutions proposed by the Alliance are quite limited. This is due to little coordination between NATO member states and serious questions of political and legal nature. The use of ICT networks still eludes traditional political/legal solutions on which the functioning of the Alliance is based. NATO has developed mechanisms to assist its attacked members. The mechanisms, however, do not directly follow from provisions of the North Atlantic Treaty. Cybersecurity is of definitely lesser importance in the EU's Common Foreign and Security Policy. The EU has only recently recognised the significance of cyberspace and its solutions in this field are underdeveloped.

The Russian Federation should be regarded as a forerunner of massively using the new security dimension to gain political profits. Thrice in recent years, Russian computer experts carried out cyber attacks against the network infrastructure of neighbouring countries, each time achieving their objectives. Their victory in the three "cyber wars" proved that today Russia is one of the greatest global powers in cyberspace. Moreover, in contrast to countries of the Euro-Atlantic zone, Russia uses cyberspace primarily to execute its interests in the international arena. China's policy has been similar. Since the late 20th century, China has been involved in majority of most serious cyber attacks (*Aurora, Titan Rain*). However, unlike the Russian Federation which specialises in acts of cyber terrorism, the PRC is famous mainly for its cyber espionage. Most of well-known Chinese hacking attacks have primarily been aimed at stealing classified information of a political, economic, or military character. One should also bear in mind that Iran and North Korea become increasingly important players in this area. Their Internet activity has, so far, been little, yet their growing potential may pose some risk in the future.

To summarise, processes of computerisation and digitalisation underlying the development of cyberspace, despite the benefits, will constitute an increasingly serious threat to national security. This has been confirmed with the events in the early 21st century, when first cases of the offensive, massive use of the Internet were recorded. A proper perception of and response to cyber threats have now become a most serious challenge to security policies of national governments. The response time to new challenges and the most appropriate path of development of the potential in this area will determine not only the security but to some extent also the status of particular countries on the international arena.

ABSTRACT

*The article tackles the problem of sensitivity to threats that appear in cyberspace in the security policies of selected international actors, including e.g. the USA, Poland, Israel, Russia, the European Union and the North Atlantic Treaty. Cyber threats have intensified with the development of information technology and the popularisation of the Internet. Initially they were not very serious attacks carried out by self-taught programmers. Since the mid-1990s, the character of hackers' activity has changed along with the growing interest of individual countries in cyberspace issues. Many countries, including the USA, Russia and China, began to focus on the development of their potential in this area in order to ensure maximum protection of their critical infrastructure against cyber-attacks. In the 21st century, the significance of cyberspace for international security keeps increasing. The promptness of response to new problems and the most appropriate path of development of the potential in this area will, in the future, determine not only the security but to some extent also the status of particular countries on the international arena.*

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# FROM G7 TO L20: GLOBAL GOVERNANCE EVOLUTION

Since the 1980s, changes in international relations have accelerated and that process is called globalisation. This acceleration contributes to greater political, economic and financial instability which poses a challenge to all countries, regardless of their actual role in international relations. Low effectiveness of governments tackling effects of crises has become evident, and so has the deficiency in supranational governance. Ambitions of individual countries and other actors in international relations require developing an appropriate cooperation formula which would go beyond what has been considered to be international or intergovernmental so far. The pursuit for a new formula of global governance has been carried out over several decades already. The origins of global governance can be traced back to the narrow cooperation of seven industrial powers referred to as the Group of Seven (G7). When new political and economic challenges emerged, the Group was extended to include first Russia (G8) and then emerging economies, with China, India and Brazil at the forefront, and transformed into the so-called G8+5. At the same time, a new formula of global governance has been under development since 1999. It has been implemented as a kind of a steering committee, also known as the Group of Twenty (G20). With time, it has become a forum for exchanging experiences and opinions about most important global issues by leaders of the participating countries (L20). In 2009, after the summits in London and Pittsburgh, it grew to be the main forum for regulation of international economic and financial policies. Referring to the phenomenon of the G20, Roman Kuźniar asks whether "it will be a sign of transition to a new, 'non-Western' international order?"[1].

Tracing back the evolution of the formula of global cooperation, which is the underlying objective of the emerging model of global governance, it is worth pointing to most important fields of activities of the G7, G8, G20 (L20), as well as the prospects of promoting a dialogue between participants of these forums.

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[1] R. Kuźniar, *Kształt porządku międzynarodowego – między postulatami a ograniczeniami,* in: J. Symonides (ed.) (2010), *Świat wobec współczesnych wyzwań i zagrożeń,* Warszawa, p. 65.

## THE BEGINNING AND DEVELOPMENT OF THE G7

The G7 was preceded by the Group of Five (G5). The first G5 meeting was held in Chequers, UK, in 1967. The Group comprised France, Germany, Japan, the UK and the US. Thus, the G5 was a group of countries currencies of which constituted a weighted basket of Special Drawing Rights (SDR), i.e. a type of a conventional monetary unit in the form of an account allocated to countries by the International Monetary Fund (IMF) proportionally to their contributions to this organisation. The Group was a result of the disappointment with the functioning of international financial markets. The G5 countries voiced their criticism while attempting to influence international capital flows, exchange rates and interest rates. Activities of the G5 were concurrent with the collapse of the Bretton Woods system and incapability of major financial institutions to implement necessary reforms.[2] In 1973, financial instability was deepened by the outbreak of oil crisis precipitated by the decision of the Organisation of the Petroleum Exporting Countries (OPEC) to impose an embargo on oil sales to Western countries which supported Israel in the Yom Kippur War.

Aware of the need to regulate economic and fiscal policies, ministers of finance of France, Germany, the UK and the USA met, on 25 March 1973, in the library of the White House, thus creating the so-called library group. In September 1973, the "Group of Four" was joined by Japan. The five finance ministers would then meet regularly until the mid-1980s.[3] In 1974, French President Valery Giscard d'Estaing invited leaders of the UK, Japan, Italy, the US and the Federal Republic of Germany to an informal summit which took place on 16-17 November 1975 in a château in Rambouillet.[4] Main objectives of the meeting were:

– to consult new ideas and resolve disputes at the highest possible political level;
– to take effective and far-reaching decisions to reduce both external and internal pressure on policy development and implementation;

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[2] The monetary crisis of 1971 played a pivotal role in the collapse of the post-war economy. It is highlighted in the literature that it was provoked by the decision of US President Richard Nixon of 15 August 1971 in result of which exchange of dollars for gold was suspended. As a result, central banks of the IMF countries could no longer exchange their dollar reserves for gold. International money in the West ceased to be the gold dollar-standard and three years later, the dollar-standard. Nixon's decision destabilised the market of currency exchange and international financial settlements. In the United States alone, the US dollar was devalued twice in the 1970s. The old Bretton Woods system was finally replaced with a system based on a floating exchange rate. The new system was not implemented until the conference of March 1973 in Paris. However, it did not halt inflation trends and economic slump in the West. Cf. S. Raczkowski (1984), *Międzynarodowe stosunki finansowe,* Warszawa, pp. 270-368, J. Skodlarski, R. Matera (2004), *Gospodarka światowa. Geneza i rozwój,* Warszawa, pp. 272-273.

[3] The meetings and their results were kept secret. The task of the G5 composed of ministers of finance was finally accepted in 1986, after the Tokyo Summit, by the G7 which was also composed of finance ministers.

[4] The meeting was attended by Valery Giscard d'Estaing (France, host country), Helmut Schmidt (Germany), Gerald Ford (US) Takeo Miki (Japan), Harold Wilson (UK), and Aldo Moro (Italy).

– to develop a system of collective governance where responsibility would be shared by Western Europe, Japan and the USA.[5]

The Rambouillet Summit was accompanied by a controversy over the expansion of the G5 formula to include Italy and Canada. Reluctance towards Italy was due to the fact that in 1975, it assumed the presidency of the Council of the European Communities, while Canada's accession was delayed because of France's veto. Canada entered the Group of Six in 1976 at the invitation of US President Gerald Ford before the second G7 summit in San Juan, Puerto Rico. Starting from 1977, the European Communities were a regular member of the G7 meetings, and thus the summits were more representative.[6]

Since its inception, the Group of Seven, which took its final shape in the second half of the 1970s, operated as a club for multilateral international cooperation. It was a top-level consultative forum, accessible to a few relatively wealthiest countries, where homogeneous issues were negotiated.[7] Its main weakness was the lack of transparency of procedures, negotiations and decision-making for the public. Is was a weakness from the perspective of parties not directly involved in the G7 activities. However, that weakness was the key to the G7 political effectiveness. In practice, finance ministers and leaders of the G7 countries, shielded by unclear procedures, would enter into complex agreements, in many cases difficult to break down into parts. It was the low number of the Group members which facilitated developing personal, informal contacts between the leaders. Since its beginning, the characteristics of the Group included participation of countries similar in terms of their economic development, political regime (democracy), and orientation toward close military, political and economic alliance with the United States. In this context, the admission of Russia in 1998 could be considered an anomaly justified by the wish to bring Russia closer to the model of liberal democracy based on free market and capable of internalising the principles and procedures promoted by other members of the Group.

The operation methods of the G7 were shaped in its early years. A general rule was that every leader would appoint a personal representative called a "sherpa".[8]

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[5] N. Bayne (2005), *Staying together: The G8 Summit Confronts the 21st Century,* Ashgate, Aldershot, p. 4.

[6] P. I. Hajnal (2007), *Summitry front G5 to L20: A Review of Reform Initiatives,* CIGI Working Paper No. 20, March, p. 3.

[7] A similar stance on the General Agreement on Tariffs and Trade (GATT), a quasi-international organisation which originally counted among its members 23 ministers of commerce, mostly from the Western countries, was taken by R. O. Keohane, and J. S. Nye Jr. (2004), in: *The Club Model of Multilateral Cooperation and the World Trade Organization: Problems of Democratic Legitimacy,* "Working Paper" No. 4, The John F. Kennedy Harvard School of Government, Cambridge.

[8] The term "sherpa" originates from the Tibetan language and means *sher* – east + *wa* – people. The name comes from the tribe of Sherpa people of Nepal, from among whom helpers and porters were recruited for Himalayan expeditions. With time, the word started to be used to describe all kinds of helpers.

Usually, personal representatives were appointed for a period longer than 12 months as tasks delegated were huge. They included holding consultations before upcoming summits, negotiating agenda items, presentation of positions adopted by individual countries, reaching agreements on most important issues, providing assistance and advice to the summit host country.[9]

With time, the agenda of the G7 underwent significant changes, nevertheles, it always covered most current developments in the international community.

In the late 1970s and early 1980s, the G7 expanded its focus of attention beyond monetary issues. G7 leaders started to discuss political and military issues (terrorism, security, Euro-rockets, weapons, nuclear energy, situation in Afghanistan, institutional cooperation, the future of Central and Eastern Europe, the UN and IMF reforms), social issues (sustainable development, protection of human rights, debt relief assistance for developing countries), environmental issues (climate change, greenhouse effects), as well as economic issues (international trade, debt crisis, economic aid, coordination of macroeconomic policy). A key difficulty was to adapt the agenda of the G7 to the changing international conditionalities. It suffices to point out that in 1975, in Rambouillet, much attention was paid to monetary issues but also to the situation in Spain after the death of General Franco, Strategic Arms Limitation Talks (SALT) between the United States and the Soviet Union, and also to relations between the West and China.[10] Participants of the Tokyo summit held in May 1986, debated preparations for a new round of GATT trade negotiations, which turned out to be most successful.[11] The GATT round was launched shortly after the summit, i.e. in September 1986, in Puenta del Este, Uruguay.[12]

After the Rambouillet Summit of 1975, at which a debate on collective (global) governance was initiated, the G7 largely expanded its scope of activities. Its activities were in line with the definition of global governance as a process of managing common issues in the absence of a sovereign authority beyond individual countries, i.e. a global government. The G7 became the central constituent of global governance. John Kirton aptly compared that forum to the "global equivalent of the Concert of Europe which helped produce peace among the great powers, and prosperity more widely from 1818 to 1914"[13]. In view of the participation of institutions such as

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[9] In the context of international relations, personal representatives are called "sherpas" and top meetings are referred to as "summits".

[10] J. Callaghan (1987), *Time and change*, London, p. 480.

[11] N. Bayne, *Staying together*..., p. 25.

[12] The Uruguay Round was a symbolic end of the recession spanning from the 1970s to mid-1980s and perfectionism-oriented trends in the world economy. It has been called the "Growth Round" on account of its record-breaking duration (1986-1994) and the number of issues settled. The Uruguay Round was the 8th round of trade negotiations. It was launched at the ministerial meeting in Puenta del Este, Uruguay, on 20 September 1986. Cf. M. Rewizorski (2011), *WTO i gospodarka światowa w dobie globalizacji,* Koszalin, p. 133; R. R. Ludwikowski (2009), *Handel międzynarodowy,* Warszawa, p. 85.

[13] J. Kirton (1995), *The Diplomacy of Concert: Canada, the G-7 and the Halifax Summit,* "Canadian Foreign Policy Journal" Vol. 3, No. 1, p. 64ff.

the IMF and the World Bank in the G7 meetings, one may speak about a significant expansion of the "global governance system" which effectively complemented and sometimes even competed with institutions operating under the auspices of the UN between 1975 and 1997. The strength of the G7 was based on the expertly combined programme stability, characterised by integrating some issues into a greater whole, and flexibility allowing for rapid modifications of the agenda. However, the weakness of the G7 lied in its unrepresentativeness clearly visible in the 1990s when emerging countries started to develop rapidly. Changing this situation was one of the most important elements of the G7 reform.

Table 1

*Topics covered at G7 summits in 1975-1997*

| Thematic group (cycle) | Year and place of the summit | Topics |
|---|---|---|
| I. Reinvigoration of economic growth | 1975 Rambouillet<br>1976 San Jose<br>1977 London I<br>1978 Bonn I | monetary reform<br>monetary reform<br>trade, growth, nuclear power<br>growth, energy, trade |
| II. Inflation reduction | 1979 Tokyo I<br>1980 Venice I<br>1981 Ottawa (Montebello)<br>1982 Versailles | energy<br>Afghanistan, energy<br>quadrilateral ministerial cooperation,<br>East-West trade, surveillance |
| III. Political issues | 1983 Williamsburg<br>1983 London II<br>1985 Bonn II<br>1986 Tokyo II<br>1987 Venice II<br>1988 Toronto | Euromissiles<br>debt crisis<br>trade<br>terrorism, surveillance, the G7 composed of ministers of finance<br>coordination of macroeconomic policy<br>debt relief assistance for developing countries |
| IV. End of the Cold War | 1989 Paris<br>1990 Houston<br>1991 London III<br>1992 Munich<br>1993 Tokyo III | assistance for Central Eastern Europe, environmental issues, debt<br>trade<br>assistance for the former Soviet Union<br>trade<br>trade |
| V. Institutions for globalisation | 1994 Naples<br>1995 Halifax<br>1996 Lyon<br>1997 Denver | political debate over Russia,<br>institutional overview, the UN and IMF reforms<br>debt, development issues<br>Africa, Russian participation |

Source: N. Bayne (2005), *Staying together: The G8 Summit Confronts the 21st Century,* Ashgate, Aldershot, p. 18.

## RUSSIA AND THE EMERGENCE OF THE G8

The expansion of the G7 to include Russia, was a manifestation of the recognition of the role of emerging economies in international relations. Russia's efforts to join the G7 were launched on 14 June 1989 with a letter to François Mitterrand written by Mikhail Gorbachev in which he proposed Russia's alliance with the G7. Two years later, during the G7 summit in London, Gorbachev met with the leaders of the G7 countries to discuss political and economic reforms in Russia. Despite different expectations about the scope of assistance, Western countries agreed to support Russia on its path to full integration with the world economy. In 1992, the then President Boris Yeltsin was invited to the G7 summit in Munich where he participated in both bilateral meetings and the plenary. His participation in the G7 work strengthened his position in Russia e.g. thanks to him being promised development assistance of USD 4.5 bn for Russia. The Russian leader was later invited to every next summit. Starting from the Naples Summit in 1994, Russia participated in political discussions on a par with the G7 members. The basis for the so-called Political 8 (P8) cooperation was developed. In 1995-1996, the P8 held its summits in Halifax and Lyon. Gradual integration of Russia with the G7 met with growing support from Western politicians and academics. One of them was Zbigniew Brzezinski, a security adviser to US President Jimmy Carter. Seeing the unrepresentativeness of the G7 which hampered the Group's role in the global governance system, he pointed to the necessity of its expansion to include Russia, China, India and Brazil, and to make them equal with the other G7 members in terms of their rights and obligations, thus transforming the G7 into G11.[14] In 2004, six years after Russia's accession to the G7, he noted with his characteristic discernment that the inclusion of Russia to the G7, which was a consultative forum of democratic countries with strongest economies, was motivated by "political aspirations" to give proto-democratic and economically weak post-Soviet Russia a new status and a feeling of affiliation in international relations. At the same time Brzezinski urged to enlarge the G8 further to include China and India into this cooperation formula.[15]

Russia was finally included in the G7 at the Birmingham Summit in 1998. It was widely seen a reward for President Yeltsin's economic reforms, neutrality during NATO enlargement and improved relations with the G7 members.[16] The Group

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[14] Z. Brzezinski, *Let's add to the G-7,* "The New York Times" 25 June 1996, A11.

[15] Z. Brzezinski (2004), *The Choice: Global Domination or Global Leadership,* New York, p. 123ff.

[16] Of vital importance was the relative stabilisation of relations between Russia and Japan after the G7 summit in Denver in 1997. In result of the talks between the leaders of both countries – Japanese Prime Minister Ryuto Hashamoto and Russian President Boris Yeltsin – the foundations of the "Hashamoto-Yeltsin Plan" were agreed. The Plan covered trade, energy, investment and training issues. Both parties agreed to tighten cooperation on regional security. Of crucial importance was also a further deepening of friendly relations between Russia, Germany and France as part of the so-called Trio. Cf. *Leaders of Russia, Japan meet for summit,* CNN World News, (Krasnoyarsk), 1 November 1997, http://edition.cnn.com/WORLD/9711/01/russia.japan/; *Russia-Germany-France troika not closed club:*

of Eight (G8) was created, in which Russia was an equal member as far as political issues were concerned but excluded from the debate on economic and financial matters. The Group of Seven continued to exist both at the level of finance ministers[17] and the level of heads of government. Representatives of Russia were neither allowed to participate in the G7 meetings preceding the G8 summits nor could they organise the G8 summits. That arrangement remained unchanged until the Kananskis Summit in 2002,[18] where it was decided that in 2006, Russia, for the first time in history, would organise a G8 summit and assume the presidency of the Group. This completed the stage of reintegration of post-Soviet Russia with the global governance system led by the G8. As John Kirton noted, it was a result of an excessively long debate between Germany and France which supported Russia's demands, and Japan, the UK and the US which adopted a conservative approach.[19]

## THE G20: TOWARDS GLOBAL ECONOMIC GOVERNANCE

The G7, transformed into the G8 in 1998, gradually expanded its scope of global governance activities in the 1990s. Its priorities included e.g. wider inclusion of Russia in the global governance process, enlargement to include the so-called emerging markets and institutionalisation of the G8 cooperation, inter alia, creating interparliamentary groups consisting of MPs from the member states, and joint identification and resolution of common problems in the area of terrorism, organised crime and cyberspace.[20] Implementation of those ambitious plans was thwarted by a series of financial crises[21], eruption of terrorism, and growing dissatisfaction of emerging countries striving for greater involvement in global governance. Their growing relevance to the international finance infrastructure was first recognised in 1997-1998 when methods of restoring financial stability in Southern Asia and then in Russia were discussed.

The outbreak of the financial crisis in Thailand in April 1997 increased the importance of informal anti-crisis groups. One of them was the Manilla Framework Group named so after the capital of the Philippines where consultations were held

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*Putin,* Itar-Tass in People's Daily Online, 1 September 2004. http://english.people.com.cn/200409/01/eng20040901_155574.html (accessed 12. 05.2012).

[17] From 2002, the G7 summits have been held only at the level of finance ministers. Recently, they have focused on the debt crisis in Europe and the future of the euro area.

[18] S. Ostry, *Globalization and the G8: Could Kananskis Set a New Direction?*, O. D. Skeleton Memorial Lecture, Queens University Department of Foreign Affairs and International Trade, 2002, www.utoronto.ca/cis/skeletonlecture_ostry2002.doc (accessed 12.05.2012).

[19] J. Kirton, *The Russian 2006 G8 Hosting Decision,* 2002 Kananaskis Summit: Analytical Studies, http://www.g8.utoronto.ca/evaluations/2002kananaskis/assess_russia.html (accessed 12. 05.2012).

[20] J. Kirton, J. Daniels, A. Freytag (2001), *Guiding Global Order: G8 Governance in the Twenty First Century,* Ashgate, Aldershot, p. 2.

[21] They included in particular Mexico (1994), Indonesia, Korea and Thailand (1997), Russia (1998), Brazil (1998), Turkey (1999-2002) and Argentina (2000-2001).

in November 1997. The meeting was attended by finance ministers and governors of central banks from Asia-Pacific, representatives of the IMF, World Bank and the Asian Development Bank.[22] Insufficient results of the Group activities and the spread of the financial crisis to South America made broadening of anti-crisis measures necessary. They were called for by President Clinton at the APEC Leaders' Summit of November 1997 in Vancouver. After the Ministerial Meeting organised by the US Secretary of the Treasury, R. Rubin, the Group of Twenty-Two (G22), informally called "the Willard Group", was established.[23] It was composed of finance ministers and governors of central banks of developed and developing countries. Its objective was to counteract the effects of financial crisis, referred to as "firefighting", and to revise the principles of the global financial system. The G22 held special meetings in Washington in April and October 1998. In the meantime, the G7 finance ministers agreed to organise two seminars on the reform of the international financial architecture in 1999. They took place in March (Bonn) and April (Washington). The seminars were attended by representatives of 33 countries who debated on the strengthening of financial systems, especially in emerging economies. At those meetings, the emerging countries once again criticised the G22 formula which was considered unrepresentative. The lack of essential arrangements at the G22 meetings gave rise to discussions among the G7 members (Russia participated in the political dialogue only) about establishing the Group of Twenty (G20). The idea of extending the framework of international financial architecture beyond the G7 was particularly promoted by Canada whose Minister of Finance Paul Martin opted for the extension of the "Gx process" to include emerging countries which were regional powers. Canada's position was supported by Germany. Both countries strived to create a new, though similar to the G22, consultative forum for finance ministers and central bank governors, in line with the library group which was the starting point of the Group of Seven in 1973.[24] The project was to be completed at the meeting of G7 finance ministers scheduled for June 1999 in Köln. To this end, the mandate and rules of membership in the new group had to be determined, and also the principles of an "informal dialogue in the framework of the Bretton Woods institutional system, to broaden the discussions on key economic and financial policy issues among systemically significant economies and promote co-operation to achieve stable and sustainable world economic growth that benefits all."[25]

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[22] These were: Australia, Brunei, Canada, China, Hong Kong, Indonesia, Japan, Korea, Malaysia, New Zealand, Philippines, Singapore, Thailand, and the US.

[23] Members of the G22 included the G7 countries plus Argentina, Australia, Brazil, China, Hong Kong, India, Indonesia, Malaysia, Mexico, Poland, Russia, Singapore, South Africa, South Korea and Thailand.

[24] G-20 study group, *The Group of Twenty. A History,* 2007, p. 17, www.g20.utoronto.ca (accessed 18.06.2012).

[25] Cf. *G7 statement, 18 June 1999*. www.g7utoronto.ca. (18.06.2012). > G-20*, Communiqué*, G-20 Finance Ministers and Central Bank Governors Meeting, (Berlin, Germany, 15-16 December 1999).

## THE G20 AT THE MINISTERIAL LEVEL

After the discussions held in summer 1999[26], on 25 September 1999, finance ministers and governors of central banks of the G7 announced in a joint statement that the dialogue on key economic and financial issues would be expanded, and they invited systemically important countries to join it. The first summit of the Group of Twenty (G20) was held in December 1999 in Berlin.

The new informal dialogue forum at the level of finance ministers and central bank governors was comprised of 19 countries[27] and the European Union. The Group included *ex officio* also the managing director of the IMF, the president of the World Bank as well as presidents of the International Monetary, the Financial Committee of the Board of Governors of the IMF[28] and the Development Committee of the IMF (Joint Ministerial Committee of the Boards of Governors of the Bank and the Fund on the Transfer of Real Resources to Developing Countries).[29] The formation of the G20 reflected to an extent the G7's recognition of the role of emerging countries, each of them having been "systemically significant" and capable of discussing key issues related to global economic governance. From the outset, however, the way they were selected, their representativeness and the related collective legitimisation of the G20, which – according to Robert Wade – was "the reflection of the G7's vision of the world", raised doubts.[30] Wade pointed out that decisions as to which countries were "systemically significant" and should be invited to the G20 inauguration summit in Berlin, were taken by the US Secretary of Treasury - Timothy Geithner, during his telephone conversation with the Secretary of State of the German Ministry of Finance – Caio Koch-Weser. The thesis that political reasons were relevant for the G20 membership can be accepted to an extent as, in 1998, Argentina and Saudi Arabia were not in the world's top twenty economies and Australia was not in the top ten. Those countries, however, were to play an important role of US allies at the G20 forum.

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[26] After the meeting in summer 1999 in Köln, the G7 held meetings with a view to discuss issues such as: methods of presenting results of discussions on issues most important to the future of the world economy and financial system, creating a mechanism which would allow "systemically significant" non-members of the G7 to participate in G8 summits, promoting a coherent and coordinated approach to counteracting financial crises in emerging countries and their impact on the global financial system basing on activities of such institutions as e.g. APEC.

[27] They included: Argentina, Australia, Brazil, Canada, China, France, India, Indonesia, Italy, Japan, Germany, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, UK and the US.

[28] It is an advisory body of the Board of Governors of the IMF with decision-making powers. In 1999, it replaced the Temporary Committee. It is composed of 24 governors of the IMF (ministers or officials of the same rank). Cf. E. Chrabonszczewska (2005), *Międzynarodowe organizacje finansowe,* Warszawa, p. 55.

[29] The other advisory body to the Board of Governors in addition to the International Monetary and Financial Committee.

[30] R. Wade (2009), *From global imbalances to global reorganizations,* "Cambridge Journal of Economics" Vol. 33, No. 4, p. 553.

From 1999 to the end of 2007, the G20 functioned only at the ministerial level based on the procedure developed by the G7. The Group of Twenty was assigned the role of an informal forum to negotiate a consensus. Contrary to other institutions of the global governance system such as the IMF or the World Bank, it has neither its statute, nor headquarters, permanent secretariat and staff. Administrative services are provided by the presiding country which, to that end, establishes a temporary secretariat. The temporary secretariat is responsible for preparing G20 summits in the period of the country's presidency and for publishing information on the Group's work on the G20 website.[31] The G20 has adopted a rotating presidency which is held by one country for one year. After the G20 summit organised by Canada in October 2001, which lasted for several months, it was agreed that in 2002, India would preside, and every next presidency would start at the beginning of the next calendar year. Additionally, each member of the G20 has been assigned to one of five groupings. Every five years a country from another grouping assumes the presidency.

It has also been agreed that a presiding country would appoint its minister of finance or treasury as the ministerial G20 president for the presidency period. The first person to have performed this function was the then Minister of Finance of Canada – Paul Martin (1999-2001). In 2002, he was replaced by India's Minister of Finance, Yashwant Singh. Furthermore, in 2002, the institution called the Trio was established. It is composed of representatives of the former, current and future presidencies thus ensuring continuity of the G20 work. Most important tasks of the Trio have included proposing an agenda of the G20, appointing rapporteurs to present specific agenda items, ensuring management services during summits and providing support to the existing and future presidency.

Summits of the G20 finance ministers take place once a year, in autumn as a rule. They are preceded by meetings of deputy ministers, held at least twice a year. At those meetings, summits are prepared. The latter are organised by the G20 presiding country. The presiding country is also responsible for organising workshops and seminars for the deputies. The years 1999-2007 saw an evolution of the agenda of the ministerial G20. In this period the Group of Twenty dealt with e.g.: building the structure and defining objectives of the G20 (1999, Germany), combating financial crises and facing challenges of globalisation (2000, Canada), combating financing of terrorism (2001, Canada), development and assistance to developing countries (2002, India), combating financial frauds and reforming institutions in the financial sector (2003, Mexico), demographic issues and regional economic integration (2004, Germany), reform of the Bretton Woods institutions (2005, China), energy issues (2006, Australia) and fiscal policy (2007, South Africa).[32] After 2000, the focus was specifically reoriented to long-term economic goals and fighting terrorist financing.

Despite the fact that prior to the outbreak of the 2008 financial crisis the G20 was overshadowed by the G8, its activities should be assessed positively. Indeed, it

[31] G20 official website – http://www.g20.org.

[32] G-20 study group, *op. cit.*, p. 20.

has not been very effective, but that weakness of the G20 was compensated by its successful policy of coordination and cooperation among its members. According to Vanessa Rubio-Marquez, a former Director of International Affairs in the Mexican Ministry of Finance, the greatest success of this forum has been the establishment of a space for exchanging views between economies of different development levels.[33] The US Department of the Treasury offered a similar valuation, recognising the ministerial G20 as a forum of expanded dialogue on most important financial and economic issues, and also "a highly valuable and new piece of the global architecture".[34] However, as aptly observed by Peter Hajnal of the University of Toronto, an expert on the G20, the Group, even though autonomous and informal, has not managed to implement most important items on its 1999-2007 agenda. This was because, inter alia, its summits were underrated as well as due to the lack of commitment of the leaders of individual countries, who could bring the activities of the G20 to the highest, truly "global" level and ensure solving most important economic and financial issues.[35]

## THE G20 AT THE LEVEL OF LEADERS

The G20 was assigned the role of the global governance centre in 2008-2009, after the summits in Washington (2008), London (2009) and Pittsburgh (2009). The G20 summit in Washington was devoted entirely to threats related to the outbreak and spread of the global financial crisis. For the first time, it was attended by the heads of state and government, which contributed to adoption of important resolutions concerning reforms and coordination of the fiscal policy, and also to raising the crisis alert. In April 2009, they adopted a plan aimed at increasing the IMF funds by USD 750 bn (provided that in the Fund, greater power would be granted to emerging countries, for which especially China strived), increasing the SDR pool by USD 250 bn, supporting multilateral development banks with USD 250 bn, allocating funds from the sale of gold held by the IMF to aid developing countries, and allocating USD 1.1 bn to loans, reconstruction of economic growth and creating new jobs.[36] In London, the leaders of G20 countries also announced that the Financial Stability Board would be appointed. It was to take care of international financial market security, solve the issue of "offshores", i.e. tax havens, increase regulations

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[33] V. Rubio-Marquez, *The G-20: A Practitioner's Perspective,* in: N. Woods, L. Martinez-Diaz, (eds) (2009), *Networks of Influence? Developing Countries in a Networked Global Order*, Oxford University Press, Oxford, p. 23.

[34] M. Sobel, L. Stedman (2006), *The Evolution of G7 and Economic Policy Coordination*, Occasional Paper No. 3, US Department of the Treasury, Office of International Affairs, July, p. 11.

[35] P. Hajnal (2007), *G8 System and the G-20: Evolution, Role and Documentation*, Global Finance Series, Aldershot, Ashgate, p. 156.

[36] *London Summit – Leaders' Statement,* 2 April 2009, section 5, http://www.g20.org/images/stories/docs/eng/london.pdf ( accessed 20.07.2012).

on hedge funds and rating agencies' activities, *et cetera*. Though some decisions taken at the summit were not implemented, the adopted obligations much advanced the creation of global economic governance which neither the G8 nor the ministerial G20 were capable of achieving. After the London Summit, British Prime Minister Gordon Brown enthusiastically though somewhat prematurely said that "This is the day that the world came together to fight back against the global recession", and saw "a new world order" emerging. Barack Obama described the summit as "historic" and "unprecedented", seeing it as "a turning point in our pursuit of world economic recovery". Similar views were also expressed by Nicolas Sarkozy and Angela Merkel.[37] However, it was the Pittsburgh Summit held on 24-26 September 2009, which contributed most to the recognition of the G20 as the main forum of international economic and financial cooperation. At that summit, the premier role of the G20 in discussions on the condition of the world economy was recognised and it was decided that leaders of the countries involved would join the G20 regularly and the yearly presidency of the Group would be rotating.[38] The Pittsburgh Summit was a breakthrough also because of other decisions taken. In order to limit global macroeconomic imbalance, a sustainable economic growth framework was launched. The G20 countries decided to hold periodical meetings to review their economic policies. The review was to be supervised by the IMF, although the IMF was not vested with any power to impose penalties for non-compliance with macroeconomic policy objectives. The coordination mechanism was based on mutual evaluation by member countries which resembled the Open Method of Coordination (OMC) used in the European Union.[39] Furthermore, USD 5 bn was allocated to a stimulus package aimed at financial stabilisation. At the Pittsburgh Summit, it was also decided to strengthen financial regulations and, in particular, to recapitalise major banks. For the emerging countries, especially China, India and Brazil, the IMF reform was the most important item on the summit agenda. Demanding to reduce decision-making asymmetry in the IMF, they wanted to increase the pool of their votes by 7%. Developed countries agreed to 5%, which was accepted. The compromise between the demands of strongest developing countries and concessions made by most developed countries testified that even most difficult problems can be solved within the G20 and the forum

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[37] „*Historyczny" G20 w Londynie: bilionowy szczyt?*, http://www.cafebabel.pl/article/29595/historyczny-g20-w-londynie-bilionowy-szczyt.html (accessed 20.07.2012).

[38] *G20 Leaders' Statement: The Pittsburgh Summit,* Pittsburgh, 25/9/2009, http://www.g20.utoronto.ca/2009/2009communique0925.html (accessed 20.07.2012).

[39] The Open Method of Coordination (OMC) may be considered to be a special example of strategic planning. Firstly, the objective of the method is to set common goals to be attained by individual countries. Secondly, the OMC it is based on the *naming and shaming* practice which involves monitoring the progress made by individual countries in pursuing their set goals by governments and extending public congratulations or words of reproach. Therefore, the OCM involves exerting a political pressure or playing a game in which none of the countries wants to be "the black sheep of the family". Cf. S. Hix, *The Political System of the European Union,* [Polish translation: *System polityczny Unii Europejskiej,* Warszawa 2010, p. 295].

is a good place for a dialogue. It is worth emphasising that the compromise covered more than financial issues. At the summit also environmental issues (vehemently opposed by delegations of China and India) were discussed, and it was declared that the Doha Round of trade negotiations would be completed by the end of 2010.[40]

In late 2008 and early 2009, the excessively hermetic and unrepresentative Group of Eight yielded to the G20 composed of leaders, referred to also as the Leaders-20 (L20). This change was already postulated by the academic community in 2003.[41] While evaluating its reasons and describing the handover process and replacement of the G8 by the Group of Twenty, it should be remembered that before the mid-2010s, the formula of the Group of Twenty as the core of global economic governance was not widely supported and competed with the idea of the G13, G14 and a governing body established as part of the IMF. The first alternative to the G20, which at the time was the ministerial G20, was presented in 2005 by the then Prime Minister of the United Kingdom, Tony Blair. He invited five emerging countries (China, Brazil, India, Mexico and South Africa) to join the G8 meeting, however, without full rights arising from the Group membership. The inclusion of the "outreach five" in the G8, from then on referred to as the G13, G8 plus and G8 plus 5, was a gesture toward dynamically developing emerging countries which, despite having been invited to the G8 summits since 1989, played the role of extras there.[42] From the G8 summit in Gleaneages (2005) to the summit in Heiligendamm (2007), the G13 countries met before the G8 meetings, but the additional 5 were never treated as equal partners of the G8 members.

The emerging countries have also had their share in the success of the L-20. While expecting significant benefits, they gave their support to this formula at the expense of the IMF which lost their trust after the financial crisis in Asia. Asian countries have hardly forgotten the high price they had to pay for support provided to them, which included a more painful fiscal and monetary policy imposed by the IMF. Additionally, since they could not increase their voting power in the organisation and confront Europe and the US traditionally dominating in the Fund, they decided to support the G20 as a new forum for debating financial and economic issues.

The G20 composed of leaders (L-20) was "an unexpected winner" in the race for primacy in global economic governance. This "incidental success" was a result of increasingly frequent turbulences in international politics, economy and global finances. However, the G20 is not only "a child of crisis" and "a younger sibling" of the G7, it is also the fruit of ambitions of the emerging countries and the intransigence of Western countries which denied them full membership in the G8. History

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[40] C. Schmucker, K. Gnath (2010), *From the G8 to the G20: reforming the global economic governance system,* "GARNET Working Paper" No. 73/09, Brussels, January, pp. 7-11; C. Schmucker, K. Gnath (2012), *The role of emerging countries in G-20: Agenda-Setter, Veto Player or Spectator,* "European Yearbook of International Economic Law" Vol. 3, Ch. Hermann, J. P. Terhechte (eds), pp. 667-682.

[41] Cf. the Leaders-20 project, http://www.120.org/about.php.

[42] Cf. P. Hajnal (2007), *The G8 System*..., pp. 47-48.

has taught us that incidental successes happen more frequently as demonstrated by the ironic history of the General Agreement on Tariffs and Trade (GATT), which Ann Krueger aptly pointed out. The GATT came into existence only because it turned out impossible to establish the International Trade Organisation (ITO).[43]

The "new" G20 largely mirrors the ministerial G20. Leaders meet once a year at a summit prepared by lower rank officials. Several times a year, the ministerial G20 meetings are held attended by finance ministers and central bank governors and, if needed, also by other ministers.[44] Leaders are supported by their representatives (sherpas). It is a tradition to invite representatives of non-member countries. For example, in November 2011, the French government invited representatives of Equatorial Guinea, Ethiopia, Singapore, Spain and the United Arab Emirates to the G20 summit.[45] The G20-Leaders has no permanent headquarters and the temporary secretariat is established by the presiding country. Pursuant to the system of rotating presidency established in Pittsburgh, after South Korea's presidency in 2010, the presidency was transferred to France (2011), Mexico (2012), Russia (2013), Australia (2014) and Turkey (2015). International organisations, especially the WTO, IMF, World Bank, ILO, OECD and the UN, are also invited to the summits. For all agreements and recommendations of the G20 summits (including those of finance ministers and governors of central banks) a consensus is a must. The summits are closed to the public, however, the Group of Twenty publishes its agreements in the form of communiqués and declarations on its website. The difference between the G20 and formal international organisations (e.g. the WTO) is that there are no mechanisms of enforcing execution of obligations agreed by the Group members.

Starting from 2008, at the summits held in Washington (November 2008), London (2009), Pittsburgh (September 2009), Toronto (June 2010), Seoul (November 2010), Cannes (November 2011) and Los Cabos (June 2012), the G20-Leaders strengthened its role as the main discussion forum on economic and financial issues, however at the Los Cabos summit, considerable attention was paid to employment prospects. At that summit, the twenty most advanced and emerging economies, accounting for 85% of global GDP, decided to boost supply and restore trust. That objective was reflected in the Growth and Jobs Action Plan, agreed during the summit.[46]

The growing importance of the G20-Leaders has been accompanied by increasing criticism of this forum viewed as lacking effectiveness and being unrepresen-

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[43] A. Krueger (1998), *The WTO as an International Organization,* Chicago-London: University of Chicago, p. 4ff.

[44] In 2010 and 2012, the G20 summits were also attended by ministers of labour.

[45] Cf. http://www.g20-g8.com/g8-g20/g20/english/the20ll-summit/invited-countries/the-countries-invited-to-the-cannessummit.974.html (accessed 15.08.2012).

[46] Cf. http://www.g20.utoronto.ca/summits/20121oscabos.html (accessed 20.08.2012).

tative. The problem is not only the lack of representation of African countries but also of more developed countries such as Poland, Spain, the Netherlands and Scandinavian countries. The discussion over those issues started in 2010 after the Seoul summit organised for the first time by a non-member of the G8, and continued since 2012, i.e. after the Los Cabos summit. In the former case, a far-reaching criticism against the G20-Leaders was delivered by the Norwegian Minister of International Affairs – Jonas Gahr Støre. Referring to the non-inclusion of Nordic countries, the aggregated GDP of which is in the world's top eight and which are the biggest contributors to the international development programmes of the United Nations, he reproached the Group for taking arbitrary actions, lack of due legitimisation and effectiveness, and called it the "greatest setback for the international community since World War II".[47] After the G20 summit in Los Cabos, it was the "Forbes" magazine which challenged the participation of Argentina in the Group and suggested that Argentina should be replaced by Poland which is much more stable in political and economic terms.[48] There are also questions about the achievements of the G20 so far, especially since amending global economic imbalances, ending the Doha Round, and increasing the share of emerging countries in the IMF, continue to encounter significant obstacles. It should be remembered, however, that the Leaders G20 has held its summits only since 2008 and it is impossible to carry out a comprehensive assessment of its activities. Nevertheless, there is no doubt that its criticism will continue to grow. More and more frequently, the G20 is viewed as the UN's rival which is not "playing fair" because the G20 continues to exclude poor, mostly African, countries and thus actually deepens the divide between the "global South" and the "global North", and acts as another embodiment of the "Concert of Europe".[49] Antiglobalists – mainly from environmental, labour, socialist, and anarchist organisations – go even further in their criticism. They attribute to the G20 the role of a world government which usurps power in the name of the richest and most influential countries at the expense of countries and societies which are permanently exploited and deprived of access to benefits derivable from globalisation. Their typical methods of action include street demonstrations abounding in clashes with the police and causing considerable financial losses.[50] However, antiglobalists fail to consider that the G20 includes not only developed Western countries, and its little formalised rules and procedures are far from hierarchical subordination typical of governments.

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[47] K. D'Almeida, *The G20 in Seul-Summit or Abyss?,* http://www.ipsnews.net/2010/ll/the-g20-in-seoul-summit-or-abyss/ (accessed 20.08.2012).

[48] T. Ferguson, *G20: Boot Argentina, Include Poland,* http://www.forbes.com/sites/timferguson/2012/04/09/g20-boot-argentina-include-poland/ (accessed 24.08.2012).

[49] K. D'Almeida, *op.cit.*

[50] During the 2009 Pittsburgh summit, thousands of people protesting against the G20 chanted "We say not to corporate greed" and "The G20 means death of capitalism". Cf. M. Nichols, *Protester, Police Clash after G20 in Pittsburgh,* „Pittsburgh Tribune-Review" 20 September 2009.

## CONCLUSIONS

In the 1970s, the Group of Seven emerged and it transformed into the G8 more than twenty years later. Initially, the Group was an informal dialogue forum which dealt with financial issues. With time, it expanded its agenda to include economic and, finally, political issues. It has firmly established itself in the global governance system and became its second centre next to the UN. However, the G7 was characterised by a structural weakness due to its unrepresentativeness. Ultimately, following "tectonic" changes caused by the Asian crisis of 1997, and later by the 2008 financial crisis, a new element of the global governance architecture emerged, namely the G20, active since 1999 at the level of finance ministers and central bank governors, and since 2008 also at the level of state leaders.

All the Gx (G7/G8, G20) forums emerged amidst deep crises caused by different developments. Their evolution was a gradual transition from global governance, in the framework of which a variety of diverse issues mostly economic, political, financial and social were resolved, to global economic governance. To the end of the first decade of the 21st century, the global governance system started to resemble a network structure in which, in addition to countries and non-state actors, special roles were played by three centres: the UN which focused mostly on political problems, and the G20 and G8 which concentrated on a group of economic and financial issues.

The G20 has emerged to be the most important, next to the UN, centre of global governance. However, the development of this forum will to a large extent depend on resolving the problem of its insufficient representativeness. In this context, of profound importance will be reaching a consensus on the representation of Europe in the G20 and the method of presenting national stances by individual EU member states. Excessive differences in this regard may undermine the position of the EU in the G20. Furthermore, a lack of a common position of EU member states may block finding a solution to the crisis of the euro area, as noted at the G20 summit in Los Cabos. A solution would be to send to the Group summits, in addition to the President of the European Council, a representative jointly appointed by European members of the G20. Another solution which might improve representativeness of the G20 is to consider a rotating membership in the G20. In this system, countries with the highest nominal GDP or GDP measured in purchasing power parities would be non-rotating members while three to five countries weakest in terms of GDP would rotate e.g. every five years depending on their GDP figures. The rotating membership would introduce the necessary element of competition between countries wanting to have the greatest impact on the world economy and finance. Additionally, the differentiation between rotating and non-rotating members would make the G20 similar to the UN Security Council and the rotation mechanism would help the Group dilute complaints about its lack of representativeness.

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ABSTRACT

*The article traces back the evolution, activities and prospects of functioning of the G7, G8 and G20 formulas of global cooperation that play an immensely significant role in shaping the emerging model of global governance. The author assumes that global governance means transferring government-specific activities to the highest level, the difference being that their competences of power are replaced by the activity of the so called controllers understood as the entirety of formal institutions, regimes and informal forums of exchange of information, experiences and of reaching compromise. Among the latter, the 1990s saw the emergence of the G7 which over two decades later transformed into the G8. Initially, this informal forum of dialogue dealt with financial matters, but subsequently began to expand its agenda to include economic issues and eventually political concerns. Following the changes induced by the Asian crisis of 1997, and later the financial crisis of 2008, a new element of the global governance architecture came into existence, i.e. the G20. Since 1999, this group has operated at the level of finance ministers and heads of central banks, joined in 2008 by state leaders.*



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## Migracje polityczne na ziemiach polskich (1939-1950)

[Political migrations on Polish territories (1939-1950)]

**Piotr Eberhardt**

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During World War II and immediately after it, Polish lands were the site of massive forced relocations of civilian population. In total, nearly 30 million Poles, Germans, Jews and Ukrainians were resettled. Ruthlessness winners of consecutive stages of the war forced inhabitants who did not meet some criteria, be it of ethnicity, religion or social class, to leave their homeland, sometimes forever. Despite the passage of many decades, the issue is not only of a cognitive significance. It is a tool recurrently used in both domestic and international politics.

In a critical and eloquent way, Piotr Eberhardt analyses major forced political migrations which took the form of displacement, deportation, expulsion, escapes, or repatriation. He carefully tries to determine their scale, geographical directions, as well as their demographic and geopolitical consequences. Complex historical and demographic issues are communicated in a clear and concise way. Using abundant data, the author identifies the initiators and principal executors of resettlement policies. Numerous excellent number tables, maps and charts help the reader understand the scale and course of the processes described.

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TOMASZ BUDNIKOWSKI
Poznań

# LABOUR MARKETS OF HIGHLY DEVELOPED COUNTRIES AT THE BEGINNING OF THE 21ST CENTURY

The recent financial crisis and the fall in production caused by it in many countries, have made issues of employment appear less important, especially in the press. This is surprising for many reasons, two of which seem to be most significant. The collapse of financial markets has primarily affected the middle class and owners of considerable capital. They are the ones who have surplus funds which they can invest in financial markets and profit or, as it happened recently, suffer considerable losses. The collapse of financial markets has not had truly painful consequences for persons who earn their living from paid employment. However, for some dozen years, the situation in global labour (job) markets has been deteriorating. Its spectacular manifestation is high unemployment in most OECD countries and economically lagging areas. An analysis of statistical data demonstrates that in the first years of the 21st century, the situation worsened in most countries of the European Union (Table 1 below). A significant decrease in the unemployment rate was noted only in three countries: Bulgaria, Poland and Slovakia. Special attention should be paid, however, to a visible growth of unemployment in the United States, a country which has long boasted of its low unemployed rate. A significant deterioration of the situation in the labour market was also recorded in Turkey, the high economic growth of which kept astonishing economic observers. In Turkey, the unemployment rate increased from 5.2% in 2000 to 11.8% ten years later.[1]

Recent data and research on the persisting high unemployment indicate a structural dimension of the phenomenon, i.e. labour force underutilisation. It means that mankind could deliver far more goods and services than people actually do. Opponents of modern capitalism suggest that if people produce less, it is a result of the system inherent malfunctioning. It may also be presumed that labour force underutilisation is, to an extent, a consequence of relatively well-functioning social security systems in OECD countries.

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[1] *Verantwortung für Europa wahrnehmen. Jahresgutachten 2011-2012,* Sachverständigenrat zur Begutachtung der gesamtwirtschaftlichen Entwicklung, Berlin 2011, p. 367.

Table 1

*Unemployment rate in selected countries in 2000 and 2010 (%)*

| Country | Year | | Country | Year | |
|---|---|---|---|---|---|
| | 2000 | 2010 | | 2000 | 2010 |
| Austria | 3.6 | 4.4 | Bulgaria | 16.4 | 10.2 |
| Belgium | 6.9 | 8.3 | Cyprus | 4.9 | 6.3 |
| Denmark | 4.3 | 7.4 | Czech Republic | 8.7 | 7.3 |
| Finland | 9.8 | 8.4 | Estonia | 13.6 | 16.9 |
| France | 9.0 | 9.8 | Hungary | 6.4 | 11.2 |
| Germany | 7.5 | 7.1 | Lithuania | 16.4 | 17.8 |
| Greece | 11.2 | 12.6 | Latvia | 13.7 | 18.7 |
| Ireland | 4.2 | 13.7 | Malta | 6.7 | 6.9 |
| Italy | 10.1 | 8.4 | Poland | 16.1 | 9.6 |
| Luxemburg | 2.2 | 4.5 | Romania | 7.3 | 7.3 |
| Netherlands | 3.1 | 4.5 | Slovakia | 18.8 | 14.4 |
| Portugal | 4.0 | 12.0 | Slovenia | 6.7 | 7.3 |
| Spain | 11.1 | 20.1 | European Union | 8.7 | 9.7 |
| Sweden | 5.6 | 8.4 | Japan | 4.7 | 5.1 |
| UK | 5.4 | 7.8 | USA | 4.0 | 9.6 |

Source: *Verantwortung für Europa wahrnehmen. Jahresgutachten 2011-2012,* Sachverständigenrat zur Begutachtung der gesamtwirtschaftlichen Entwicklung, Berlin 2011, p. 367.

## GROWING COSTS OF EMPLOYMENT

From among many developments determining the situation in labour markets of highly developed countries, the following three are most significant:

– growing costs of employment,
– departure from traditional forms of employment,
– reduction of working time.

Table 2

*Change in labour costs in selected OECD countries in 1980-2010 (increase in the costs of one man-hour in the processing industry, expressed as a percentage)*

| Country | 1980-2000 | 2001-2010 |
|---|---|---|
| Japan | 359 | 15 |
| Finland | 177 | 42 |
| UK | 167 | 20 |
| Austria | 158 | 48 |
| Greece | 142 | 87 |
| Ireland | 140 | 86 |
| USA | 136 | 6 |
| Norway | 128 | 96 |
| Denmark | 127 | 49 |
| Switzerland | 127 | 64 |
| Germany (Western part) | 123 | 39 |
| France | 109 | 83 |
| Italy | 106 | 62 |
| Luxembourg | 86 | 43 |
| Netherlands | 84 | 46 |
| Belgium | 83 | 70 |
| Sweden | 83 | 78 |
| Average | 137 | 55 |

Source: Author's own calculations based on: Ch. Schröder (2001), *Industrielle Arbeitskosten im internationalen Vergleich,* „iw-trends" No. 2, p. 62; idem (2002), *Industrielle Arbeitskosten im internationalen Vergleich,* „iw-trends", No. 2, p. 9 and idem (2011), *Industrielle Arbeitskosten im internationalen Vergleich,* „iw-trends" No. 4, p. 8.

One of most important factors determining the number of the employed and the structure of employment are wages/salaries. They fulfil two fundamental functions. On the one hand, they constitute the basic income of a considerable part of the society and, on the other, they are one of key elements of production/manufacturing costs. Wages have an impact on employment figures and, thus, indirectly, on the unemployment rate.

Labour costs constitute an important factor determining economic decisions and cannot be considered static. It is necessary to analyse most significant trends of changes in this area and also the shaping of most important elements which determine total employment costs. An analysis of labour costs borne by industrial companies in 17 OECD countries in the years 1980-2010 (Table 2 above) leads to some

general conclusions. Between 1980 and 2000, an unprecedented increase in labour costs was recorded, however, in the subsequent decade, a slight slowdown in their growth could have been observed. In the first sub-period, the average cost of one man-hour calculated for those countries increased by 137% and the growth ranged from 359% in Japan to 83% in Belgium and Sweden. In the years 2001-2010, the growth amounted to 55%. It was highest in affluent Norway, in Ireland rapidly developing in the first half of the decade, and – as it was learned shortly – in Greece which was living somewhat beyond its means. In result of the fast growth of labour costs, in Norway, where they have been the highest, the costs of one man-hour in industrial companies amounted to nearly EUR 50 in 2011[2]. In Switzerland, it was equal to EUR 41, in Belgium to EUR 39, in Germany to EUR 35, in the US to EUR 24, in the UK to EUR 23 and in Greece to EUR 17.[3]

Table 3

*Labour costs in industrial companies of selected countries in 1980, 2001 and 2010 (in euro)*

| Country | Costs of one man-hour | Wage | Associated costs | Associated costs/wage ratio | | |
|---|---|---|---|---|---|---|
| | 2010 | | | 1980 | 2001 | 2010 |
| Norway | 49.54 | 31.98 | 17.56 | 48 | 48 | 55 |
| Switzerland | 40.87 | 26.12 | 14.75 | 47 | 53 | 55 |
| Belgium | 39.31 | 19.79 | 19.53 | 80 | 96 | 99 |
| Sweden | 37.23 | 20.69 | 16.53 | 64 | 69 | 80 |
| Denmark | 36.58 | 27.02 | 9.56 | 22 | 25 | 35 |
| Germany (Western part) | 36.28 | 20.67 | 15.61 | 75 | 81 | 76 |
| France | 34.55 | 19.75 | 14.72 | 80 | 91 | 97 |
| Netherlands | 32.01 | 18.17 | 13.84 | 76 | 80 | 76 |
| Italy | 25.82 | 14.50 | 11.32 | 85 | 96 | 78 |
| Japan | 25.49 | 14.33 | 11.16 | 64 | 69 | 78 |
| USA | 24.41 | 16.58 | 7.83 | 37 | 39 | 47 |
| UK | 23.10 | 16.60 | 6.51 | 39 | 43 | 39 |

Source: Author's own calculations based on: Ch. Schröder (2002), *Industrielle Arbeitskosten,* „iw-trends" No. 2, p. 50; idem (2008), *Industrielle Arbeitskosten,* „iw-trends" No. 3; idem (2011), *Industrielle Arbeitskosten,* „iw-trends" No. 4, p. 8.

[2] In 2011, it was EUR 49.54, Ch. Schröder (2011), *Industrielle Arbeitskosten im internationalen Vergleich,* „iw-trends" No. 4, p. 8.

[3] *Ibid*., p. 8.

The level of one man-hour costs is, of course, determined primarily by the gross wage per employee. It comprises the net wage and associated costs. The shaping of the latter follows from statutory regulations or/and tariff arrangements. The most important cost constituents include: remuneration for statutory paid leave, various other additional payments (e.g. end of year bonus, Christmas bonus), contributions for unemployment schemes, health insurance and pension funds. Their total amount depends on various factors, the most important of which include tradition, the extent to which labour market is regulated and the role of trade unions. A comparison of the situation in selected OECD countries in the years 1980-2010 demonstrates that, except for Italy, the high ratio of associated costs to wages/salaries persists (cf. Table 3 above). In some countries, the levels of costs and wages are similar, while in France, for example, associated costs were higher than wages (in 2007).

A relatively small share of associated costs in American and British companies is due to the far-reaching deregulation of those labour markets and a limited, especially in the US, role of trade unions. While, at the end of the first decade of the 21st century, the level of trade union membership in EU countries was 23%, in the United States it was almost two times lower (cf. Table 4 below).

Trade unions are traditionally highly popular in Nordic countries and little popular in France and now also in post-communist countries. Special attention should be paid to Denmark. There the high trade union membership is accompanied by the traditionally lowest share of associated costs in gross wages in OECD countries. It results from Danish regulations on social security and the tax system. In Denmark, unlike in most European countries, the social security system is managed by the state. If a state pays benefits, some specific fiscal solutions need to be adopted. In Denmark, they come down to very high tax rates. Their level is definitely the highest in highly developed countries.[4]

It seems, however, that the decline in trade union membership has been caused mainly by structural changes observed in recent decades. In general, the significance of the industrial/manufacturing sector decreased while the role of services grew. As history teaches us, the industrial/manufacturing sector has traditionally been the mainstay of strong trade unions. In the service sector, the trade union membership is usually much lower. It is also significant that in services, women and part-time employees constitute a significant part of the work force. These groups of employees are traditionally not interested in joining trade unions.

[4] Cf. also: H. P. Fröhlich, H. P. Klös, F. Kroker, F. J. Link, C. Schnabel (1994), *Lohnpolitik in der europäischen Währungsunion,* „Beitrage zur Wirtschafts- und Sozialpolitik Köln“ No. 2, pp. 24-35.

Table 4

*Popularity of trade unions in European countries (2008)*

| Country | Percentage of employees in trade unions | Country | Percentage of employees in trade unions |
|---|---|---|---|
| Finland | 74 | Greece | 24 |
| Sweden | 71 | Netherlands | 22 |
| Denmark | 67 | Bulgaria | 20 |
| Cyprus | 55 | Germany | 19 |
| Norway | 53 | Portugal | 19 |
| Belgium | 52 | Czech Republic | 17 |
| Malta | 48 | Hungary | 17 |
| Luxembourg | 37 | Slovakia | 17 |
| Italy | 35 | Spain | 16 |
| Ireland | 34 | Poland | 15 |
| Romania | 33 | Latvia | 14 |
| Slovenia | 30 | Estonia | 10 |
| Austria | 28 | Lithuania | 9 |
| UK | 27 | France | 8 |

Source: *Gewerkschaften. Quer durch Europa,* www.worker-participation.eu (accessed 28.07.2012).

## ATYPICAL FORMS OF EMPLOYMENT

A departure from a traditional employment contract is an important trend, the significance of which has been growing after its beginning in highly developed economies some dozen years ago. Each year, the percentage of persons employed for an indefinite term on a full time basis decreases. In contrast, various atypical forms of employment become more popular. One reason for the immensely growing popularity of new solutions is, unquestionably, the continuously growing importance of different types of services. As much as a permanent full-time job was a rule in the industrial/manufacturing sector, which until recently was dominant, the changes in labour markets of highly developed countries resulted in abandoning traditional and, as it seemed, eternal principles and bonds. The process of moving away from the dominant, until recently, traditional employment model, which has been referred to as "increasing employment flexibility" and later *flexicurity*, can take many different forms. The most common ones include teleworking, various models of working time and workers being hired out by employment agencies.

The large scale of the phenomenon has been confirmed by research conducted in Germany. In 1996, less than 20% of the employed had nonstandard contracts while 13 years later, their number increased by almost 4 percentage points (Table 5). Research carried out in 2011 in 17 thousand companies from 80 countries demonstrated that, contrary to expectations, flexible forms of employment keep gaining importance not only in Europe and the US, but also in Asian countries (Table 6)

Table 5

*Nonstandard employment contracts in Germany by sector and industry in 1996 and 2009*

| Content | 1996 | | 2009 | | Change |
|---|---|---|---|---|---|
| | thousands | % | thousands | % | % |
| Primary sector | 128 | 13.1 | 122 | 16.2 | -4.7 |
| Secondary sector | 1,001 | 8.5 | 1,192 | 11.2 | 19.1 |
| Tertiary sector | 3,732 | 18.4 | 5,899 | 25.0 | 58.1 |
| including: | | | | | |
| Trade and hotel industry | 965 | 16.8 | 1,588 | 27.0 | 64.6 |
| Transport and communications | 181 | 9.8 | 321 | 16.5 | 77.7 |
| Banks and insurances | 133 | 11.2 | 177 | 14.5 | 33.1 |
| Public administration, etc. | 470 | 16.6 | 400 | 16.0 | 14.9 |
| Public and personal services | 1,586 | 24.2 | 2,520 | 30.4 | 58.9 |
| Economy in total | 4,861 | 19.7 | 7,213 | 23.4 | 48.4 |

Source: G. Bosch, C. Weinkopf (2011), *Arbeitsverhältnisse im Dienstleistungssektor,* „WSI Mitteilungen“ No. 9, p. 441.

New solutions have many advantages. German *Siemens*, a company which has long led in introducing new solutions to broadly understood management, is an example. In one of its offices, in Düsseldorf, employees are free to choose the room in which they wish to work. However, they do that relatively rarely as they mainly work from home and “on the road”. An analysis performed demonstrated that employees who are free to choose their workplace are not only more productive. They are also healthier and highly satisfied with the work they do; they save time and money, and contribute to the reduction of carbon dioxide emission. Almost 90% of bosses of German companies have declared that they are convinced that flexible working time makes it possible to better reconcile family responsibilities and work. Although advantages of this solution have been noticed around the world, the degree of its popularity varies. Research carried out by Booz & Co., a consulting company, revealed that teleworking/telecommuting is especially popular in the BRIC countries (Table 7). In Germany, telework is relatively unpopular which may come as

a surprise. While analysing the situation in Germany, one can notice a dissonance between expectations and the reality. In 2010, 10% of the employed occasionally worked from home. 20% of respondents declared to be interested in working that way every day, while 37% would like to perform their professional duties from home at least on some weekdays.[5] Nevertheless, the number of companies offering such an option increases every year. In 2003, they accounted for only 8% of economic entities while 6 years later, the ratio increased to 22%. It can be expected that this trend will continue. It is estimated that in 2030, employees in OECD countries will spend at least 50% of their work time working from home.[6]

Table 6

*Popularity of flexible working time models in selected countries (percentage of companies which agree with the presented opinion)*

| | We offer flexible working time and/or teleworking to our employees | Flexible working time has a positive impact on the balance between work and family life of our employees | Flexible working time and teleworking increase our attractiveness as an employer |
|---|---|---|---|
| Canada | 88 | 65 | 28 |
| USA | 85 | 79 | 31 |
| UK | 83 | 67 | 22 |
| Italy | 81 | 70 | 31 |
| Germany | 76 | 88 | 16 |
| China | 74 | 57 | 23 |
| Japan | 49 | 57 | 24 |

Source: *Egal wo, egal wann* (2012), "iw-dienst", No. 8, p. 1.

Teleworking is attractive to many employees, but other atypical forms of employment, the significance of which grows, are not very popular. Due to growing labour costs on the one hand, and progressing globalisation on the other, employers seek to reduce employment in various ways. In result, precarious jobs are increasingly discussed in the subject literature. Precarious employment refers to employment terms which widely diverge from standards customarily adopted in a given country or industry. This refers to the level of wages, job security and the integration

[5] *Homeoffice beim Hurrikan* (2011), „iw-dienst" No. 32, p. 1.

[6] *Egal wo, egal wann* (2012), „iw-dienst" No. 8, p. 1; cf. A. Świątkowski, M. Wujczyk (2011), *Między elastycznością zatrudnienia a stabilnością socjalną. Idea 'flexicurity' na początku XXI w.,* „Praca i Zabezpieczenie Społeczne" No. 5, pp. 8-15.

level. From the labour force view, special attention should be paid to the uncertainty of employment and wages below subsistence level.[7]"

Table 7

*Popularity of teleworking in selected countries (2011)*

| Country | Percentage of respondents, whose answer to the question: *"Do you have to be physically present at your workplace to work effectively?"* was: | | |
|---|---|---|---|
| | **No.** Thanks to suitable technology I can be equally productive working outside the company premises | **Yes.** I need to be in the company premises to consult some issues. It is not necessary every day | **Yes.** If possible, I should be at my workplace every day |
| India | 79 | 14 | 7 |
| Brazil | 43 | 34 | 23 |
| Russia | 41 | 20 | 39 |
| China | 37 | 44 | 19 |
| Mexico | 37 | 22 | 41 |
| France | 37 | 19 | 44 |
| USA | 35 | 25 | 41 |
| UK | 34 | 21 | 45 |
| Spain | 33 | 25 | 42 |
| Australia | 30 | 27 | 43 |
| Germany | 27 | 16 | 57 |
| Japan | 23 | 21 | 56 |
| Italy | 22 | 25 | 53 |

Source: *Homeoffice beim Hurrikan* (2011), "iw-dienst" No. 32, p. 1.

An increasingly popular type of employment is one for a fixed term. Studies conducted by the Institute for Employment Research (*Institut für Arbeitsmarkt- und Berufsforschung*), Nuremberg, have demonstrated that over 17 years, the percentage of persons employed in that way in the total number of employees increased by 2 percentage points in EU member states (Table 8).

[7] K. Dörre (2005), *Prekarität – Eine arbeitspolitische Herausforderung,* „WSI Mitteilungen" No. 5, p. 252.

Table 8

*Share of persons employed for a fixed term in the total number of employees in selected countries in 1992, 2000, 2008, and 2009 (percentage)*

| Country | 1992 | 2000 | 2008 | 2009 |
|---|---|---|---|---|
| Denmark | 11.0 | 10.2 | 8.3 | 8.9 |
| France | 10.4 | 15.4 | 14.1 | 13.5 |
| Germany | 10.5 | 12.8 | 14.7 | 14.5 |
| Italy | 7.1 | 10.1 | 13.3 | 12.5 |
| Spain | 33.6 | 32.4 | 29.3 | 25.5 |
| UK | 5.5 | 6.6 | 5.3 | 5.5 |
| EU 15 | 11.5 | 13.6 | 14.4 | 13.6 |

Source: T. Rhein (2010), *Beschäftigungsdynamik im internationalen Vergleich. Ist Europa auf dem Weg zum „Turbo-Arbeitsmarkt* "?, „JAB Kurzbericht" No. 19, p. 3.

The popularity of definite term employment largely depends on the degree to which a national labour market is regulated and, in particular, on adopted dismissal procedures. That is why this solution is little used in Denmark and Great Britain, i.e. in countries where protection against dismissal is relatively little. In Spain, the situation is different. There employment for a fixed term is often treated by employers as a way around obligations to which they must strictly comply if they dismiss employees. In Spain, fixed term employment is very popular, however, its popularity has somewhat decreased recently due to liberalisation of indefinite term employment contracts. In Germany and Italy, the opposite has happened. There the number of fixed term contracts has markedly grown once facilitating provisions were introduced.

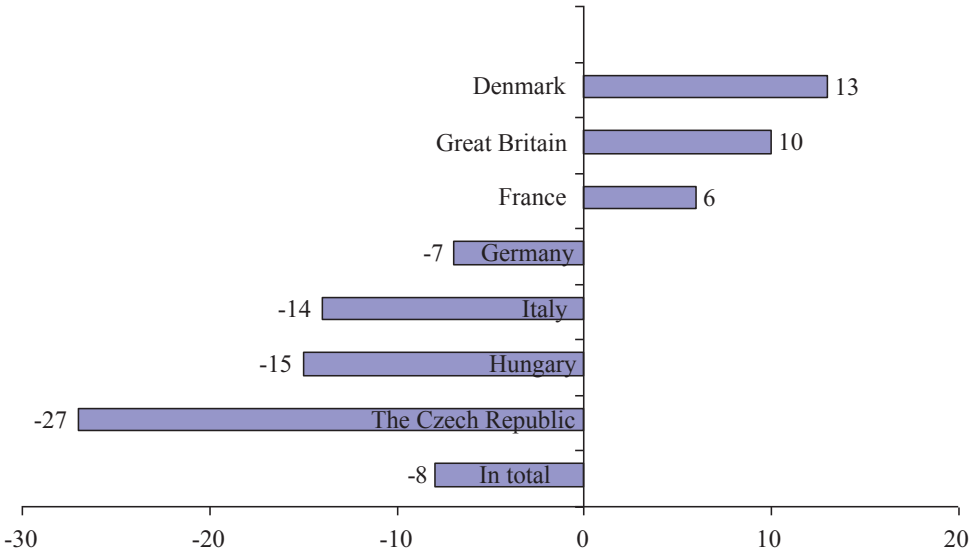
An increase in the popularity of fixed term employment observed in most EU member states, is especially significant in the context of the persisting high unemployment rates. Job seekers deprived against their will of a chance to legally earn money, have to be aware that they will probably not find a "proper" indefinite term full-time job but, in most cases, fixed term jobs only.

The above has been confirmed by a research on 10 EU member states: Belgium, Czech Republic, Denmark, France, Germany, Hungary, Italy, Poland, Spain, and the UK. The aim of the research was to compare job-finding prospects in the said countries in the years 1997-1998 and 2007-2008. It was found that the number of

the unemployed who found a "proper" job[8], i.e. an indefinite term one, decreased by 8% on average. Most negatively affected were Czechs and Hungarians, and least the British and Danes, i.e. citizens of countries where the labour market is liberalised to a considerable extent (Figure 1). Research conducted in Germany on the years 2001-2011, indicates a continuously growing share of fixed term contracts in the total number of employment contracts. In the year 2001, the ratio amounted to 32%. 10 years later, it was equal to as much as 45%.

Figure 1

*Change (in percentage points) in the percentage of the unemployed who had fixed term jobs in 2007-2008 as compared to 1997-1998*




Source: R. Konle-Seidl, P. Truebswetter (2011), *Dynamik auf den europäischen Arbeitsmärkten. Sind unsichere Verträge der Preis für mehr Beschäftigung?,* „IAB-Kurzbericht" No. 25, p. 6

The number of people hired for a fixed period of time increased from 1.7 to 2.7 million. It means that they account for as many as 9.5% of all the employed. In 2011, every second newly employed woman was offered that type of contract only.[9] Surely, the share of this type of employment varies in different sectors. Most fixed term jobs are offered by educational institutions and in the health care sector (cf. Table 9).

[8] R. Konle-Seidl, P. Truebswetter (2011), *Dynamik auf den europäischen Arbeitsmärkten. Sind unsichere Verträge der Preis für mehr Beschäftigung?,* „IAB-Kurzbericht" No. 25, p. 6.

[9] Ch. Hohendanner (2012), *Befristete Arbeitsverhältnisse. Auch Mann trägt kurz,* „IAB-Forum" No. 1, p. 62 and 63.

Table 9

*Structure of fixed term employment in Germany in 2011*

| Industry | Share of women in total employment | Share of people employed for a fixed term in total employment | | |
|---|---|---|---|---|
| | | total | women | men |
| Agriculture and forestry | 33 | 9.1 | 9.8 | 8.7 |
| Food industry | 48 | 7.1 | 8.6 | 5.6 |
| Construction | 14 | 2.6 | 1.4 | 2.8 |
| Retail trade | 69 | 5.7 | 6.2 | 4.6 |
| Transport and storage | 21 | 6.1 | 6.3 | 6.1 |
| Hotel industry | 61 | 11.3 | 11.8 | 10.4 |
| Banks and insurance | 56 | 2.5 | 2.8 | 2.8 |
| Education | 68 | 16.2 | 14.4 | 20.0 |
| Total | 45 | 7.6 | 9.0 | 6.5 |

Source: Ch. Hohendanner (2012), *Befristete Arbeitsverhältnisse. Auch Mann trägt kurz,* „IAB-Forum" No. 1, p. 64.

The above mentioned research conducted in 10 EU member states demonstrated that not everybody has equal chances to get an indefinite term job. It demonstrated that "problem groups" are disadvantaged in the labour market . Men have better employment prospects than women. People of working age who are most productive, i.e. the 26-50 age group, have a greater chance to find a long time job. Members of extreme age groups are in a definitely more difficult situation. As expected, prospects for people with higher education are much better. It is easiest to find an indefinite term job in industrial/manufacturing companies and it is hardest to find one in agriculture.

Temporary agency work contracts are a case of a particular type of employment scheme. Three parties are involved: a temporary work agency, an "agency" worker, and an enterprise for which the worker will do the job. In a way, the agency hires out the worker to a different company against payment. The worker has an employment contract with the employment agency, which has to comply with provisions concerning worker protection and/or social security (insurance) and incurs all costs normally associated with employment. The employment relationship is usually open-ended. That type of employment is known in all EU member states. The popularity of temporary employment and solutions adopted differ largely (Table 10). First of all, there

are differences in the popularity of agency work, average employment duration, the dominant type of employment (percentage of part-time employees) and wages. Temporary work is the least popular in new EU member states. It is most popular in the UK known for its high level of labour market liberalisation. A more careful analysis of the situation in the UK makes it clear that much caution is needed while accessing the scale of the phenomenon. Authors who write about a record share of agency work contracts refer to annual surveys carried by the British Recruitment and Employment Confederation. It turns out, however, that of 13 thousand temporary-work agencies only 5% participated in the surveys and "general" conclusions were drawn on the basis of that limited data. Thus, it is not surprising that according to research commissioned by the Department of Trade and Industry, the number of "agency" workers is 600-700 thousand. According to the Labour Force Survey, the number is much smaller, only 250 thousand.[10]

Table 10

*Popularity of temporary employment in selected European Union countries (2008)*

| Country | Share in total employment | Permissible contract duration | Statutory minimum hourly wage (in euro) |
|---|---|---|---|
| Austria | 1.38 | No limitations | None |
| Belgium | 2.3 | 3-6 months | 7.48 |
| Denmark | 1.2 | No limitations | None |
| France | 2.1 | 18 months | 8.03 |
| Germany | 1.6 | No limitations | None |
| Ireland | 1.25 | No limitations | 7.65 |
| Italy | 0.63 | No limitations | None |
| Netherlands | 2.5 | No limitations | 7.96 |
| Poland | 0.4 | 12-36 months | 1.35 |
| Spain | 0.8 | No limitations | 3.78 |
| Sweden | 1.0 | No limitations | None |
| UK | 5.0 | No limitations | 7.36 |

Source: A. Vanselow, C. Weinkopf (2009), *Zeitarbeit in europäischen Ländern - Lehren für Deutschland?,* Düsseldorf, p. 13.

[10] A. Vanselow, C. Weinkopf (2009), *Zeitarbeit in europäischen Ländern - Lehren für Deutschland?,* Düsseldorf, p. 28.

Agency employment contracts have for years been very popular in the Federal Republic of Germany. First relevant legal solutions were introduced in 1972. At the end of 2011, 900 thousand people were "agency" workers and the demand was much higher. It is estimated that in February 2012, the number of vacancies for agency work amounted to as many as 160 thousand.[11] German analysts agree that the recovery from the crisis would last much longer if it was not possible to acquire "agency" workers. In the difficult period of 2007-2010, over 50% of 3,800 surveyed companies benefited from this type of employment. In 2010, every forth employed person was a temporary worker.[12] From the employer's point of view, the factor which makes this scheme of employment attractive, is its high flexibility. It is particularly attractive to companies in which employment is highly susceptible to the economic situation.

Temporary work is also very popular in the Netherlands. Persons who relatively often profit from its benefits are those whose position in the labour market is not very good. The relatively high share of women is a characteristic feature of the situation. In 2007, they accounted for 43% of all persons employed temporarily. Every third person was under 25 years of age. Another Dutch trait is overrepresentation of people from immigrant communities. In 2003, they accounted for 35% of temporary workers, while their share in the total number of the employed is over twice lower.[13] In processing industries, job seekers get "agency" employment much more often than a "proper" job. The most widely represented professions include: production workers, warehouse workers, cleaners, call centre workers, office workers and canteen staff.

Analyses of working conditions and wages of "agency" workers reveal significant differences between European Union countries. Difference between Anglo-Saxon and continental traditions are striking. In the UK, temporary employees do not have an employment contract but its surrogate in the form of a contract for services. They are, however, entitled to receive similar benefits such as paid holidays, sick pay, statutory minimum wage, and a maximum 48-hour working week. Other regular provisions include protection against unfair dismissal and parental leave. There are considerable differences in the earnings. An average remuneration of "agency" workers is about 20% lower in comparison to "regular" employees. It may seem strange at first sight but in that respect, greatest differences appear in the group of highly qualified persons. What is more, analyses conducted by the British Trade Union Congress have revealed that situations where rates of pay are lower than the guaranteed minimum wage are not uncommon. Moreover, it is hardly possible to accept as satisfactory the situation where the duration of one third of contracts is shorter than three months, and the duration of one fifth is shorter than six weeks.[14]

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[11] *Atmen mit der Konjunktur* (2012), „iw-dienst" No. 18, p. 1.

[12] *Aufschwunghelfer auf Zeit* (2011), „iw-dienst" No. 22, p. 1

[13] A. Yanselow, C. Weinkopf (2009), *op. cit.,* p. 21.

[14] H. Kountouros, *The UK: Responding to the Need for Protection in a System Preoccupied with*

Also in Germany "agency" workers do not enjoy their new jobs for a long time. In 2010, more than half of them (55%) worked for no longer than three months[15], and every tenth of them less than a week[16]. It should be highlighted, however, that persons who are "hired out" usually work full-time. German trade unions very strongly demand remuneration equality but employers' resistance is strong too. Employers argue that as temporarily employed persons usually work short periods, their productivity is considerably lower than that of the skeleton staff. They also deny allegations that they are trying to replace current employees with "hired out" workers who may be paid less, and thus to reduce the production costs and increase profits. This, in fact, is hardly realistic. It suffices to note that temporary agency workers account for a small percentage of all the employed. In 2010, their share amounted to 2.4%, and only every tenth of them worked in a hiring company for more than one year.[17] As it has been already mentioned, "hired" employees are very useful especially due to their high flexibility. That is why many of them find a permanent job. At the beginning of 2011, before they started to work as temporary agency workers, as many as 67% of them were unemployed.[18] According to the research performed, only every third of them remains unemployed after having worked as an "agency" worker. The transition from unemployment to employment is accomplished mainly by persons who managed to work for some time in last two years. On the other hand, the percentage of the formerly unemployed who managed to keep one job for at least two years and resigned from the agency hiring out scheme amounted to only 7%.[19] In spite of problems, it would be a mistake to underestimate the role of this solution in mitigating the situation in the German labour market. It suffices to notice that from October 2009 to October 2010, 38% of the workplace increase was attributed to "agency" employment.[20]

Similar problems can be observed in the Dutch labour market. In the Netherlands, working conditions depend on the time for which the "hired" employee worked. After 18 months of work for one company or three years of work in one industry, a worker is entitled to a permanent employment contract. In 2007, the average time of work for one enterprise amounted to 153 days, i.e. about 5 months. Compared to

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*Flexibility*, in: K. Ahlberg, B. Bercusson, N. Bruun, H. Kountouros, Ch. Vigneau, L. Zappalá (2008), *Transnational Labour Regulation. A Case Study of Temporary Agency Work*, Brussels, p. 59.

[15] W. Adamy (2011), *Hohes Entlassungsrisiko in der Leiharbeit – auch bei anziehender Koniunktur,* Berlin, p. 2.

[16] *Gute Gründe gegen Equal Pay* (2011), „iw-dienst" No. 17, p. 1; cf. K. Schulze Buschoff, J. Rückert-John, *Vom Normalverhältnis zur Flexibiliesierung,* in: *Arbeit der Zukunft. Neue Wege einer gerechten und emanzipativen Arbeitsmarktpolitik* (2006), Baden-Baden, pp. 308-335 and G. Schilling, *Flexible Arbeitszeitgestaltung in kleinen und mittleren Unternehmen. Umsetzungsergebnisse landes-geförderter Arbeitszeitberatung,* in: *Arbeit der Zukunft...,* pp. 337-345.

[17] *Ungemacht droht von drei Seiten* (2011), „iw-dienst" No. 6, p. 1 and 2.

[18] *Gute Gründe...*, p. 1.

[19] F. Lehmer, K. Ziegler (2011), *Zumindest ein schmaler Steg,* „IAB-Kurzbericht", No. 13, p. 1.

[20] W. Adamy (2011), *op. cit.,* p. 2.

other countries, that period was relatively long. Only 16% of people worked for less than a month, 25% worked for one to three months, and 59% for a longer period.[21]

Like in most European Union countries, remuneration is set at a level close to the minimum wage but there is a clear upward trend in the case of longer employment. In practice, however, employers often take advantage of the possibility to reduce pays. In result, people under 23 years of age receive remuneration amounting to 85% of regular wages. A similar situation can often be observed in the case of people with particularly low qualifications and long unemployed graduates.[22] Research conducted in 2000-2004 demonstrated that average wages of "hired" employees working in administration, health care and education amounted to 66.5% of other people employed in those sectors. In the case of trade companies, transport companies and catering, the ratio was 73%.[23]

## REDUCTION OF WORKING TIME

Continuous technological advances and their acceleration at the turn of the century made it possible for Western societies' to sustain their living standards and even to raise them while simultaneously decreasing the workload total. It means that increasingly often the significance attributed to different functions of work changes. It is less a means to earn a living and more a confirmation of usefulness of an individual to the society. What is more, increasingly more women want such a recognition. The progressing abandonment of traditional roles in the family is accompanied by women becoming more active professionally.

The readiness to take a job declared by a growing part of the society is linked to the trend to shorten working time. The latter follows different patterns. In consequence, the career path of a person living in the northern hemisphere in the early 21st century is substantially different from one's professional career one hundred years ago.

The process of shortening the working time, which had began with British workers' struggle in the middle of the 19th century and continued in the following decades, significantly accelerated to the end of the 20th century. Its fast pace has not slowed down.

Actions aimed at shortening the working time can generally be divided into two categories. The first one includes undertakings which fall within the competence of negotiating partners of collective agreements. Most important ones include: shortening of the working week, reducing the shift work indicator and overtime, extend-

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[21] E. Sol, S. Engelsman (2008), *The Netherlands: Temporary Agency Work and Collective Bargaining in the EU*, European Foundation for the Improvement of Living and Working Conditions, Dublin, www.eurofound.europa.eu (accessed 31/07/2012).

[22] A. Vanselow, C. Weinkopf (2009), *op. cit.,* p. 24 and 25.

[23] K. Tijdens, M. Klaveren van, H. Houwing, M. Meer van, M. M. Essen van (2006), *Temporary agency work in the Netherlands*, "AIAS-Working Paper" No. 06/54, Amsterdam, www.uva-aias.net (accessed 31/07/2012).

ing breaks in the working time, extending holiday leave, and popularising part-time work. The second category of actions falls within the competence of the state and includes extension of the period of compulsory education, regulations on holiday leaves, and lowering the retirement age.

In result of various actions, the intensity of which has varied in different countries, the average annual work time is getting shorter (Table 11). It should be noticed that, contrary to a popular opinion, Germany is not the country where the working time is the longest. The first place has long belonged to Americans. The pace of shortening the working time has been recently slower in the US than in most European countries. In consequence, the divergence between America and the old continent is getting bigger. In 2010, the working time of an average American was 35% longer than the one of the Dutch, whose working time was the shortest in Europe. Sixteen years earlier, the difference was 4 percentage points smaller.

Table 11

*Actual annual working time in selected countries in 1994-2010 (in hours per worker)*

| Country | 1994 | 2010 | Change in % |
|---|---|---|---|
| Belgium | 1510 | 1446 | — 4.2 |
| Canada | 1758 | 1704 | — 3.1 |
| Denmark | 1524 | 1520 | — 0.3 |
| Finland | 1670 | 1584 | — 5.1 |
| France | 1563 | 1469 | — 6.0 |
| Germany | 1474 | 1340 | — 9.1 |
| Greece | 1792 | 1754 | — 2.1 |
| Ireland | 1652 | 1588 | — 3.9 |
| Japan | 1910 | 1754 | — 8.2 |
| Netherlands | 1407 | 1323 | — 6.0 |
| New Zealand | 1770 | 1742 | — 1.6 |
| Spain | 1665 | 1623 | —2.5 |
| UK | 1708 | 1620 | — 5.2 |
| USA | 1839 | 1786 | — 2.9 |

Source: *OECD Employment Outlook 2011*, Paris, 2011, p. 258.

The time productively spent in the workplace is, of course, much shorter than the nominal annual work time. The latter, in turn, is the product of the number of weeks and of a statutory working week minus absences due to holiday leave and public holidays (Table 12).

Table 12

*Collectively agreed annual working time in selected countries (2010)*

| Country | Weekly working time | Gross annual working time | Holiday leave | Public holidays | Statutory absence | Annual working time |
|---|---|---|---|---|---|---|
| | hours | | days | | hours | |
| | A | B = A x 52 | C | D | E = C + D | B - E |
| Denmark | 37 | 1 924.0 | 30 | 10 | 296.0 | 1 628.0 |
| Germany | 37.7 | 1 960.4 | 30 | 10 | 301.6 | 1 658.8 |
| Sweden | 37.2 | 1 934.4 | 25 | 9 | 253.0 | 1 681.4 |
| Italy | 38.0 | 1 976.0 | 28 | 9 | 281.2 | 1 694.8 |
| Netherlands | 37.5 | 1950.0 | 25 | 5 | 225.0 | 1 725.0 |
| EU 15 | 37.6 | 1 955.2 | 25.9 | 9.9 | 268.8 | 1 686.4 |
| EU 27 | 38.0 | 1 976.0 | 24.8 | 9.6 | 261.1 | 1 714.9 |

Source: www.wko.at/statistik/eu (accessed 28/07/2012).

Attention should be paid primarily to the pace at which the weekly working time is getting shorter. At the beginning of the 1980s, it was at least 40 hour long in all Western European countries, except for France (Table 13). It is also worth to remember that the weekly work time negotiated within the framework of tariff arrangements is very often shorter than the statutory one in a particular country.

Table 13

*Collectively agreed weekly working time of full-time employees in selected countries in 1981 and 2011 (hours per worker)*

| Country | 1981 | 2011 | Decrease percentage |
|---|---|---|---|
| Belgium | 40 | 37.6 | 6 |
| France | 39 | 35.6 | 9 |
| Germany | 48 | 37.5 | 22 |
| Italy | 48 | 38.0 | 21 |
| Ireland | 48 | 39.0 | 19 |
| Luxembourg | 40 | 40 | 0 |
| Netherlands | 48 | 37.5 | 22 |

Source: Author's own calculations based on: H. Werner (1983), *Arbeitszeitverkürzung. Eine Internationale Übersicht,* „Wirtschaftsdienst" No. 5; *Eurostat. Beschäftigung und Arbeitslosigkeit*, 1985, p. 251, 1989, p. 225; www.wko.at/statistik/eu (accessed 29/07/2012).

A factor which has a considerable influence on the reduction of annual working time per worker is part-time employment. In Europe, this category includes people working for 15-29 hours a week. In the United States, part-time workers cannot work for more than 15 hours. In Japan, in turn, there is no arbitrarily defined limit.

A part-time job has advantages from the point of view of both the employer and the employee. Employers especially appreciate its flexibility which contributes to increasing the productivity per one man-hour. As far as employees are concerned, the attractiveness of part-time employment comes down to, primarily, the possibility to better reconcile professional and family responsibilities.[24]

In most OECD labour markets, the number of active people concluding part-time employment contracts grows. In 1994, the percentage of persons working part-time was 11.3 on average, and 16 years later it was 5 percentage points higher (Table 14).

Table 14

*Working time of part-time employees in selected countries in 1994 and 2010*

| Country | Part-time employment as a proportion of total employment | | Part-time employment as a proportion of total employment (2010) | |
|---|---|---|---|---|
| | 1994 | 2010 | Women | Men |
| Denmark | 17.3 | 19.5 | 25.9 | 13.6 |
| Finland | 8.9 | 12.5 | 16.0 | 9.2 |
| France | 13.8 | 13.6 | 22.3 | 5.7 |
| Germany | 13.5 | 21.7 | 37.9 | 7.9 |
| Italy | 10.0 | 16.3 | 31.1 | 6.3 |
| Korea | 4.5 | 10.7 | 15.5 | 7.2 |
| Netherlands | 28.9 | 37.1 | 60.6 | 17.2 |
| Portugal | 9.5 | 9.3 | 13.0 | 6.1 |
| Spain | 6.4 | 12.4 | 21.7 | 4.9 |
| Sweden | 15.8 | 14.0 | 18.8 | 9.7 |
| Switzerland | 23.2 | 26.3 | 46.4 | 9.6 |
| UK | 22.1 | 24.6 | 39.4 | 11.6 |
| USA | 14.2 | 13.5 | 18.4 | 8.8 |
| OECD (weighted average) | 11.3 | 16.6 | 26.3 | 8.9 |

Source: *OECD Employment Outlook* 2011, Paris, 2011, p. 253.

[24] More in: I. E. Kotowska (2010), *Uwagi o polityce łączenia pracy zawodowej i rodziny w kontekście nowej demografii*, in: *Człowiek w pracy i polityce społecznej*, Poznań, pp. 59-76 and J. Rubey, *Part-time work: a threat to labour standards*, in: *Part-time prospects. An international comparison of part-time work in Europe, North America and Pacific Rim* (1998), London, pp. 137-155.

The percentage is traditionally the highest in the Netherlands. In the Mediterranean countries, part-time employment is least popular. The popularity of part-time employment is determined primarily by changes in the demand for this type of employment. Changes in the demand reflect broadly understood cultural changes taking place mainly in Western European countries. Progressive secularisation and emancipation of women markedly modify the life of many families in this part of the world, in particular in the northern part of the old continent. Partnerships, consensual unions and one-person households are becoming increasingly popular, divorces are more common, the birth rate is decreasing, and traditional gender roles in the family are changing. All these developments result in a growing popularity of a relatively individualised working time. In the southern part of Europe, the above listed processes are advancing a bit slower as if delayed. Due to the more significant role of the Church and traditional family ties, women in the South of Europe are less interested in a professional career. Taking into consideration the fact that women are generally overrepresented among persons working part-time, it is not surprising that the percentage of people having part-time jobs in Portugal, Greece and Spain is 3 or 4 times lower than in the Netherlands. Attention should also be paid to two important factors which influence the demand for this type of work in Mediterranean countries. One of them contributes to an increasing importance of part-time employment, and the other one limits its growth. Research conducted in Spain and Portugal has demonstrated that most people employed part-time, take such jobs because they have failed to find a ”proper” job. The factor which considerably decreases the interest of women in part-time work is a poor child care system which is significantly less developed in the southern part of Europe  than in its northern part. It is interesting that this factor also considerably limits professional activities of women in Japan.

A more detailed analysis of the situation in labour markets of European Union countries reveals that a large group of women working part-time declare their readiness to extend their working time which means that they will earn more. It can be assumed that this trend is strongest in countries where working time is relatively short. Differences are, in fact, not small (Table 15). A more detailed analysis of the situation in Germany shows that women working part-time would actually like to work longer: 3 hours more in the Western part of the country and 2.9 hours more in the Eastern part.[25]

[25] E. Holst, H. Seifert (2012), *Arbeitszeitpolitische Kontroversen im Spiegel der Arbeitszeitwünsche*, „WSI Miteilungen” No. 2, p. 146, cf. also: S. Wanger, (2011) *Ungenutzte Potenziale in der Teilzeit. Viele Frauen würden gerne länger arbeiten,* „IAB-Kurzbericht” No. 9.

Table 15

*Average weekly working time of women employed part-time in selected countries of the "old" European Union (hours)*

| Country | Working time | Country | Working time |
|---|---|---|---|
| Sweden | 25.0 | Greece | 19.9 |
| Belgium | 23.7 | Netherlands | 19.9 |
| France | 23.3 | Spain | 19.1 |
| Italy | 21.5 | Portugal | 19.0 |
| Austria | 20.9 | UK | 19.0 |
| Denmark | 20.9 | Ireland | 18.6 |
| Luxembourg | 20.2 | Germany | 18.5 |
| Finland | 20.0 | | |

Source: *Perspektive 2025. Fachkräfte für Deutschland*, Nürnberg 2011, p. 31.

It needs to be underlined that indeed mostly women are interested in part-time jobs, especially those who have never worked full-time, but the percentage of people who have "proper" jobs and who would like to reduce their working time is also considerable. Both international conventions and national laws make it increasingly difficult for employers to refuse to consent to employees' requests to work less hours. OECD research indicates that the will to change a full-time job to a part-time job can be easily justified by the necessity to take parental responsibilities. Other common reasons include: a wish to take care of a senior family member, illness or a limited physical disability, a wish to continue education or to take a professional training, and elderly age.[26]

To conclude, since the beginning of the early 21st century, labour markets of highly developed countries have had to face serious problems. In most countries, long-term unemployment persists. Its level is considerable also in countries where, until now, it was not a highly significant social issue. Developments in labour markets of OECD countries point out deficiencies in their functioning. In order to guarantee that a state and its government fulfil their social obligations, as expected by a majority of citizens, it is necessary to increase the financial burden on employment. That, in turn, may lead to a decrease in the readiness of employers to sign new employment contracts and, thus, to an increase in the unemployment rate.

The second characteristic feature of labour markets of highly developed countries is the advancing process of making employment more flexible. An increasingly smaller percentage of employees have traditional employment contracts. Thanks to a fast popularisation of modern methods of information transfer, the broadly under-

[26] *How Good is Part-Time Work* (2010), OECD Employment Outlook 2010, Paris, p. 218.

stood teleworking gains in importance. The process is accompanied by a reduction of working time. A person employed in any highly developed country works dozens of hours less annually than thirty years ago. It is a consequence of the reduction of weekly working time, an increase in the popularity of part-time employment and a decrease in the shift working ratio.

ABSTRACT

*The subject studied are major tendencies observed in job markets of highly developed countries. Apart from a few exceptions, most of them have a high unemployment rate. The growing costs accompanying employment are an obstacle to raising the level of employment. In many countries those costs are already almost equivalent to wages. On the other hand, the progressing process of diffusion of new information transmission technologies has led to a noticeable shift from work contracts to various atypical forms of employment.*

*A high level of efficiency achieved by OECD countries makes it possible to ensure an appropriate standard of living with a decreasing level of employment. Thus, at the beginning of the 21st century a shortening of work time has become a rule. This is done by various methods, the most popular one being part-time employment. It must be remembered, however, that limitation of work time is not always seen as justified by the person to whom it pertains.*