THE END OF NEUTRALITY AND NON-ALIGNMENT?

FINLAND IS SEEKING STRONGER NORDIC AND REGIONAL COOPERATION IN ITS FOREIGN AND SECURITY POLICY

Anna-Lena Kirch

Anna-Lena Kirch is Research Assistant in the Europe Program at the German Marshall Fund of the United States (GMF).

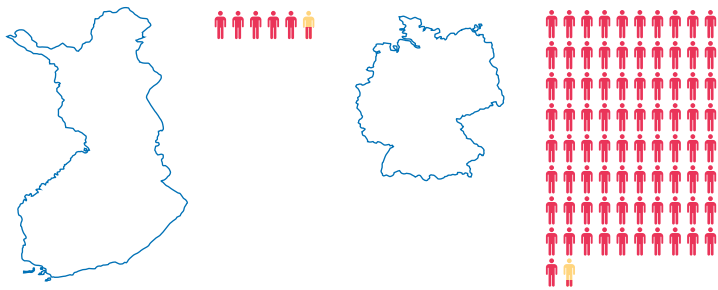
Finland is facing great challenges in both its domestic and foreign policy. Against the backdrop of Russian sabre rattling in the Baltic, the Northern European country is confronted particularly acutely with the issue of its national defence capabilities and its options where security alliances are concerned. Furthermore, they face the long-term question – just like other "small" and "medium-size" countries within the EU – as to what steps can be taken to secure influence and effective power to shape events in view of increasing globalisation in conjunction with a worrying economic situation and demographic development. The new government under Juha Sipilä has responded by re-evaluating its foreign policy priorities and announcing its intention to seek stronger Nordic cooperation, deeper European integration in the area of security and defence policy as well as closer cooperation with NATO.

CONTINUITY AND CHANGE IN FINNISH FOREIGN POLICY

The small and sparsely populated country at Europe's periphery shares a 1,300 kilometers border with Russia. This geographic proximity meant that Finland was in the direct sphere of influence of the Soviet Union during World War II and during the Cold War. After varying alliances in World War II, Finland and the Soviet Union signed the "Agreement of Friendship, Cooperation, and Mutual Assistance" in 1948, which committed Finland to refrain from entering into any alliances with other countries and to maintain military neutrality, thereby restricting its foreign policy options significantly. While the other Nordic states sought affiliation with various international organisations early on, Finland did not join most international organisations (such as the Council of Europe, the EU and the OECD) until much later and is still not a member

of NATO. One exception to this approach of non-alignment and preservation of foreign policy independence has been the United Nations (UN), which Finland joined as early as 1955 on account of the organisation's global orientation. It was as a member of the UN that Finland took part in numerous international civilian crisis management and peacekeeping missions in collaboration with other Nordic states while the Cold War was still ongoing.

Fig. 1
Finland in Comparison by Size



Finland
Area: 338,432 km²
Population: ca. 5.4 million

Germany
Area: 357,340.08 km²
Population: ca. 81.2 million

Source: Own illustration, © racken.

The end of the Cold War and the collapse of the Soviet Union finally opened up new scope in the foreign policy arena for Finland. Particularly joining the EU in 1995 had far-reaching effects on the development of Finnish foreign and security policy. Finland not only saw its economic interests represented most effectively through its membership in the European Single Market, but also considered the EU a security guarantee. The country thereby abandoned its stance of political neutrality while retaining the concept of military non-alignment, at least formally.[1] This approach was in line with Finland's efforts to maintain good-neighbourly relations with Russia, which is still one of its most important trading partners besides Sweden and Germany. One further constant of Finnish politics is its close cooperation with the Nordic states of Sweden, Denmark, Norway and Iceland. The partnership with Sweden stands out most significantly. The two countries joined the EU together and NATO accession is only conceivable for Finland in concert with its Swedish neighbour.

1 | Cf. Teija Tiilikainen, "Finland – An EU Member with a Small State Identity", *Journal of European Integration*, Jan 2006.

Finnish foreign and security policy is marked strongly by the awareness that, being a "small" state, it can only exert a very limited influence in the international arena by itself.

Besides these specific historically and geopolitically based influences, Finnish foreign and security policy is marked strongly by the awareness that, being a "small" state with a small population, with correspondingly limited voting rights in EU institutions such as the Council of Ministers and the European Parliament as well as limited military resources, it can only exert a very limited influence at a European and global level by itself. Teija Tiilikainen (2006) therefore speaks of the Finnish "small state identity".[2] National sovereignty and security are under permanent potential threat, which is why politicians take matters of national security very seriously. This awareness of a special vulnerability and potential marginalisation in international relations explains not only Finland's formal adherence to the principle of military non-alignment but also the significant efforts it makes within the EU to secure the rights and influence of "small" states. Research on "small" states indicates that there are various strategies for exerting influence in the international political arena, and these can clearly be seen realised in Finnish politics.

INFLUENCE OF "SMALL" STATES IN INTERNATIONAL DECISION-MAKING PROCESSES

Due to the limited amount of resources available to them, "small" states benefit significantly from their membership in international organisations with multilateral decision-making processes, particularly if all member states have comparable voting rights whatever their size and if the principle of unanimity is applied.

However, there have been a number of instances in the history of European integration – amongst them occasions when the Benelux countries have influenced European decisions, to name just one example – when "small" and "medium-sized" states were by no means condemned to insignificance, even under institutional and procedural conditions that were less ideal.[3]

Potentially, "small" states can exert greater influence if they bring their interests to the attention of supranational bodies as early as possible during the decision-making process, i.e. during the

2 | Cf. ibid., p. 76.
3 | Cf. Diana Panke, "Small states in multilateral negotiations: What have we learned?", *Cambridge Review of International Affairs* 3/2012, pp. 387-398.

conceptual phase, when expertise and well-founded arguments are more important than during the subsequent inter-governmental negotiations where large states are capable of enforcing their interests more effectively due to their greater voting rights or by offering more attractive compromise solutions and material incentives. In the EU context, it has therefore proved advisable for "small" and "medium-sized" states to focus on few policy areas of outstanding national interest and then approach the European Commission at an early stage, offering their expertise.

In the EU context, it has proved advisable for "small" and "medium-sized" states to specialise on a small number of policy areas of outstanding national interest.

Another promising option is to take on a mediator role between diverging interests or act as a "norm entrepreneur" for value-related issues. If "small" states succeed in making their mark over a prolonged period by emphasising the joint European interest in their activities, they will potentially be able to exert significant influence in fostering compromise.

Finally, "small" and "medium-sized" states have to rely even more on forging coalitions than "large" states in order to pool their resources, their expertise and their influence: The more options a state has for forming coalitions, the greater its chances of success. "Small" states therefore frequently pursue a flexible, issue-based approach in their choice of cooperation partners, leveraging one of their greatest strengths, their high level of adaptability.[4]

TRADITIONAL FACTORS DETERMINING FINNISH FOREIGN AND SECURITY POLICY

On account of the way it has been influenced by its geographic location, its historical path dependence and its modest resources, the traditional Finnish foreign and security policy can be described by the following characteristics:

Strong Involvement with International Organisations

As a "small" state with limited political, military and human resources, Finland has always striven to secure its influence within multilateral decision-making processes and to channel its own values and objectives into negotiations. During the Cold War, the UN was the preferred body for this purpose. Since then, the EU has become the main arena of Finnish endeavours.

4 | Cf. Tiilikainen, n. 1.

Military Non-Alignment

For a long period, essential characteristics of Finnish foreign and security policy included the principle of non-alignment in peace time and neutrality in the event of a military conflict, which is why Finland is not a member of NATO. Within the EU, Finland prefers to retain some flexibility when it comes to entering into coalitions. In the past, the country has consequently argued against the establishment of a fixed Nordic block in EU institutions.[5] While the country still officially adheres to military neutrality, the close cooperation with and involvement in EU and NATO missions reveals that the principle has, in fact, been abandoned.

Involvement in Nordic Cooperation

Nordic cooperation is one of the oldest and most traditional formats of sub-regional cooperation in Europe. It is based on common values, similar political systems and a shared history. To avoid incompatibility with non-alignment, Nordic cooperation in the area of foreign and security policy has traditionally consisted of consultation and coordination of positions.[6]

Comprehensive Security Concept

In line with the other Nordic states, Finland operates on the basis of a comprehensive security concept, which includes a distinct non-military dimension in addition to the traditional military one. Finland's security needs are not limited to guaranteeing the country's defence capability and avoiding military conflicts, but also involve non-military risks such as climate change and conflicts in the immediate and wider neighborhood.

NEW CIRCUMSTANCES REQUIRE NEW STRATEGIES

The new Finnish government under Juha Sipilä from the Centre Party was sworn into office on 29 May 2015. Beside the Centre Party the government includes the conservative National Coalition

5 | Cf. Tuomas Iso-Markku/Juha Joleka, "The Finnish Strategy: Focus on Issues instead of Coalitions", in: Josef Janning/Almut Möller (eds.), *(Re-)Building Coalitions: The Role and Potential of Member States in Shaping the Future of the EU*, DGAP Analyse No. 20, 2014, pp. 29-32.

6 | Cf. Tobias Etzold, "The Case of the Nordic Councils. Mapping Multilateralism in Transition No. 1", International Peace Institute, Dec 2013, http://ipinst.org/wp-content/uploads/publications/ipi_e_pub_nordic_council.pdf (accessed 13 Oct 2015).

Party and, for the first time, also the populist Finns Party (formerly known as Basic Finns or True Finns), represented by the Minister for Foreign Affairs Timo Soini and the Minister of Defence Jussi Niinistö. In the past, Soini, the leader of the Finns Party and at the time still a Member of the European Parliament, had drawn attention to himself repeatedly with strongly Eurosceptic statements ("Where there is EU, there is a problem.").[7] Upon taking office, he softened his rhetoric and clarified that Finland supported Europe, but that the EU urgently required far-reaching reforms.[8]

Juha Sipiliä (m.) after his election victory in May 2015: The new Prime Minister announced a strategic re-orientation of foreign and security policy. | Source: © Markku Ulander, picture alliance/AP Photo.

During the election campaign, foreign and security policies were hardly visible despite Russia's sabre rattling. Topics of social and economic significance dominated the discussions instead. The Finnish economy has been in recession for three years. Finland also has the fastest aging population within Europe. This unfavourable combination of structural factors has resulted in the rating agency Standard & Poor's downgrading the country from the highest AAA credit rating in October 2014. In May 2015, the European Commission warned that it may initiate an excessive deficit

7 | Cf. Silke Bigalke, "Timo Soini, der 'wahre' Finne", *Süddeutsche Zeitung*, 26 May 2014, http://sueddeutsche.de/politik/populismus-in-europa-das-sind-die-europaskeptiker-1.1933410-8 (accessed 10 Aug 2015).

8 | Cf. Silke Bigalke, "Timo Soini: Finnlands neuer Außenminister, vom rechten, populistischen Rand", *Süddeutsche Zeitung*, 28 May 2015, http://sueddeutsche.de/politik/1.2497201 (accessed 10 Aug 2015).

procedure.[9] The new Finnish government is therefore under pressure to make significant savings. Sipilä has announced budget cuts of four billion euros by 2019.

A cross-party parliamentary report of 2014 warned that without additional investments the Finnish military would no longer be able to fulfil its remit within a few years.

The precarious economic situation in turn has a negative impact on Finnish foreign and security policy. Extensive cuts to the defence budget had already been made under former Prime Minister Jyrki Katainen. A cross-party parliamentary report of 2014 warned that without additional investments the Finnish military would no longer be able to fulfil its remit within a few years, and recommended that past cuts should be compensated for by increasing the defence budget again from 2016 to 2020.[10]

To do justice to these recommendations against the backdrop of increasing security risks and simultaneously take account of the economic and budgetary limitations, Sipilä therefore announced a strategic re-orientation of foreign and security policy. In its government program, the Finnish government announced stronger Nordic cooperation, intensified EU integration, greater consideration of new security risks, and a re-evaluation of the opportunities and risks of an accession to NATO.[11]

FINLAND AND THE NORDIC STATES

Against the backdrop of the euro crisis and increasing tensions with Russia in the course of the Ukraine crisis, cooperation between the Nordic states has been attributed increasing political potential over recent years. Nordic cooperation is held in high regard by politicians and the population alike and follows the general trend of stronger macro-regional differentiation (e.g. EU Strategy for the Baltic Sea Region, EU Strategy for the Danube Region, The Northern Dimension) and sub-regional cooperation within the EU (Visegrád Group, Benelux Union).

9 | Cf. European Commission, "Finland: Report prepared in accordance with Article 126(3) of the Treaty", 2015, http://ec.europa.eu/economy_finance/economic_governance/sgp/deficit/countries/finland_en.htm (accessed 10 Aug 2015).

10 | Cf. Parliament of Finland, Long-term Challenges of Defence, May 2014, https://www.eduskunta.fi/FI/tietoaeduskunnasta/julkaisut/Documents/ekj_5+2014.pdf (accessed 10 Aug 2015).

11 | Cf. Prime Minister's Office Finland, *Finland, a land of solutions: Strategic Programme of Prime Minister Juha Sipilä's Government*, 29 May 2015, http://vnk.fi/julkaisu?pubid=6407 (accessed 8 Aug 2015).

In late 2013 and early 2014, the Nordic states published three joint strategy papers, in which they laid out their comprehensive common goals in Nordic cooperation, foreign policy and defence policy. Nordic cooperation also plays a more dominant role in Sipilä's current government program compared to earlier strategy and position papers. In the chapter on Foreign, Security and Defence Policy, the Nordic countries are listed even before the EU, NATO, OSCE and UN as forming the framework for Finnish foreign and security policy.[12] One can infer from all these programs and position papers that concerns about closer Nordic cooperation leading to block formation have diminished and that they are now outweighed by positive assessments and expectations.

Concerns about closer Nordic cooperation leading to block formation have diminished and are now outweighed by positive assessments and expectations.

Besides regular meetings of the heads of government and civil-society cooperation, Nordic multilateral cooperation, frequently referred to as "Norden", mainly involves the Nordic Council and the Nordic Council of Ministers. The Nordic Council was established in 1952 for the purpose of parliamentary cooperation and opinion-forming. It comprises five expert committees, in which parliamentarians devise policy recommendations for the Nordic Council of Ministers and the Nordic governments, addressing joint Nordic challenges and problems.[13] All parties with a presence in the national parliaments of the Nordic states are automatically represented in the Nordic Council, which underscores the inclusive approach of the Nordic states.

The Nordic Council of Ministers, the Nordic format for intergovernmental cooperation, was established in 1971. It comprises ten constellations of councils of ministers, focusing on different policies, plus the council comprising the Ministers for Cooperation (MR-SAM), which coordinates the intergovernmental decision-making processes – similar to the EU General Affairs Council.[14]

12 | Cf. ibid., p. 37.
13 | The expert committees are concerned with culture and education, citizen and consumer rights, the environment and natural resources, business and industry as well as welfare.
14 | The ten Councils of Ministers are concerned with culture, gender equality, legislative affairs, education & research, labour, business, energy & regional policy, health and social affairs, finance, the environment, as well as fisheries, agriculture, food and forestry.

Decisions are taken unanimously. There is thus no supranational element that restricts the sovereignty of the Nordic states. Nordic cooperation is consequently formally limited to a policy of the smallest common denominator, which severely restricts the scope of action and the effectiveness of joint Nordic initiatives. The Council of Ministers further oversees over 30 research institutes, which facilitate the development of special expertise in areas such as innovation, the environment and climate in the Nordic states.

Meeting of the Nordic Prime Ministers in October 2015: Nordic cooperation is an important cornerstone of Finnish foreign, economic and security policy. | Source: © Jens Noergaard Larsen, picture alliance/Scanpix Denmark.

Nordic cooperation realised at the level of the Nordic Councils is particularly intensive in areas such as environment and climate policy, regional development, innovation, culture and gender equality. Foreign policy and security policy were officially excluded from the cooperation when the Nordic Council was founded in consideration of the restrictions imposed by the Cold War, diverging foreign-policy interests of the individual states and particularly Finland and Sweden's commitment to non-alignment. So far, any attempts to formally include these policy areas in a Nordic Defence Union have failed.[15] However, the Nordic states do cooperate in this area on an informal basis.

15 | Cf. Etzold, n. 6, p. 4.

In November 2009, the informal defence cooperation activities, which had been taking place for some time, were combined and formalised in a joint cooperation framework, Nordic Defence Cooperation (NORDEFCO). NORDEFCO currently involves cooperation in areas such as strategic development of military hardware, basic military training and other training measures, and joint operations in international crisis management under EU and UN control. The aim is to create synergy effects and enhance the national defence capabilities. However, in terms of practical implementation the military cooperation is still in its infancy.[16]

Extensive task sharing in the defence sector and the associated creation of dependencies among the Nordic states are particularly hampered by the fact that Finland and Sweden are not members of NATO. However, the two countries already cooperate closely with the NATO. They have been part of the "Partnership for Peace" program since 1994 and have been involved in various NATO missions such as the ISAF mission in Afghanistan. At the NATO summit in Wales, which took place on 5 September 2014, Finland and Sweden signed a "Host Nation Support" agreement, which allows for military support being provided to both countries by NATO in the event of crises. In Finland, calls for the country to join NATO are becoming louder in response to increasing military provocations on the part of Russia in the Baltics. However, opinions on this issue are anything but unanimous – both at the political level and among the population. The Centre Party and the Social Democrats in particular are still predominantly opposed to the idea, while Alexander Stubb, former Finnish Prime Minister and member of the National Coalition Party explicitly endorses NATO membership.[17] A number of different scenarios are currently under discussion. Sipilä further announced in his government program that he would produce a report on Finnish security and defence policy, evaluating the possible implications of NATO accession.[18] For now, however, Finland is responsible for its own defence and has to rely on the goodwill of the NATO states. There is also some uncertainty about the interplay

In response to increasing military provocations on the part of Russia in the Baltic, calls for the country to join NATO are becoming louder in Finland.

16 | Cf. Tobias Etzold/Christian Opitz, "Zwischen Allianzfreiheit und Einbindung", *SWP-Aktuell* 33, Apr 2015, p. 4, http://swp-berlin.org/fileadmin/contents/products/aktuell/2015A33_etz_opt.pdf (accessed 13 Oct 2015).

17 | Cf. Richard Milne, "Once a taboo, Nato membership now a hot topic in Finland", *Financial Times*, 17 Apr 2015, http://on.ft.com/1LI1i7g (accessed 1 Aug 2015).

18 | Cf. Prime Minister's Office Finland, n. 11, p. 37.

between the EU and NATO in the event of a military conflict on Finnish sovereign territory. One can therefore assume for the time being that defence cooperation will concentrate mainly on joint training missions as well as joint participation in international crisis management and peacekeeping operations.

Finnish ISAF troops: Although the country is not a member of the alliance, it provided troops for NATO's mission. | Source: © Markku Ulander, picture alliance / dpa.

Within this context, there is particularly intensive cooperation taking place between Finland and Sweden. In May 2014, the two countries signed an action plan for greater defence cooperation, which includes not only joint training missions and proposals for joint air and sea monitoring but also envisages the joint use of military infrastructures and the establishment of joint military units.[19] However, what form this closer cooperation will take in detail remains to be seen.

Within international organisations such as the EU, the Nordic states still do not present themselves as a united Nordic block. While the Nordic heads of government have held meetings before important EU summits since 2001, these have been more about information sharing than about a detailed coordination of

19 | Cf. Government Offices of Sweden, "Defence Cooperation between Finland and Sweden", 19 May 2015, http://government.se/t/80423/en (accessed 10 Aug 2015).

positions and agreement on a joint strategic policy approach.[20] Traditionally, Nordic cooperation has instead been particularly strong in the areas of pooling and sharing of resources and conducting joint projects and missions in the Nordic region or in third states. Prominent examples of joint regional projects include the early implementation of a joint passport union and a joint labour market in the 1950s as well as agreements on welfare and on the rights to vote in local elections. At the international level, the Nordic states have also cooperated intensively in civil crisis management and development cooperation during and after the Cold War, particularly by participating in joint missions under the auspices of the UN. The countries pursued this mode of cooperation because it does not affect their sovereignty and is compatible with the asymmetrical memberships of the Nordic countries in various institutions and organisations. At the same time, it takes into account the small countries' limited resources in terms of manpower, finances and administration and is in line with research on how small and medium-sized states can maximise their influence.

At the international level, the Nordic states have cooperated intensively in civil crisis management and development cooperation under the auspices of the UN.

There has also been an intensification of cooperation between the Nordic and the Baltic states. In the 1990s, the Nordic states provided crucial support to Lithuania, Latvia and Estonia with their preparations for EU accession. Since then, there has been a loose form of cooperation in existence between the Baltic and Nordic states, which has been referred to as the "five-plus-three" model and later the "Nordic Baltic Eight" (NB8). Besides regular meetings of the heads of government – particularly before sessions of the European Council – the Nordic states take an active part in regional cooperation formats such as the Council of the Baltic Sea States and the EU Strategy for the Baltic Sea Region. Since 2014, there has also been an agreement on defence cooperation between NORDEFCO and the Baltic states, which allows for the Baltic states to take part in all NORDEFCO initiatives.[21]

20 | Cf. Peter Viggo Jakobsen, "Small States, Big Influence: The Overlooked Nordic Influence on the Civilian ESDP", *Journal of Common Market Studies*, Jan 2009, p. 93.

21 | Cf. Marko Lehti, "Baltic Europe", in: Kenneth Dyson/Angelos Sepos (eds.), *Which Europe? The Politics of Differentiated Integration*, Basingstoke, New York, 2010, p. 133.

A COMMITTED MEMBER OF THE EU

Finland is frequently called the "model pupil of the EU".[22] Since it joined the EU in 1995, the country has taken part in all significant integration measures and has advocated well-resourced and transparent EU institutions, particularly a strong European Commission – albeit insisting on consistent application of the subsidiarity principle.[23] Finland is a member of the euro area and has not negotiated any opt-outs in other policy areas. From the beginning, the country made special efforts to be part of the inner circle of the EU and to present itself as a proactive and constructive EU member state contributing to decision-making processes, in contrast to its passive role during the Cold War.[24] As a "small" country at Europe's periphery, which shares a border with Russia, Finland considers the EU as the guarantor for safeguarding its military and economic interests as well as the influence of "small" and "medium-sized" states at the European and global level. This is how the former Finnish Prime Minister Paavo Lipponen expressed it in 2000: "Through the EU even small states can influence European and world developments on the basis of equality. Without EU-membership we would be a bystander in these days when the new Europe is being built."[25] By contrast, the other Nordic states have a reputation of being "selective supranationalists" or "hesitant Europeans".[26] Norway and Iceland are not members of the EU but cooperate closely with the EU in numerous areas. Denmark is exempted from the third stage of the Economic and Monetary Union and from the defence element of the Common Security and Defence Policy (CSDP). While Sweden formally takes part in all stages of integration, it has so far not adopted the euro.

As a "small" country at Europe's periphery, which shares a border with Russia, Finland considers the EU as the guarantor for its military and economic interests.

In the course of the economic and financial crisis, however, Finland's reputation as a model European began to crumble, at the latest by the time the nationalists of the Finns Party made serious gains during the 2011 parliamentary elections. As a result,

22 | Cf. Tobias Etzold/Pawel Tokarski, "Neue Mitte-Rechts-Regierung in Finnland", *SWP-Aktuell* 57, Jun 2015, p. 1, http://swp-berlin.org/fileadmin/contents/products/aktuell/2015A57_etz_tks.pdf (accessed 13 Oct 2015).
23 | Cf. Prime Minister's Office Finland, n. 11, p. 34.
24 | Cf. Iso-Markku/Joleka, n. 5, p. 30.
25 | Quoted from Tiilikainen, n. 1, p. 79.
26 | Lee Miles, "Nordic Europe", in: Kenneth Dyson/Angelos Sepos (eds.), *Which Europe? The Politics of Differentiated Integration*, Basingstoke, New York, 2010, p. 197.

Finland demanded collaterals from Greece and Spain in exchange for Finnish participation in the rescue packages offered to those countries.[27] In the eurozone, Finland is considered a "euro hawk" and frequently pursues an even harder line than Germany within the group of creditor states. The country argues against any form of debt mutualisation and would like to see the Commission's leeway in assessing compliance with deficit and debt rules reduced. The lenient approach taken by Commission President Jean-Claude Juncker towards deficit rule violations by France and Italy has been met with severe criticism in Finland, expressing Finnish concerns "large" and "small" states are not treated by equal standards.[28]

As a small and open economy, Finland is a vociferous advocate for deepening the European Single Market.

As a small and open economy, Finland is a vociferous advocate for deepening the European Single Market. European trade is particularly crucial for the Finnish economy as it lost one of its most important export markets when the Soviet Union collapsed and trade with Russia underwent a further serious downturn because of the EU sanctions policy and Russia's countersanctions. Nevertheless, after some initial hesitation, Finland is now a staunch supporter of the EU sanctions policy.

Finland – in collaboration with Sweden – is very active in the CSDP, particularly by participating in numerous EU missions in the context of international crisis management. One achievement resulting from concerted action of the two countries is the incorporation of the Petersburg Tasks, the civilian dimension of crisis management, into the Amsterdam Treaty. Furthermore, together with five other states, Finland and Sweden constitute the EU Nordic Battle Group, with Sweden providing the majority of the 2,400 troops, 1,900 troops in total.[29] Finland and Sweden also advocate for larger EU capacities in civilian crisis management and peacekeeping as well as stronger cooperation in the armaments industry and collaboration in the fight against terrorism, international crime and hybrid threats. They are also calling for the mutual assistance clause in the Lisbon Treaty (Article 42 (7) TEU) to be implemented and to be made binding in order to transform the EU into a system of collective security.[30] This is

27 | Cf. Iso-Markku/Joleka, n. 5.
28 | Cf. ibid.
29 | Besides Finland and Sweden, the Nordic Battle Group includes Norway, Estonia, Latvia, Lithuania and Ireland.
30 | Cf. Etzold/Opitz, n. 16, p. 3.

derived from the wish to become more involved in the provision of European security without entirely abandoning the status of military non-alignment.[31]

OUTLOOK

To best defend its national security interests against the backdrop of perceived threats from Russia and a difficult economic situation, Finland has announced its intention to engage in closer cooperation with the Nordic and Baltic states in the areas of foreign, security and defence policy – both within the region and within international organisations – and called for greater European cooperation in these areas. The country is thereby departing from its long-held policy of military non-alignment and pragmatic freedom of association within the EU, at least rhetorically, and seeks closer coordination and cooperation with its Nordic neighbours against the backdrop of Russian propaganda and repeated military violations of sovereign territory in the North.[32] Whether and how these announcements will translate into more formalised Nordic cooperation remains to be seen.

In the medium and long term, greater Nordic cooperation and pooling of resources may not only help Finland and the Nordic states to consolidate their budgets and guarantee their defense capabilities. Nordic cooperation might also serve as a role model within the EU and help to systematically counter disintegrative tendencies: "Since the EU is in turmoil itself, regional cooperation within the Nordic framework could become more and more valuable. […] [T]he […] Nordic countries could contribute through their regional cooperation to the stabilization of the European integration process. Since the Nordic countries have found tangible solutions for some current and future challenges – due in large part to their cooperation – they could set an example for other European countries, helping them to solve their current problems."[33] The EU could build on existing cooperation structures of the Nordic states and benefit from the countries' expertise – in the area of security and defence as well as other areas such as energy policy, innovation, digitisation and regional development.

31 | Cf. Iso-Markku/Joleka, n. 5, p. 30.
32 | Cf. Christian Opitz, "Potentiale der nordisch-baltischen Sicherheitskooperation", *SWP-Aktuell* 69, Jul 2015, http://swp-berlin.org/fileadmin/contents/products/aktuell/2015A69_opt.pdf (accessed 13 Oct 2015).
33 | Etzold, n. 6, p. 5.