



**Lecture**

**by**

**the President of Iceland  
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**“PARTNERSHIP IN THE NORTH –  
RUSSIA, AMERICA AND  
THE NORDIC COUNTRIES  
IN THE 21<sup>ST</sup> CENTURY”**

**University of Oulu  
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Distinguished rector  
Professors, students  
Ladies and gentlemen

It has long been a characteristic feature of the dialogue on international affairs that its themes tend to become entrenched in custom and tradition, viewpoints remain unchanged even for decades and our understanding of the world becomes routine.

In the second half of the twentieth century the Cold War created such divisions: the world was split into East and West, the arms race and struggle to win zones of influence in other continents had a decisive impact on ways of thinking and the issues that were dealt with, universities and research institutes devoted much of their energies towards examining and defining the conflicts that were labelled in these terms.

At the end of the colonial era, and in light of the experience of government and economic developments in Africa and Asia – and in fact farther afield – the world was also increasingly classified into developed and undeveloped countries and a new view of the world emerged, based on inequalities in wealth and quality of life, poverty and lack of industrial diversification came to be the foundation for a new scenario.

This twin division into East and West and developed and undeveloped countries virtually dominated the world picture underlying all international conflicts and dialogue, until almost in an instant the Cold War was suddenly a thing of the past: The Berlin Wall fell, countries which had been under dictatorships took the right to independent and democratic self-determination into their own hands, the Soviet Union disintegrated in the space of a few years, old enemies became partners and allies, the balance of terror became undermined and, finally, Russia and NATO made a formal treaty on cooperation in the interest of peace.

It is perhaps understandable that, in all this turmoil and transformation in the course of roughly a single decade, we have had trouble finding our bearings and comprehending in full the opportunities that have opened up, how the new world picture has presented the Nordic countries with a different status and enables us to become dynamic participants, on independent terms, in forging the new relationship between Russia and North America.

The key to this new role for the Nordic countries lies in the changes which have taken place in the North since the end of the Cold War, how the region extending from Russia, across the Baltic and Scandinavia and from there via Iceland to Canada and the United States has acquired a

new value and become the forum for a process of diverse political innovation which has now been formalized in councils of cooperation and dedicated to an extensive agenda.

During the second half of the 20<sup>th</sup> century there was very little interest in the course of events in these Northern Regions; they were primarily considered to be a status quo part of the world. The deep frost of the Cold War somehow harmonised with the colder climate up north, so the end result was as uneventful as the never-ending wilderness of snow and ice where monotonous whiteness covered everything in all directions to the horizon.

Now the Northern Regions have experienced vibrant changes, similar to the arrival of spring which breaks the ice covering lakes and rivers; suddenly there is movement everywhere and the newly released streams move forward with force and vigour.

New states and regional organisations have been created. For the first time in our history there now exists an interlocked network of organisations embracing the entire area from Russia across the Baltic States and the Barents Sea through the Nordic countries, over the Atlantic Ocean and Greenland into Canada and the United States of America.

Three regional organisations – the Baltic Council, the Barents Region Council and the Arctic Council – all of them created in the present decade and all gaining relevance and scope with each year that passes, are a clear demonstration of this political transformation; not only bringing into being new states and new territorial bodies within states, but also creating for the first time exclusive forums for cooperation between the Northern European states, Canada and the two most important states of the twentieth century, the United States of America and Russia.

Although the Baltic, Barents and Arctic Councils are all different in composition and purpose, they constitute together a new structural reality. They show how the end of the Cold War has fundamentally changed the political and economic landscape in the North and brought our regions into key positions, influencing strongly the success of the new Europe and the stability of the Russian-American relationship.

The federal structures of Russia, Canada and the United States have furthermore brought regional, provincial and state governments into significant cooperation with the smaller nation states in the Northern Regions. Thus an interesting form of regional and nation state cooperation in economic, social and political affairs is now being created. New entities have entered the framework of cooperation in the Northern Regions. In many ways the area can now be seen as a laboratory situation

of how the old nation states and the regional, provincial and state governments within the federal structures can evolve intensive forms of international cooperation in the 21<sup>st</sup> century and thus transform the old traditional model of diplomatic exchange.

These structural innovations are further enhanced by the growing independence of both the Faroe Islands and Greenland, which, although formally parts of the Danish state, are increasingly taking more power into their own hands and dealing independently with their neighbouring countries, for example Iceland and Canada. In addition it will be interesting to witness how Scotland, which for the first time in more than three hundred years now has its own parliament and its own regional government, will develop its relations with neighbouring countries and regions in Northern Europe and Canada.

The foreign policies of the USA, Canada, Russia and the European Union have in recent times acknowledged these new realities in the Northern Regions and their importance for the evolution of Europe and the Atlantic relationship in the 21<sup>st</sup> century.

When all these developments are taken together, they demonstrate how the end of the Cold War has dramatically transformed the political and economic landscape in the Northern Regions and brought them into key positions, and will influence strongly the success and stability of the new Europe and the Russian-American relationship.

During my State Visit to Russia earlier this year I sensed the positive interest which the leaders of Russia show towards increased cooperation in the North. From my very first meeting with the President of the Russian Federation Vladimir Putin and throughout the dialogue with other leaders, ministers and governors it was absolutely clear that the Northern dimension is a prominent part of the Russian vision for the 21<sup>st</sup> century.

This emphasis is of great importance not only for other countries in northern Europe, the Nordic countries and the Baltic States, but also for Canada and the United States of America.

Last month Russia was the host to the second assembly of the Northern Research Forum which was founded in Iceland two years ago but initiated and planned through a special Icelandic-Finnish cooperation which resulted from my visit to the University of Lapland in 1998. The Northern Research Forum brings together political leaders, business people, scholars and researchers, public officials and university students to discuss and analyse future cooperation in the North and draw lessons from the experience of recent years.

Among the issues discussed in Novgorod were:

\* Human capital in the North: Population movements, employment, traditional knowledge and applications of new technology, education, gender issues, transportation and communication.

\*Innovation in Northern governance, the future of regional institutions, the voice of the Arctic in global governance, sub-national governments in the North and concepts of security.

\*Business initiatives for a joint agenda in the North: experiences of different regions in international business, interaction between business and politics, barriers to entry, legislation with respect to foreign investment and current challenges for northern economies.

\*The lessons of history: The Vikings and the Novgorodians, East-West as it reflects the importance of historical crossings for current relations, North-South as it reflects past experience and research into new approaches.

At the first Northern Research Forum the Russians showed strong interest in this initiative and eagerly sought acceptance of their offer to host the second assembly, thus demonstrating their dedication to exploring new opportunities for positive and productive cooperation in the North. In addition to President Putin endorsing this northern cooperation in significant ways, two of the most forward-looking governors in Russia, Governor Prusak of the Novgorod region who has succeeded in drawing a great number of western business corporations to his home base, and Governor Neeolov from the gas-rich Yamal-Nemets region in Siberia, both played a leading role in the Novgorod meeting.

The many encounters I have had with Russian leaders in recent months have convinced me that the Northern dimension can be of fundamental importance in the new American-Russian relations, especially since both the Nordic countries and Canada can play strong supportive role and the problems which have affected European-Atlantic approach to Russia are almost entirely absent from northern cooperation. Russia is mostly confronted by restrictions and limitations with respect to European economic and defence organisations, but no such hindrances are present in the North. There the field is wide open for extensive and positive engagements.

Both the United States and Canada have also in recent years showed that they have realised the new importance of the North. The Government of Canada has formulated a special northern policy, a programme for action in the 21<sup>st</sup> century. The United States, after some initial hesitation

about the establishment of the Arctic Council, is now eagerly embracing active cooperation in the North. During the Clinton Administration the President's old friend and Russian expert, Strobe Talbott, who held the second highest position in the State Department, saw through the North a wealth of opportunities for positively engaging Russia in a new network of cooperation. With the Republican Administration Alaska has gained additional significance and the Governor of Alaska, along with other leading figures and institutions of learning and research in the State, have demonstrated a strong interest in becoming a prominent partner in the new cooperation in the North.

All this gives the Nordic countries an opening to become significant players in international cooperation centred on the North, a cooperation which was completely unthinkable during the decades of the cold war but now has become one of the most promising aspects of the new world order.

The President of Finland, Martti Ahtisaari, and the Government of Finland showed during the early part of the 1990s that they realised that these changes called for new action and new policies. On a Finnish initiative the European Union agreed to formulate a policy framework, the Northern Dimension, and thus signalled that within the framework of European cooperation in the 21<sup>st</sup> century a special emphasis had to be given to the North.

The new institutions and opportunities that have appeared in the North during the 1990s and the first years of the new century have also given Finland and Iceland, the two republics within the Nordic family, an opportunity to develop a partnership which the tension and the concerns of the Cold War period made much more difficult.

Finland and Iceland are well placed to take an active leadership role in the new partnership in the North. Finland with its longstanding relationship with Russia and as an influential member of the European Union. Iceland with its ties of alliance to the United States and Canada and as a founding member of NATO. Both countries, Iceland and Finland, have also become in some ways symbols of the North due to our geographical position, climate and general lifestyle – not forgetting on a lighter note our competition to be recognized as the true home of Father Christmas, where I am sorry to say Finland has gained the upper hand.

Finland and Iceland have also in recent years shown how we can utilise the new relevance of the North to strengthen our position in foreign affairs, and through the extensive partnership in the North gain the freedom to initiate new policies and new projects for cooperation

involving all nations and regions of the North, ranging from Russia through the Baltic and Nordic states to Canada and the United States.

Finland pioneered the Northern Dimension of the European Union and played a prominent role both in the initiation of the University of the Arctic and in strengthening the Barents Regional Council, and together with Iceland and the other Nordic countries it worked consistently towards consolidating the position of the Arctic Council and extending the scope of its responsibilities. The Northern Research Forum, which has become an open venue for dialogue among political leaders, policy makers, scholars and researchers, was initiated by Iceland and strongly supported in the early stages by the University of Lapland. Through the new University of Akureyri in northern Iceland and the Stefansson Arctic Institute dedicated to the great Icelandic-Canadian explorer Vilhjálmur Stefansson, Iceland has decided to make northern issues a prominent pillar of its academic and scientific concerns.

Thus the new openings and transformations which the end of the Cold War created in the North have given Finland and Iceland and the other Nordic countries a new platform through which we can gain a relevant and influential global role which was unthinkable only a decade ago. I believe it serves the interest of our countries to exert, without hesitation, active leadership in this field and thereby establish a new dimension in our relationship with Russia and the United States, the most prominent powers of the 20<sup>th</sup> century, powers which will both continue to exert extraordinary influence despite the temporary difficulties which Russia now faces.

The partnership in the North, institutionalised in a number of formal councils, forums and organisations for cooperation, could thus constitute a fundamental pillar for the international engagement of both our countries and other Nordic states in the new century, making Icelandic-Finnish and Nordic cooperation more relevant in a wider sense than it has ever been.

In order to facilitate such a development it is important that universities and research institutions in our countries give high priority to northern issues, problems and concerns and thus provide a substantial intellectual backbone for this new partnership in the North. Already there are important contributions in this respect from the academic community in Finland, Iceland and the other Nordic countries, but much more needs to be done. There is yet not a sufficient awareness of how important the North has become for our countries, and intellectual activity is still dominated by the old dimensions which I mentioned at the beginning of

my lecture, the East/West confrontation and the division into rich nations and poor.

Within the framework of the northern partnership there are many issues which urgently require active and consistent academic input, a need which would make the works of scholars and researchers highly relevant for international cooperation in the North.

Let me mention a few of these important areas of cooperation in the North which would strongly benefit from extensive academic input in the coming years.

\*Management and utilisation of the rich natural resources in the North, both on land and in the oceans, including oil, gas, hydro and geothermal power.

\*Economic progress through business partnerships, facilitated by investments in information technology and communications networks.

\*The evolution of political systems in the North, including the strengthening of international councils such as the Arctic Council, the Barents Region Council and the Baltic Council, and extension of active cooperation between nation states in the regions and sub-state institutions such as provincial, local, regional and state governments in Canada, Russia and the United States. This cooperation across the boundaries of diplomatic protocol has provided a wealth of new opportunities in the North and in recent years has made the region a fascinating political laboratory.

\*Legal issues concentrating on the rights of indigenous peoples, cultural and human rights and land ownership.

\*The enhancement of cultural cooperation, including artistic exhibitions, musical events, film festivals, publishing and theatre, as well as the important task of language retention and the preservation of traditional patterns of social interaction.

\*The growing importance of human health and the need to address the problems of suicide, homicide and inter-family violence.

\*The impact of globalisation on the North, including the growing presence of multinational cooperation and the critical role of the North for the global system.

In addition there is the protection of the Arctic marine environment, especially the fight against the pollution of the oceans, the conservation of Arctic flora and fauna with emphasis on biodiversity and sustainable use, the assessment of the impact of climate change on the Arctic region



and the conceivable reaction to such changes, and the prevention of environmental disasters caused by nuclear waste and the vast nuclear arsenals which are still kept in the northwestern part of Russia.

When Iceland recently took over the presidency of the Arctic Council we declared that among our emphases in the coming years would be scientific and technological cooperation through increased networking between scientists and research institutions. The aim is to build on existing international organisations and programmes working with issues such as sustainable agriculture, communications, tourism, construction and the use of natural resources. We will also promote collaboration between funding agencies and research councils of the member states of the Arctic Council in order to facilitate joint financing of research programmes and projects. Emphasis will be given to developing existing cooperation between the European Union and North America in order to link educational and research institutions dealing with Arctic research. In addition, high priority will be given to strengthening circumpolar and cross-disciplinary monitoring to help us to determine and analyse environmental changes in the Arctic. The aim is increasingly to integrate monitoring of biodiversity and the assessment of pollution, climate change and other environmental and social and economic factors in the North.

These diverse tasks present universities and research institutes with a wealth of challenges to rise to in the years to come, and thereby to exert a considerable influence on the content and evolution of the new partnership in the North which Russia, the United States, Canada and the Nordic countries have created.

We Icelanders are eager to form a strong partnership with Finland on such projects in the years to come and I am grateful for having had the opportunity to discuss them here at the University of Oulu.

My discussions with the administrators, scholars and students of your university earlier today have convinced me that the University of Oulu could become a strong influence in the evolution of North and your intellectual and academic capabilities are of special relevance in this respect.

I hope my visit will induce you to consider such an active role and I can assure you that your contribution would be of great significance, not only for Finland and other countries within the partnership of the North but also as a means of strengthening the basis of enlightened global dialogue in the new century.