

**The High North, Russia and Eastern Europe
Scientific and thematic priorities**

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1 Introduction

This document, scientific and thematic priorities for research on the High North and Eastern Europe, is a revised version of the former NORRUSS Pluss work programme, which is now an integrated part of the UTENRIKS programme (Research on International relations, foreign- and security policy and Norwegian interests).

The High North is defined as the circumpolar north, with main focal point on the Barents Euro-Arctic Region and the North Atlantic and Barents Sea area.

Several definitions of Eastern Europe exist today. These definitions vary both across cultures and among political scientists. The term has a wide range of geopolitical, geographical, cultural, and socioeconomic connotations. For the purpose of this research effort Eastern Europe include the following countries: Ukraine, Belarus, Georgia, Moldova, Armenia and Aserbajdsjan.

2 Background and purpose

The world is feeling the effects of global warming, and nowhere are these more pronounced than in the Arctic. Over the last 100 years, temperatures in the Arctic have risen twice as fast as the global average. The effects of climate change are also far more visible there. A relatively slight rise in temperature can change entire landscapes because most parts of the Arctic are shaped by ice, not rock or earth. Currently, the ice is melting faster than ever. Less ice means more access. More access means more human activity. What kind of impact will this have on governance issues, and what kind of challenges will emerge in relation to security, politics, economic activity and the welfare of the population? There is renewed interest in the overarching issues of geopolitics, climate change and geo-economics in the Arctic/High North.

Growing international interest and activity in the region provide stepping stones to increased international cooperation in the High North. But they also bring challenges regarding the need to understand the respective stakeholders' political and strategic ambitions for the region. Norway has centuries of experience in managing activities and research in the north.

At the same time, new technology, more digitization and new production methods gives opportunities for revival of the cross-border cooperation in the Barents Region and for cooperation between research and industry in order to facilitate sustainable living conditions and economic growth. Norway intends to take an active role in the future sustainable development of the region, with regard to resource management, business and societal development and international security issues.

Russia has become an increasingly prominent international actor. This has had repercussions for Norway and Norway's relations with Russia. Russian military engagement in Ukraine and Syria and a more active Russian role in political processes in Europe have had an impact on Norwegian

perceptions of Russia, on political and economic relations with Russia, and on matters of Norwegian national security.

Research that acknowledge and explore the interdependencies between Russia's foreign relations and Russian domestic issues in their complexity are encouraged. "The domestic/foreign nexus takes on very different forms in Russia, and can be found in the continuing influence of structural factors: geography, issues of history and historical memory; civilizational and ideological biases; and perceptions of identity. In addition, it is also reflected in political strategies, financial interests, societal pressures (nationalism, democratic sentiments, religious and social conservatism), as well as in the impact of specific domestic and international events."¹ The domestic/foreign nexus is also important for understanding Russia in the context of regional and global processes.

Developments in Ukraine, Georgia and Belarus are all important elements in understanding the broader dynamics taking place in Europe and beyond. These countries follow different trajectories and are different in size as well as domestic political developments. For Norway, it is important to understand the internal developments as well as the foreign and security policies of these countries.

3 Thematic and scientific priority areas

The topics listed below are given as examples of relevant research topics. This is not meant to be an exhaustive list of the possible research topics. The calls for proposals will define the relevant thematic scope and requirements of the applications in accordance with the three thematic priority areas.

The programme will give emphasis to projects that will be of relevance to authorities and stakeholders that formulate and execute Norway's policies in relation to Eastern Europe and the High North; i.e. the projects should, whenever possible, have an applied impact.

Challenges and opportunities in the High North and the Arctic

- Geopolitics and governance
- Ocean based resources and environmental challenges
- Social and economic development, business activity

- Russian foreign relations, geopolitics and security
- Developments in Russia; politics, economy and society
- Developments in Eastern Europe

¹ Lo, Bobo (2015) p. xix

3.1 Challenges and opportunities in the High North and the Arctic

A. Geopolitics and governance in the north

Geopolitics denotes the interplay of natural resources, geographic space and strategic dominance, whereas governance is about creating and operating institutions that structure the interaction of state and non-state actors in pursuit of individual and collective interests.

The Arctic is a region of significant and increasing geopolitical importance. It is key to our ability to understand and manage climate change, and its natural resources offer major opportunities for business development and value creation. As the ice retreats, the Arctic countries will no longer be divided by the ice, but connected by the ocean. It will open up new possibilities for trade and transport; mining and minerals; oil and gas; research and education.

The migration of fish stocks into new areas and introduction of new species may open new fishing and harvesting areas. These and other developments may generate conflict but may also strengthen incentives for cooperation.

Norway's High North policy seeks to strengthen the country's ability to exercise its authority and to promote Norwegian interests in the north. This is done through international cooperation within the Arctic Council, the Barents Euro-Arctic Council and the Northern Dimension. Better insight into the challenges and potential of these mechanisms would be of value, including the various priorities and aims of the different actors.

Relevant research topics include, among others, how Arctic change relates to processes and drivers at the global level, including developments in the law of the sea and politics and the rising prominence of Asian states in the world economy.

B. Ocean based resources and environmental challenges

Around 10% of Norway's population lives north of the Arctic Circle. People have harvested resources in the north for thousands of years. The Arctic is rich in minerals, oil and gas, and fish and seafood. Research on climate change and marine biology is paving the way for new businesses.

But climate change also has negative impacts. The effects of global warming in the Russian north include permafrost degradation; increasing ambient air temperatures, precipitation and frequency of extreme events; and an overall softening of the extreme climate. Much of the land area in the Russian Arctic Zone consists of permafrost. Vast permafrost areas are turning into swamp due to their southerly location. In addition, the vast Siberian permafrost area sits on top of large methane deposits that will further exacerbate global climate change if and when they are released due to permafrost degradation.

Furthermore, ocean warming has an impact on marine ecosystems, leading to migration of fish stocks into new areas. The northward and eastward shift of species will depend on density distribution, temperature and food conditions, but there are already clear challenges being posed to established resource management systems as the harvesting industry and trawlers follow the stocks

into new areas. Relevant research topics here include challenges and synergies in resource management and cross-border industry cooperation.

Roughly half of Norway's undiscovered petroleum resources lie in the Barents Sea. The area is also home to large, important fisheries resources. In 2010 Norway and Russia came to an agreement on the maritime delimitation line in the eastern Barents Sea. Exploration for oil and gas is now undergoing on both sides of the boarder and there is great expectation for discoveries. Norwegian and Russian, as well as International oil companies, are active on either side, even though the regulation and licensing is very different in the two countries.

Petroleum exploration in this area opens up opportunities for value creation on both national and local scale, and can foster closer collaboration between Norwegian and Russian businesses, on environmental protection and control and between research institutions studying the area. But unintended events or accidents can also trigger disputes. Large discoveries of petroleum will demand a long-term plan for bringing the products to market. This can give rise to increased business opportunities on both sides, but also spur conflict if not handled properly.

A long-term approach to building knowledge and competence in Norwegian institutions on the Russian oil and gas sector and industrial development in the Northern areas will therefore be important for Norway in the years to come. This includes research to understand (a) Russia's potential as an exporter and competitor, (b) terms and opportunities for Norwegian investments in the Russian petroleum sector, and (c) the petroleum sector's importance for political and economic development in Russia.

C. Social and economic development, business activity

There are numerous opportunities for development in the High North, and the Government's new Ocean Strategy and the revised High North Strategy both promote further growth in the region from the Norwegian side. Innovation and cross-border cooperation to enhance business development in the north is vital for the wellbeing of the inhabitants/population of the High North.

Education, health services, public infrastructure and urban living should be further developed, making use of digital solutions in order to reach out to people living in communities far away from service providers. Best practices from neighbouring areas and win-win effects of municipal and regional cooperation should be applied.

Arctic states such as Russia, Iceland, Canada and Denmark and the other Nordic countries face many of the same challenges when it comes to safeguarding the health and welfare of their populations living in the High North. "The Arctic" does not denote an area of uniformity; there are many "Arctics." For example, as a result of the North Atlantic Current, temperature and ice conditions in the mostly ice-free Norwegian part of the Arctic are vastly different from those of Alaska. Climatic conditions and the amount of human activity vary greatly across the region. This calls for experience-sharing and cooperation in pursuit of best practices.

How will climate change affect settlements and urban areas in the circumpolar north? How will these changes influence the implementation of the Strategy for the Development of the Arctic Zone of the Russian Federation as well as the country's economy and ability to create growth in this area, with the subsequent challenges to sustainable and environment-friendly development?

Cross-disciplinary and cross-border cooperation could lead to new solutions for increasing employment, value creation and welfare in the regions, achieving a good balance between conservation and sustainable use of resources through sound management and international experience-sharing.

Relevant research topics here include the characteristics of living in the north (environment, economics, social structures and cultural transitions), special needs of the people living in the circumpolar region in relation to health and wellbeing, urban development / settlement patterns, innovation and business development. Projects that cooperate with industry sector will be linked to this thematic area.

3.2 Russian foreign relations, geopolitics and security

A. General trends, geopolitics and foreign policy

An important priority is to assess Russia's increasingly assertive role in international affairs and matters of foreign and security policy. Russia is a power with a global reach, and the research should accordingly aim at a wide perspective. Equally important is the need to highlight the interdependence of factors shaping Russia's foreign policy and issues of an internal and domestic nature.

Analyses of Russia's attitudes and conduct vis-à-vis Europe, and those aspects which have, or might have, a direct bearing on Norway and/or Norwegian-Russian relations, would be of particular value.

Russia relates to three "geopolitical spaces" – Eurasia, the Euro-Atlantic and the Asia-Pacific – each of which fulfils a particular function in the pursuit of Russian interests abroad. While Russia previously strived for participation membership in each of these three 'geopolitical spaces', the Ukraine crisis and its impact on Moscow's relations with the West led to a reorientation of Russia's geopolitical vision towards the East and towards Eurasia. Regardless of its multiple shortcomings, the Eurasian Economic Union (EAEU) should not be dismissed out of hand. For Russia, it is the primary vehicle for realising its global geopolitical agenda.

Russia's narrative is shaped by, and shapes, a discourse about cultural and historical ties with Russian borderlands, as well as by the cultural and security vulnerabilities generated by the West's treatment of Russia, as evidenced by the expansion of the North Atlantic Treaty Organization (NATO). This discourse has underscored a more assertive foreign policy turn the last years.

The UTENRIKS programme will open up to a broad research perspective covering relevant topics such as the change in international relations and security – with Russia as a key global actor, insights into Russian foreign and security policy, and Russia's interests and actions in the Middle East, Asia and the High North.

B. Geo-economics, foreign economic relations

The domestic/foreign nexus is important for understanding Russia in the context of regional and global processes. What kind of potential impact will global forces such as globalisation, digitalisation and urbanisation have on the political, economic and business climate in Russia and in Russian relations to foreign markets?

One strategy has been “Sovereign Globalisation” by restoring Russia’s economic strength through international integration and implemented reforms such as privatisation, monetary policy, fight against corruption and encouraging competition on the domestic market. It would be of interest to study whether these reforms lead to effects or change, as well as the extent to which they influence Russian policy-making when it comes to industrial and monetary issues.

There are long-term trends with negative implications for Russia, such as changes in the global structure of energy demand and supply, exhaustion of Russia’s productive oil and gas fields, the absence of Russian representation among global companies outside the natural resources sector, the country’s inadequate labour resources and the competitive global market for talent.

In its latest economic strategy, the Russian government has suggested a deeper engagement, on better terms, with the global economy as a tool for driving growth higher. Deeper cooperation is called for, in particular with regional groupings such as the Commonwealth of Independent States (CIS), the Eurasian Economic Union, the Shanghai Cooperation Organisation and the BRICS countries.

The strategy reflects the latest shift in Russian thinking on how and on what terms to engage with the global economy since the break-up of the Soviet Union. On the one hand, a “securitisation” agenda seeks to protect Russia from pressure or manipulation of interdependence by hostile foreign powers. On the other hand, more liberal voices recognise that competitiveness and engagement are essential for Russia’s own long-term prosperity. These tensions also lie at the heart of differences now being publicly aired between teams of advisers tasked with drawing up alternative reform plans to be implemented after the 2018 presidential election.

Relevant topics here include the Russian shadow economy, investment climate for foreign investors, law and property rights, the Russian position on international trade and climate agreements, Russian investment policies and cooperation agendas with Asian countries.

C. *Soft and hard power strategies*

In its pursuit of a new and stronger position on the global stage, Russia is, or has at least been accused of, using a whole range of both “soft” and “hard” power strategies. To understand modern Russia it is also important to gain a better understanding of how these strategies work. What role, if any, do they play in Russian foreign policy? Are the strategies “designed” to influence other states, and if so, how?

Relevant topics here include exploring the role of information strategies in Russian domestic and foreign policies and the Russian use of media and information strategies as tools to achieve specific goals; understanding Russian identities/loyalties: How do ordinary Russians identify themselves with the different strategies used by the Russian government? Where does the loyalty of the “ordinary Russian” lie when faced with the range of soft and hard power strategies of the Russian government? There is also there is a need for increased knowledge about the military sector, both about military modernisation and the underlying strategies.

D. *Russia's neighbouring regions*

Ever since the Soviet Union collapsed, Russia has insisted that the post-Soviet space is a foreign and security policy priority area. Yet the organisational framework launched for pursuing this strategy – the CIS – has been superseded by the more exclusive Eurasian Economic Union and the Collective Security Treaty Organization (CSTO). Research into the actual performance of the Eurasian Economic Union, CSTO as well as CIS affairs are of key interest, not least in the context of China’s launching of the One Belt, One Road infrastructure initiative, which may prove a game changer for Eurasia.

Concerning Russia’s Western neighbours, relations with the European Union have turned more tense due to Russia’s annexation of Crimea and support of separatists in Ukraine, which caused the EU, the United States and other nations to adopt restrictive measures against Russia. How the bilateral Europe-Russia relationship actually unfolds in the wake of this is another important area of research. The equally tense Russia-NATO relationship also deserves scrutiny as do more overlooked European issues such as Russia and the Council of Europe.

Lastly, the rise of China and potential emergence of a Sino-centric regional order will inevitably influence Russia’s Far East and raise new challenges for the Kremlin, and thus merits research. Given that Russia is a great power in relative decline vis-à-vis its Asian neighbourhood, it is of general importance to study Asia-Russia dynamics and their possible repercussions for the Arctic as well as for domestic Russian developments.

In the neighbouring regions of Russia, like the Caucasus, the Central Asia and in the Far East global politics and conflict continues to pose challenges. Russia is an important actor with knowledge and experiences from these regions worthwhile to follow up more closely and to understand more thoroughly.

3.3 Developments in Russia: politics, economy and society

A. Political trends and challenges

Activities under this area will be targeted towards developments in Russian internal politics, economy and society, and the ambitions and interests of actors within the Russian political system.

Russian governance is typically described as an authoritarian system which has structures that are formally democratic, but daily practices and ways of thinking are influenced by the Soviet past. The last twenty-plus years have not diminished the importance of understanding both the specificities of the Russian state and its development trajectories.

Research should focus on the critical issues shaping Russia's domestic agenda: the relationship between formal and informal realms; the interdependence of property and power; dynamics of economic development and investment; centre-periphery relations; identity, demography and broader social trends; the need for modernisation and obstacles to its realisation.

Other relevant research topics here include: state governance and administration reforms; interest representation in Russian society; identity politics, the use of mass and social media, migration's impact on society; religion and religious communities in Russia; rule of law; development of the judiciary; and law enforcement agencies.

B. Economic trends and challenges

Russia's new Economic Security Strategy was approved in May 2017. This is the first such strategy since 1996. The strategy is clear on the economic challenges and threats that face Russia. Although mention is made of external challenges, the greatest emphasis is put on the domestic sources of Russia's weakness: lack of competitiveness, low investment and failure to innovate. The stated causes include, among others, high levels of criminality and corruption, excessive administrative barriers, ineffective state administration, a large shadow economy, lack of long-term investments, decline in the quality of education, poorly-developed market infrastructure and lack of participation in global supply chains.

Russia's economic insecurity lies mainly in its own domestic policies and institutions, and suggested solutions to the challenges involve introduction of reforms that will tackle the inefficiency, the corruption and other disincentives to investment and innovation. This includes educational reform, prevention of artificial bankruptcy and other forms of illicit corporate raiding, better management of state assets, prevention of money laundering, strengthened property rights, and a more attractive investment climate.

The population continues to be negatively affected by structural economic problems. Key issues include high dependency on the extractive industries, corruption and bureaucracy, a faltering pension system and labour market and insufficient investment in infrastructure. Weak development of the welfare state and institutional support for vulnerable groups undermine the human capital of the country.

Relevant research topics here include Russia's economy and macro-economic trends, economic and monetary policy-making, industrial policy-making, foreign investor relations, market conditions and Russian investments abroad.

C. Social trends and challenges

Russia has traditionally benefited from a wealth of human capital, most notably from its large and well-educated population. Today it faces a number of major societal challenges that undermine the human potential of the nation.

Since the early 1990s, Russia has experienced a period of population decline. Factors contributing to this trend include deteriorating public health and the failing health care system. While mortality rates have been improving over the last decade from their catastrophic highs in the 1990s, male mortality in particular remains significantly higher than in other industrialised countries. High rates of suicide and accidental death, alcoholism and drug addiction remain key societal challenges. Policy reforms in health care and pension systems are central to addressing these trends and their effectiveness and differential impact on the population is an important research area.

Youth and expert emigration (known as "brain drain") continues to negatively affect Russian society. Educational reform and its impacts on social mobility and equality is also an important research issue.

The rapid marketisation of Russia has left a legacy of social inequality with wealth inequality reportedly the highest in the world. The levels of social inequality and their regional and socio-demographic concentration are important research questions not least because social inequality is increasingly a source of political concern and mobilisation, creating a window for potential policy input.

Alongside these challenges and structural issues, it is important that research pays attention to individual, group and societal responses to them. Attention to resilience, agency and collective action to meet these challenges is a possible strand of research. Relevant research topics here include studies that map individual strategies for coping with complex social needs or lifestyle responses to the strains of contemporary living as well as examples of active citizenship in the form of participation in residents' associations, veterans' or youth organisations or (online and offline) activism in social movements.

3.4 Developments in Eastern Europe

Developments in Eastern Europe are all important elements in understanding the broader dynamics taking place in this region and beyond. Several of these countries follow different trajectories and are different in size as well as domestic political developments.

From a European point of view, a stable and prosperous development in these countries and in the region as a whole is of key importance. For Norway, it is important to understand the internal developments as well as the foreign and security policies of these countries.

Research within this area should have an emphasis on, but not limited to, reform efforts, European integration and security policy.

As this group of countries are ODA-eligible, funding will be granted to research projects that would contribute in strengthening the educational and research capacity in these countries. Hence, any research proposal should identify a partner in the mentioned countries. The purpose would be to produce research based knowledge of high quality which could enhance development, strengthening their own research capacity, and support better research competence in Norway on selected development issues in these countries.