Russian policy toward the Baltic states must be seen in the broader context of the Kremlin's long-range geo-political strategy. There are two contrasting views in Europe and America of contemporary Russia: as a benign or as a menacing power.

In the benign interpretation, Russia is a semi-democratic large power reliant on petro-dollars, living on past glories, often alienating its neighbors, but cooperative and helpful to the US and the EU, especially in the anti-terrorist campaign, and ultimately benign for American and European interests. Hence, some Western observers believe that in his domestic and foreign policies President Putin has made errors and misjudgments, whether toward Ukraine’s Orange Revolution or in the “gas war” that impacted negatively on European energy supplies. However, Putin is evidently seeking to defend Russia's legitimate national interests and we should be supportive of his attempts to stabilize the region’s bordering Russia. The conclusion is that we should not be overly concerned about Russian policies. Even when these are damaging to Allied interests, Russia is too important to be sanctioned or openly opposed.

A contrary position, which I share on the basis of hard evidence, is that Putin’s Russia is a calculating neo-imperialist power seeking to restore its spheres of dominance and influence, threatening to its neighbors, and capable of seriously undermining Western interests. Russia continues to possess significant tools at its disposal to gradually realize its ambitions or at the very least to undermine security and democratic development along its borders and any further expansion of the democratic world. Russia is both a model for authoritarianism and a source of regional insecurity, and the two are closely related.

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President Putin wants to leave an ambitious legacy – to restore Russia as a
great power with a strong state, a dominant position toward its neighbors, and
respected as a key global player. To achieve these goals, Putin has employed vari-
ous tools to project Russia’s influence and to reverse Moscow’s decline during
the 1990s. Putin developed an assertive two-pronged foreign policy: to reign
in wayward neighbors within its orbit and to establish strategic global alliances
that can help project Russian power and undermine the unipolar world order.
In this context, Russian policy toward its Baltic neighbors has specific objectives
and methods.

The Central European and Baltic states are viewed as vital buffers against
Western encroachment on former Soviet territories. Moscow wants to forestall
close bilateral contacts between the Baltic states and the CIS countries and limit
the process of democracy and security promotion. It also wants to weaken any
rival alliances that could effectively block its strategic goals. Russia seeks to limit
the scope and pace of Western institutional enlargement and pursues closer
military integration in Russian dominated “collective security” mechanisms.

The Kremlin realizes that direct control over CEE and the Baltics is imprac-
tical. It has therefore sought to promote weak, isolated, and subservient neigh-
bors, either devoid of close ties with Western security structures or maintained
as peripheral players inside the Atlantic Alliance and the EU. I will briefly out-
line six major ways in which the Kremlin has pursued the objective of marginal-
izing, neutralizing, and isolating the three Baltic countries.

Diplomatic offensives

Russia’s long drawn out process of signing and ratifying border treaties with
Estonia and Latvia has contributed to raising the sense of threat. The initial
purpose was to disqualify these countries from NATO and EU membership be-
cause they had outstanding disputes with Moscow. Subsequently, disputes over
treaties and over the history of Russian occupation became a useful way of ex-
erting diplomatic pressure and stirring domestic hostility inside Russia against
the alleged “Baltic threat.” Final frontier delineations have remained unratified
in a shrewd calculation that unsettled borders would raise tensions and unsettle
neighboring governments.
Disinformation campaigns

Moscow claims that the Baltic capitals are injecting “Russophobic” positions into NATO and the EU. In traditional Soviet fashion, Russian officials and commentators assert that opposition to Kremlin policy is actually “anti-Russian.” This simplistic proposition is unfortunately accepted by some gullible EU and NATO officials, many of whom prefer to overlook the threatening posture of the Putin regime toward Baltic sovereignty. Instead, some accept the propaganda image that depicts the Baltic governments as nationalistic and xenophobic and whose policies will purportedly poison EU and NATO relations with Russia. This amounts to attempted marginalization through misinformation. Moscow seeks ways to counteract alleged “Russophobia” through closer bilateral relations with West European states and the isolation of CEE newcomers in the EU’s decision-making process.

Economic leverages

Russia has endeavored to gain increasing economic influence among all former satellites through targeted foreign investments and strategic infrastructural buyouts. This can supply Moscow with substantial influence over any country’s financial, trade, and investment policies. Russian company officials have also been encouraged to gain political influence through involvement with government officials, political parties, interest groups, and media outlets in targeted states.

Energy blackmail

As the major energy supplier to the region, Moscow has periodically sought to disrupt the Baltic economies in order to apply strategic pressure and gain political advantage. As a result, each government has tried to limit its dependence on Russia and its susceptibility to blackmail. Moscow also endeavors to control energy transit routes as this is both financially and politically profitable. Energy supplies are used as leverage to purchase shares in local refining and transportation systems. Periodic threats to reduce or halt supplies are a means of extracting concessions to allow for Russian investments in the local economy. Moscow aims to convert overwhelming dependence on Russian energy supplies and economic investments into long-term governmental influence.
Isolation and Marginalization: Russia’s Offensive in the Baltic Region

Military threats

Russian officials have regularly threatened the Baltic countries, claiming that Estonia, Latvia, and Lithuania were positioning themselves as an alleged launching pad for NATO aggression against Russia. Some politicians have called for more forceful measures to coerce the three republics into submission. Frequent unauthorized military overflight of Baltic airspace indicates that the Kremlin seeks to intimidate its neighbors and to demonstrate that NATO will not ultimately defend their interests in any confrontation with Russia.

Political subversion

There have been several reported cases of direct political subversion in which influence is bought by Russian businessmen tied to the Kremlin’s intelligence services. This has unseated at least one Baltic President and placed other officials under suspicion of collaboration. If influence cannot be bought, the promotion of suspicion and distrust among neighboring countries also serves Moscow’s interests and brings into question their stability and reliability.

A policy of differentiation has also been practiced by Moscow. While Lithuania appeared to be favored in the late 1990s, Latvia was depicted as a major anti-Russian offender and intensive political pressures were applied against Riga. The pressure on Estonia has been more consistent and predictable, while it has intensified on different occasions toward Latvia. These attempts at differentiation serve the purpose of marginalization and are designed to weaken inter-Baltic solidarity, disrupt a united foreign policy, and undercut arguments that the Baltic states generate regional stability.

Ethnic manipulation

Moscow has tried to benefit from local political, ethnic, subregional, religious, and social turbulence in order to keep each Baltic country off balance. In particular, it has exploited the Russian minority question to depict the Baltic governments as failing to meet European standards for minority protection and human rights. The Kremlin claimed the right to represent and defend the interests not only of Russian ethnics but all “Russian-speakers” in order to raise the number of alleged victims of Baltic repression.
Claims by officials that the Baltic governments actively discriminated against Russians, despite the conclusions of international human rights organizations, contributed to heightening international tensions. Moscow continues to manipulate the ethnic issue at convenient venues, including UN Human Rights Commission sessions. This heightened concerns that a future nationalist regime in Moscow could employ military means to support secessionist movements and establish new Russian exclaves in the Baltic states in the pursuit of a Greater Russia.

Conclusions

In sum, Russia’s leaders have sought to place Estonia, Latvia, and Lithuania in an undefined “neutral zone” between NATO and the CIS and between Central Europe and Russia. In this way, NATO influences would be minimized and Russia’s expansive national interests safeguarded. Russia experienced several disappointments in its Baltic policy. It failed to draw the three independent states into a Russian security orbit and it proved unable to prevent them moving westward politically and establishing close relations with the U.S. Moscow was left with a policy of limiting the Baltic states from exerting a magnetic influence on former Soviet republics that wanted to move westward not eastward. The Kremlin’s policy of marginalization and isolation continues. Being aware of the extent and seriousness of such a policy is the first step in countering its effects and devising a more assertive European and Allied strategy to expand democracy and security eastward.