

From conflictual to cooperative approaches in Russian foreign policy – an examination of the Barents Sea Boundary Agreement

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INTRODUCTION

Russia and Norway share a border of 196 km in the north, with Kirkenes as the largest city on the Norwegian side and Murmansk on the Russian side. This border, which was established in 1826, is not only a border between two countries, but also the border separating the Schengen Area and NATO on the Norwegian side from Russia on the other, giving it enhanced strategic and symbolic importance.

During the Cold War, relations between Norway and the Soviet Union were strained, and around the time of *Détente* in the 1970s, the ‘Question of the Barents Sea’ re-surfaced as one of the most important unresolved issues between the two countries. The dispute concerned the delimitation of the maritime boundary between the Soviet Union and Norway. The break-up of the Soviet Union in 1991 brought about a set of new opportunities for the two countries to increase cooperation and a possibility of settling this long-lasting conflict.

Although the border region has generally been calm, with strong people-to-people connections in the area, there have been occasional signs of increasing tensions between the two countries over the years. The 2005 *Electron* episode was a case in point: The catching of the Russian trawler ‘*Electron*’ following its fishing with illegal equipment outside Spitsbergen led to a five-day chase when it set off for Russian waters with two Norwegian inspectors still on board.¹ The event sparked a diplomatic crisis between the two countries, and a dispute over the jurisdiction governing Arctic waters. Norway, on the

¹ Clare Bigg, ‘Russia: Trawler Escapes Norwegian Coast Guard While Still Carrying Inspectors’, *Radio Liberty Free Europe* <<http://www.rferl.org/content/article/1062253.html>> [accessed 15 March 2016] (para. 1 of 14).

other side, has hosted the annual² NATO drill ‘Cold Response’ in Northern Norway, with up to 9000 soldiers from 14 countries, much to the dislike of Russian authorities.³

After a prolonged period of Barents Sea negotiations and in the midst of shifting tensions in the north, the boundary dispute was suddenly settled under the Medvedev presidency, which gave rise to the question of timing: Why was the treaty concluded precisely in 2010? Which factors contributed to the rather sudden resolution of the dispute? With shifting Russian-Western relations during the preceding Putin presidency, can the dispute resolution in the Barents Sea be seen as a change in Russian foreign policy towards a more cooperative path under Medvedev?

This paper aims to analyse Norwegian-Russian relations during the presidency of Dmitrii Medvedev from 2008 to 2012, with a particular focus on the main dispute between the two countries the last decades: the Barents Sea with respect to the 2010 Boundary Treaty. This paper is structured as follows. While it is outside the scope of this article to discuss the multitude of organisations, agreements and treaties governing the Euro-Arctic region, a brief survey of the organisations covering the Barents area is presented in a first section. Then a section on developments in Russian foreign policy and the Medvedev presidency follows. The paper sheds light on Russia’s economic and geopolitical interests in the Barents region. Doing so, it argues that the signing of the Treaty can be seen as an example of a change in Russian foreign policy under Medvedev to a more accommodating course with the West. The successful dispute settlement concerning the boundary delimitation was an illustration thereof, through peaceful negotiations based on international laws. As the focus is on the foreign policy of Russia, it will only briefly cover domestic factors in Russia and Norwegian foreign policy as factors contributing to the dispute resolution.

I. THE BARENTS REGION AND THE ARCTIC

The Barents region is an area above the Arctic Circle that encompasses the North-West of Russia and the northernmost regions of the Nordic countries. The Barents Sea, which is sometimes referred to as the Euro-Arctic Sea, lies north of the Norwegian-Russian

² Biennial as of 2011.

³ Thomas Nilsen, ‘Large NATO exercise starts in Northern Norway’, *Barents Observer* <<http://barentsobserver.com/en/sections/articles/large-nato-exercise-starts-northern-norway>> [accessed 16 March 2016] (para. 1 of 9).

border, with vast marine resources and high estimates of oil and gas deposits. For political reasons that will be discussed in further detail in this paper, the Barents Sea is not included in the Barents Region.

The organisations in the Barents region constitute the formal framework for governance on a regional level and institutionalize the cooperation. The multilateral cooperation in the Barents Euro-Arctic Region is coordinated through the Barents Euro-Arctic Council, which was established in 1993 between Russia and the Nordic states and supported by the International Barents Secretariat.⁴ The organisation's aim is to promote cooperation in environmental protection, fishery and resource management in the Barents Region. However, due to the dispute of the Barents Sea delimitation between Russia and Norway, the Barents Sea is not included in this cooperation framework. Russia held the chairmanship of the Barents Euro-Arctic Council from 2007 to 2009, coinciding with the handover from Putin to Medvedev. In addition there is the Arctic Council, focusing on the wider Arctic area and includes all Arctic states plus observers, working especially on environmental and indigenous issues.⁵ Russia held the chairmanship of the Arctic Council under the Putin presidency from 2004–2006.

II. THE IDEOLOGIES AND CONCEPTS BEHIND MOSCOW'S POLICY

Under the presidency of Boris El'tsin and Vladimir Putin, the making of Russian foreign policy was mainly under the prerogative of the president, in line with Article 86 of the Russian Constitution of 1993.⁶ Although the constitutional provisions remained the same, Putin's move to 'appoint' Dmitrii Medvedev as a successor to become Head of State caused speculations on who was really driving the policy developments. While formally democratically elected in the Russian presidential election of 2 March 2008, Medvedev is widely believed to have been ruling in tandem with Putin, who obeyed the constitutional limit of a maximum of two terms as president and took a step back to become Prime Minister.⁷ Nevertheless, Putin was certainly influential as Prime Minister, and probably the

⁴ (Barents Euro-Arctic Council n.d.) <<http://www.beac.st/en>> [Accessed 20 March 2016]

⁵ (The Arctic Council 2015) <http://www.arctic-council.org/index.php/en/about-us/arctic-council> [Accessed 15 March 2016]

⁶ Konstitutsiia Rossiiskoi Federatsii, Article 86, *Kremlin*, 12 December 2013, <<http://constitution.kremlin.ru>> [accessed 10 March 2016].

⁷ Henry E. Hale and Timothy J. Colton, 'Russians and the Putin-Medvedev "Tandemocracy"', *Problems of Post-Communism*, 57, 2010, 2, pp. 3–20, (p. 3).

most influential one in Russian history, but Medvedev was responsible for the strategic development of foreign policy.⁸

As Putin had pointed to Medvedev as a presidential candidate, an analysis of the relation between the two of them can inform the discussion on the changing patterns of Russian foreign policy. Both men studied law and came from St. Petersburg, but a major difference in their background is that Medvedev never belonged to the group of so-called *siloviki*: well-positioned individuals with backgrounds in the intelligence services.⁹ Before Putin stepped down from the Presidency in 2008, he made significant changes to the foreign policy portfolio of what in Russia is called the ‘Power Ministers’, that is, the Interior Minister, Defence Minister, but also the chief of the intelligence service. This included expanding the scope for the Prime Minister, especially on foreign economic relations, while the security portfolio remained in the domain of the president.¹⁰

The so-called ‘tandemocracy’ of Putin and Medvedev has led scholars to debate whether Medvedev had any real impact on the development of Russian foreign policy, or if his term as Head of State merely consisted of a change in rhetoric. On the one hand, Andrew C. Kutchins and Igor A. Zevelev argue that Medvedev did not induce a new Russian foreign policy, but that the change was due to the deteriorating economic situation following the global financial crisis in 2008–2009.¹¹ Peter J. S. Duncan, on the other hand, argues that Medvedev exercised considerable foreign policy autonomy in the period from the reset with Barack Obama in February 2009 to September 2011, at which time it was clear that Putin would run for election as president.¹² Several events under the Medvedev presidency point towards a more westward oriented foreign policy, such as the new START negotiations with the Americans, cooperation on the Iranian nuclear file, and the EU-Russian Partnership for Modernisation.¹³

Preceding that, Russia’s relationship to the West had deteriorated by the end of Putin’s first term as president, with the Colour Revolutions in the ‘near abroad’ in Georgia, Ukraine and Kyrgyzstan in 2003, 2004 and 2005 respectively, which was seen by

⁸ Peter J. S. Duncan, 'Batman and Robin? Exploring foreign policy differences between Putin and Medvedev during the Medvedev presidency', Working paper ([n.p]: CEPSI - Centre for European Politics, Security and Integration, 2013), (p. 19).

⁹ Ronald H. Donaldson, Joseph L. Noguee and Vidya Nadkarni, *The Foreign Policy of Russia. Changing systems, enduring interests* (Abingdon: Routledge, 2015), p. V.

¹⁰ Duncan 2013, p. 2.

¹¹ Andrew C. Kutchins and Igor A. Zevelev, 'Russian Foreign Policy: Continuity in Change', *The Washington Quarterly*, 35, 2012, 1, pp. 147–61, p. 156.

¹² Duncan 2013, p. 11.

¹³ Donaldson et al., 2015, pp. 407–418.

Russia as Western attempts at regime change in its sphere of influence.¹⁴ Arguably one of the lowest points in Russian-Western relations came in 2008 with the war in Georgia, just a few months after Medvedev's inauguration.¹⁵

Building on Medvedev's perceived 'softer' image than that of Putin, one of the new president's main projects was to implement reforms in order to spur innovation and modernize the Russian economy. In his famous article 'Go Russia!' from 2009, he warned of becoming too dependent on rising oil and gas prices, and addressed the way forward towards a knowledge economy, including the development of high-technology industrial sectors.¹⁶ The speech's clear emphasis on economic modernisation also had foreign policy implications; both in the way he discussed the need for capital and technology from the West, but also in the expressed wish of acting and being seen as a respected member of the international community.

Towards the end of the speech, Medvedev declares: 'We want to establish rules of cooperation and dispute settlement, in which priority is given to modern ideas of equality and fairness'. The emphasis on international law would prove important in the Barents Sea question, which will be discussed later. The Russian population saw Medvedev as a liberal, less confrontational and as more open to the West, which coincided with the wish of the majority of the Russian population at the time to see 'the West' as an ally.¹⁷ On balance, there was in general a favourable climate for improved Russia-Western relations.

While the president is responsible for foreign policy strategy, the Minister of Foreign Affairs works closely with the president to implement it. Sergei Lavrov was reappointed Minister of Foreign Affairs in 2008, known as a highly skilled negotiator and seen as a stronger, more assertive holder of the post than his predecessor Ivanov.¹⁸ Having being appointed foreign minister by Putin back in 2004, he represented continuity and stability in foreign policy development. He is a career diplomat, and does not belong to the aforementioned *siloviki* group, but nevertheless enjoys Putin's trust. The work of the foreign affairs minister is based on the Foreign Policy Concept, which will be discussed in the next section.

¹⁴ Jeanne L. Wilson, 'The Legacy of the Color Revolutions for Russian Politics and Foreign Policy', *Problems of Post-Communism*, 57, 2010, 2, pp. 21–36, (p. 21).

¹⁵ Donaldson et al., 2015, p. 298.

¹⁶ Dmitrii A. Medvedev, 'Rossiia, vpered!', *Kremlin*, <<http://kremlin.ru/events/president/news/5413>> [accessed 14 March 2016], (para. 10, 33 of 69).

¹⁷ Hale et al., 2010, p. 11.

¹⁸ Donaldson et al., p. 134.

III. THE 2008 RUSSIAN FOREIGN POLICY CONCEPT

The Russian Foreign Policy Concept (hereafter ‘the Concept’) outlines the main official priorities of the Ministry of Foreign Affairs and is produced on a regular basis. The Concept from 2008 was prepared under the presidency of Putin, and was adopted just after Medvedev became president. For the purpose of this paper, those parts relating to key foreign policy concepts and the Barents region will be highlighted below.

A central theme in Russian foreign policy discourse is the concept of sovereignty, which can be seen as a fundamental part of especially Putin’s wish to reassert Russia’s position and image as a Great Power.¹⁹ The term is often used to understand the challenging Russian-Western relations, but sovereignty has also a very concrete meaning when it comes to settlements of border and boundary disputes, as any negotiation over territory will involve some form of conceding sovereignty over at least parts of the area. ‘Sovereignty’ is mentioned several times in the Concept as essential for ensuring Russian security and territorial integrity, aiming ‘to achieve strong positions of authority in the world community that best meets the interests of the Russian Federation as one of influential centers of the modern world.’²⁰ Here, Russia’s view of the world is seen as multipolar, with Russia as one of the main actors on the global stage.

Moreover, the Concept mentions the Barents Region specifically, albeit with no reference to the Barents Sea or any negotiations on the delimitation:

‘Russia has been developing onward practical interaction with Nordic countries including the implementation within the framework of multi-lateral mechanisms of joint cooperation projects in the Barents/Euro-Arctic region and the Arctic as a whole with account of the interests of indigenous people’.²¹

The ‘practical interaction’ refers to the relatively extensive people-to-people cooperation in the Northern border region, with visa-free travels, flourishing trade and cultural exchange. This special relationship in the north has a pragmatic and practical nature, relying on individual contact rather than high-level politics. The document’s sole focus on pragmatic cooperation in the region can be seen as an indication of the rather

¹⁹ Charles E. Ziegler, ‘Conceptualizing sovereignty in Russian foreign policy: Realist and constructivist perspectives’, *International Politics*, 49, 2012, 4, pp. 400–417, (pp. 406–407).

²⁰ Dmitrii A. Medvedev, ‘The Foreign Policy Concept of the Russian Federation’, 2008, (p. 1).

²¹ *Ibid.*, p. 5.

passive outlook for a resolution of the Barents Sea question, as there are no signs in the Concept that a deal was in the making.

Even though the Concept was prepared before Medvedev came to power, an example of the increased focus on economic development can be seen in the paragraph on national interests, where the relations to Norway is mentioned specifically:

The development of mutually advantageous bilateral relationships with Germany, France, Italy, Spain, Finland, Greece, the Netherlands, Norway and some other West-European states is an important resource for promoting Russia's national interests in the European and world affairs, as well as contributing to putting the Russian economy on an innovative track of development. 22

Here, as in his 'Go Russia!' speech, the use of foreign policy towards Western countries is conceived of as a tool for implementing the economic modernisation plan in an attempt to attract technology and foreign direct investments, in line with Medvedev's economic programme.

The role of international law in resolving the Barents Sea question will be discussed in greater detail later, but it is worth noting its place in the Concept of 2008. Under the chapter 'The primacy of international law', the need for legalisation of maritime boundaries is mentioned specifically:

Work to finalize the international legalization of the (...) boundaries of the maritime zone over which it exercises its sovereign rights and jurisdiction while ensuring the unconditional observance of Russian national interests, primarily those related to security and economy, with a view to build up trust and cooperation with adjoining states.²³

While the paragraph above states a wish to conclude the borders and boundaries of the Russian Federation, the mentioning of 'unconditional observance' of Russian security and economic interests stands in contrast to the compromises that are necessary in order to conclude boundary treaties under international law. However, it could be in Russia's national interest to resolve the Barents Sea boundary dispute in spite of the need to compromise and concede territory to Norway, as the lack of a settlement hampers the

²² Ibid., p. 5.

²³ Ibid., p. 3.

economic potential and might possibly result in increasing security risks in the north. The next section will outline the principal interests of the Russian Federation in the Barents Sea.

IV. RUSSIA'S MAIN NATIONAL INTERESTS IN THE BARENTS SEA

Russia has primarily two main interests in the region, both of which are outlined in the Arctic Strategy of the Russian Federation of 2008: economic interests in the oil and gas sector, fishery and transportation, in addition to political and military interests in the Arctic region related to defence of territories and borders.²⁴ However, in a wider sense, national interests are not limited to material ones; Russia's interests in the Barents region are also connected to how the cooperative path is viewed by neighbouring countries and the West, great power projection and national identity. This section will mainly focus on the material interests, while the question of changes in the relationship with the West is discussed later.

Russia has strong economic interests in the Barents region, which is denoted by its 'strategic resource base' in the Russian Arctic Strategy, as the area is estimated to contain vast energy resources. An estimation of around 80 per cent of Russia's unexploited oil and gas reserves are in the Arctic region, and the oil and gas fields in the Barents Sea are among the lower hanging fruits in terms of energy exploitation in the area. In a 2008 US Geological Survey it was estimated that the technically recoverable oil equivalent reserves on the continental shelf in the Barents Sea are estimated around 76 billion barrels, in addition to the fields that were already discovered.²⁵ An illustration of the estimated oil and gas deposits can be seen below in Map 1. The size of the dark blue areas illustrates the estimated size of the oil and gas reserves, with the fields already in development and an indication of the disputed area. However, it must be added that there is still high uncertainty regarding the estimates as to the actual deposits in the Barents Sea.

Cooperation on oil and gas drilling and exploitation in Arctic waters would bring technology and know-how to Russian companies, which would be in line with

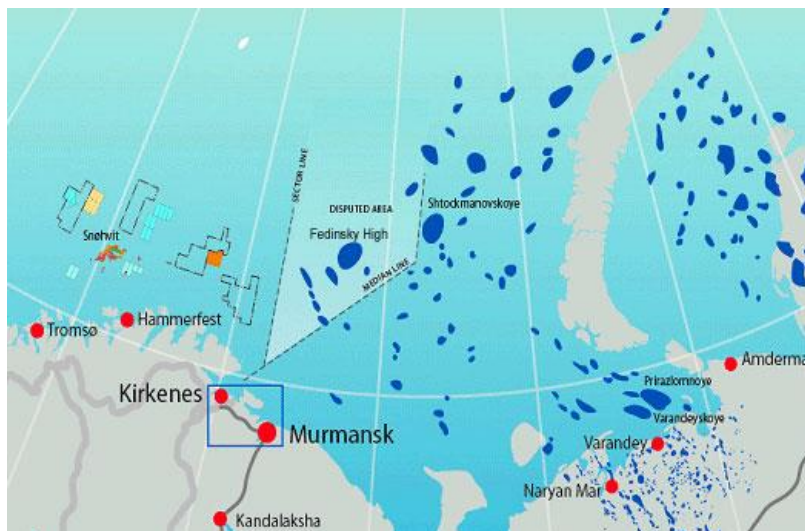
²⁴ Dmitrii A. Medvedev, 'Osnovy gosudarstvennoi politiki Rossiiskoi Federatsii v Arktike na period do 2020 goda i dal'neishuyu perspektivu', in *Soviet besopasnosti Rossiiskaia Federatsia* <<http://www.scrf.gov.ru/documents/98.html>> [accessed 10 February 2016], section II.

²⁵ T. R. Klett and D. L. Gautier, 'Assessment of undiscovered petroleum resources of the Barents Sea Shelf: U.S. Geological Survey Fact Sheet', *US Geological Survey*, 2009, <<http://pubs.usgs.gov/fs/2009/3037/>> [accessed 15 March 2016], (p. 1).

Medvedev's wish to modernize the economy and create an environment conducive to innovation and growth. Deep water drilling and Arctic exploration are already areas where Norway has long experience and a comparative advantage in, and Russia could be able to capitalize on that if there were any joint exploration projects as a consequence of the boundary agreement.

Furthermore, there are large fish stocks in the area: cod, halibut, capelin and haddock are plentiful in the Barents Sea. In the absence of a permanent boundary agreement there was a need for coordination of fishing quotas and third-party vessels, the Joint Norwegian-Russian Fisheries Commission was set up to govern fishery and marine resource management since 1976 in a bilateral agreement between Norway and the Soviet Union, and later Russia.²⁶ The aim was to reduce overfishing and manage the fish stocks in one of the largest marine ecosystems in the world.

Map 1: Estimated oil and gas resources in the Barents Sea²⁷



From a security perspective, the Arctic Strategy mentions the high north as a 'zone for peace and cooperation'. However, the favourable ice conditions in the Barents Sea make the Kola Peninsula an ideal geo-strategic location for one of Russia's naval fleets, the 'Northern Fleet' in Severomorsk. Historically one of the world's largest in Soviet times; it was placed in the far North because it was possible to navigate to the Atlantic and Arctic Oceans and move to Asia and America, not because tensions were

²⁶ Joint Norwegian-Russian Fisheries Commission, 'The fisheries commission' <<http://www.jointfish.com/eng/THE-FISHERIES-COMMISSION>> [accessed 15 March 2016].

²⁷ Atle Staalesen, 'Zarubezhneft wants Fedinsky High', *Barents Observer* <<http://barentsobserver.com/en/articles/zarubezhneft-wants-fedinsky-high>> [accessed 21 March 2016].

higher up North.²⁸ The Arctic region has traditionally been the stage for the development of Russia's nuclear capabilities, whereas it now serves as the 'resource power base'.

Though generally a peaceful border region, the presence of strong military capabilities on the Russian side of the border combined with repeated NATO drills on the Norwegian side have been a cause for wider security concerns. Occasionally, Russian strategic bomber flights patrol the Norwegian coast, and the activity reached a post-Cold War high in 2008 with 97 incidents, up from 14 in 2006, followed by an ensuing decline in activity.²⁹

The potentially military threats from Russia in the north must be seen in relation to the developments in defence spending in the last decades. After the break-up of the Soviet Union, Russia's military capacity quickly deteriorated, and reached a low point in the 1990s. Since 2000, Putin began increasing the spending on the military-industrial complex, as it could be financed by the growing energy prices. While Russia has more pressing security concerns elsewhere along its other borders, it is still upgrading the Northern Fleet with smaller vessels. However, the general trend has been going towards de-securitisation of Russian Arctic policy, and as Kristian Åtland argues, one should not exaggerate the conflicts in the Arctic.³⁰

Both the military and economic interests are expected to be highly affected by the increasing impact of climate change. Higher average temperatures above the Arctic Circle lead to faster ice melting, which at some point in time will open up a transportation route in the High North.³¹ Potential ice-free ports along the Russian Arctic will open up for a Northeast Passage as a secure transportation route from Europe and the US to Asia. If the route was opened for transportation, it would have both military and economic impact. The establishment of a permanent ice-free Northeast Passage will open up commercial traffic and goods transportation, on a route almost solely controlled by Russia. The opening up of the Northern Passage is likely to spur economic growth in the Russian Arctic.

However, other environmental issues have negative impact on Russian interests in the region. Drilling and exploring in the fragile Barents Sea is controversial, as oil spills in the vulnerable Arctic climate zone would have potentially catastrophically effects on the

²⁸ Kristian Åtland, 'Russia's Armed Forces and the Arctic: All Quiet on the Northern Front?', *Contemporary Security Policy*, 32, 26 August 2011, 2, pp. 267–85. (p. 268).

²⁹ Christian Le Mièrè and Jeffrey Mazo, *Arctic opening. Insecurity and opportunity*, First Edition (Abingdon: Routledge, 2013), p. 86.

³⁰ Åtland, 2011, p. 268.

³¹ Le Mièrè and Mazo, 2013, pp. 69–70.

wild life and environment. It would be especially disastrous if there was an oil leak close to the ice edge, but this risk will be lower if the Arctic would be permanently ice-free.

V. BACKGROUND AND TIMELINE OF THE TREATY NEGOTIATIONS

On 15 September 2010, the Boundary Agreement was signed in Murmansk between the Ministers of Foreign Affairs Sergei Lavrov and Jonas Gahr Støre in the presence of President Medvedev and the Norwegian Prime Minister Jens Stoltenberg.³² After having been ratified by the Russian Duma and the Norwegian Parliament, it entered into force as of 7 July 2011. In a joint statement following the signing of the treaty, Støre and Lavrov described the outcome as ‘a line that divides the overall disputed area in two parts of approximately the same size’.³³

The treaty settled a long-standing question: How should the boundary be measured? As outlined by Ingvild Kvalsvik, Norway had called for negotiations with the Soviet Union over the so-called ‘Grey Zone’ in the Barents Sea since 1967.³⁴ The official negotiations began from 1974, and an agreement was reached on 11 January 1978 purely on practical arrangements for the governing of marine resources in the area. The Grey Zone Agreement provided a framework for jurisdiction on third-party vessels in the area, subject to renewal on an annual basis. However, the dispute remained unresolved. The agreement was supposed to be temporary, but lasted almost 30 years before the dispute was finally settled and the ‘temporary’ Grey Zone agreement could be terminated.

In tandem with the Soviet-Norwegian Barents Sea negotiations, there were substantial developments in international law that could provide useful tools for resolving the dispute. After a change in the Law of the Sea following the UN Convention of the Law of the Sea (hereafter UNCLOS) from 1974–1982, the UN adopted a principle of 200 nautical miles from the mainland as a boundary for the sovereignty of coastal states to the

³² ‘Treaty between the Kingdom of Norway and the Russian Federation concerning Maritime Delimitation and Cooperation in the Barents Sea and the Arctic Ocean’, 10 September 2010.

³³ Jonas G. Støre and Sergey Lavrov, ‘Joint Statement on maritime delimitation and cooperation in the Barents Sea and the Arctic Ocean’, *Government of Norway*, 27 April 2010, <https://www.regjeringen.no/globalassets/upload/UD/Vedlegg/Folkerett/030427_english_4.pdf> [accessed 3 March 2016], p. 2.

³⁴ Ingvild Kvalsvik, ‘Assessing the delimitation negotiations between Norway and the Soviet Union/Russia’, *Acta Borealia*, 2004, pp. 55–78 (p. 62).

right to manage marine resources.³⁵ Moreover, the establishment of an Exclusive Economic Zone (EEZ) gives coastal states not only the right to decide how resources should be used, but also the duty to manage them sustainably in line with principles of environmental protection. UNCLOS went into force in 1994, with more than 160 countries ratifying the convention, including Norway and Russia.

Although it is beyond the scope of this article to discuss all the aspects of UNCLOS, there are especially two concepts that are important for an understanding of the dispute in the Barents Sea. As defined in UNCLOS, the median principle is a line that follows the equidistance between the coastlines of two countries. The sector principle follows the meridian line from a coastal point of a country to the North Pole, thereby creating a sector, which is the basis for boundary delimitations in the Arctic.

It was the median principle that Norway had been advocating for in the Barents Sea question, whereas the Soviet Union and later Russia wanted the sector line principle to be applied. The two positions are drawn up in Map 1 as seen below. The Russian proposal for a sector line would not be strictly straight, as it needs to account for Norway's sovereignty of its EEZ surrounding the Svalbard islands. Whereas both countries had argued for the application of UNCLOS, the Soviet Union put forward a claim to use the provision for 'special circumstances' because of its special interests in the region, namely its military bases and a considerable population.³⁶ This claim was repeatedly refused by Norway. As seen from Map 2, the implication of this difference was that an area of approximately 176,000 km² would fall on Russian or Norwegian hands. New bilateral negotiations began again in 2005, and the so-called 'Varanger Agreement' was signed in 2007, which was an important stepping-stone for the conclusion of the final delimitation three years later. The Varanger Agreement settled the question of the placement of the delimitation 70 km north of the coastline.

*Map 2: Map of the disputed area with the median line, the sectorial line and the grey zone.*³⁷

³⁵ United Nations, 'United Nations Convention on the Law of the Sea', *United Nations*, 10 December 1982, <http://www.un.org/depts/los/convention_agreements/texts/unclos/unclos_e.pdf> [accessed 3 March 2016].

³⁶ Arild Moe, Daniel Fjærtøft and Indra Øverland, 'Space and Timing: Why was the Barents Sea Delimitation Dispute Resolved in 2010?', *Polar Geography*, 34, 2011, 3, pp. 145–62 (p. 3).

³⁷ Heather Exner-Pirot, 'Norway and Russia Sign Treaty to End Boundary Dispute in Barents Sea', *Eye on the Arctic*, 16 September 2010, <<http://www.rcinet.ca/eye-on-the-arctic/2010/09/16/norway-and-russia-sign-treaty-to-end-boundary-dispute-in-barents-sea/>> [accessed 15 March 2016].



The agreement does not only establish the sea boundary between Norway and Russia, but it also offers a comprehensive agreement on how to manage fishery resources, hydrocarbon deposits and other aspects of Russian-Norwegian relations in the Barents Sea. An expression of the compromise element of the agreement, Article 5 in the Treaty also includes a so-called 'Unitisation Agreement', whereby disputes over oil and gas exploration and field development on the continental shelf shall be resolved in unity, that is, the field shall be developed and exploited in cooperation with the two parties to the treaty.

VI. THE EVOLUTION OF THIS POLICY, AND THE RESULTS

The successful conclusion of the boundary agreement came as a surprise to most experts, with no information leaking from the negotiations and only a few people within the Russian and Norwegian Ministry of Foreign Affairs respectively knowing about it.³⁸ Furthermore, official reports and scholarly papers written as late as 2007 express pessimistic views on how soon an agreement could be reached, if it could be reached at

³⁸ Moe et al., 2011, p. 151.

all. In a report prepared by the Research Services Section of the Norwegian Parliament in 2007, there is no mention of a realistic prospect of reaching a solution, even given the fact that the Varanger Agreement was reached the very same year.³⁹

During the almost 40-year long dispute, both parties emphasized the importance of reaching a strong and sustainable agreement, a preferred approach over pressing for a solution just for the sake of reaching an agreement. Not only did it take many decades of negotiations to come to a conclusion, but also statements from both parties to the conflict indicate that the quality of the deal was more important than a hurried settlement. 'Both parties will take the time they need to come to a solution' Norwegian negotiation leader Rolf Einar Fife emphasized.⁴⁰

Moreover, the Barents Sea is not even mentioned in the Russian Foreign Policy Concept of 2008, published only two years before the deal was signed. So in that case, why was an agreement reached precisely in 2010? For the timing of the dispute resolution, Arild Moe et al. argue that it primarily has to be analysed from the perspective of developments in Russian domestic policies and changing patterns of Russian foreign policy.⁴¹ Both countries had more or less advocated the same positions since the dispute arose in the 1970s, so the signing of the agreement should be seen as an expression of increased willingness to reach an equitable solution. The Cold War era was not conducive to a favourable negotiation environment, and in the 1990s, there was no urgent needs to reach a conclusion to the boundary question, as fishery issues were already governed under the Joint Fishery Commission set up in the 1970s.⁴²

As shown above, after two periods of shifting and challenging relations for Western-Russian relations under President Putin, Medvedev wanted Russia to be seen as a constructive partner for the West. From that perspective, the change in position over the Barents Sea question can be seen as a general change in the role of international law in Russian foreign policy. Mankoff argues that Russian foreign policy is built on the fact that 'large states are (...) free to pursue national interests and [the] rejection of universal

³⁹ Stortingets Utredningsseksjon, 'Delelinjen i Barentshavet: Planlagt samarbeid versus uforutsett konflikt?', *Stortingets Utredningsseksjon*, April 2007, <https://www.stortinget.no/Global/pdf/Utreddning/Perspektiv07_04.pdf> [accessed 13 February 2016], pp. 1–30.

⁴⁰ Geir Seljeseth, 'Fremdrift om delelinjen', *Nordlys*, 5 December 2005, <<http://www.nordlys.no/nyheter/fremdrift-om-delelinjen/s/1-79-1856391>> [accessed March 21 2016].

⁴¹ Moe et al., 2011, pp. 153–154.

⁴² Kvalsvik, 2004, p. 61.

principles in favour of respecting states' sovereignty.⁴³ However, the role of international law in the Barents Sea question contradicts this view.

On the contrary, the Barents Sea Boundary Agreement offered an opportunity for settling a long-standing dispute with a Western NATO country based on universally recognized international laws. This even meant that Russia was conceding claims to sovereignty of approximately half of the disputed area, which again can be viewed as a way of showing the world that Russia was willing to negotiate and reach equitable resolutions to conflicts based on compromise, in spite of the 'sovereignty' concept being a key foreign policy principle that Russia consistently refers to in its public discourse. The method used for determining the boundary might also serve as a reference for future sea delimitation agreements and can be used again in other disputed areas in the Arctic and elsewhere.

Although the border region has historically been stable, there had been tendencies of tensions in the recent past, as noted earlier. By signing a treaty, the two countries had committed themselves to a path of de-escalation and showed a willingness to lower the tensions and avoid future potential conflicts.

Another reason can be found in the energy sector: Without a permanent agreement in the Barents Sea, it would be difficult to explore the oil and gas fields in the area, as a moratorium on drilling and exploration was agreed in the 1980s. The evolution of energy prices and Russia's dependence on oil and gas exports help explain the necessity of opening new fields. Crude oil prices peaked at around \$145 per barrel in 2008 when Medvedev assumed office, and plummeted to \$43 per barrel a year later before quickly picking up again to around \$80 when the treaty was signed in September 2010.⁴⁴ As most of the cheap oil and gas from the Soviet times were already on the verge of being fully exploited, there was a renewed appetite for developing new fields.

The energy aspect was also emphasized by Medvedev in the joint press conference with Stoltenberg after the treaty was signed, although mostly in general terms without specific reference to development and exploration.⁴⁵ Before being elected President, Medvedev had himself been Chairperson of the Board of Gazprom, which was one of the

⁴³ Jeffrey Mankoff, *Russian Foreign Policy. The return of great power politics*, 2nd Edition, (Lanham, MD: Rowman & Littlefield, 2012), p. 15.

⁴⁴ Trading Economics, 'Crude oil historical data', *Trading Economics Commodities*, <<http://www.tradingeconomics.com/commodity/crude-oil>> [accessed 16 March 2016].

⁴⁵ Jens Stoltenberg and Dmitrii A. Medvedev, 'Sovmestnaia press-konferentia po itogam rossiisko-norvezhskikh peregovorov', *Kremlin*, 15 September 2010, <<http://www.kremlin.ru/events/president/transcripts/8924>> [accessed 6 March 2016], (para. 4–5 of 10).

two companies that had been granted exploration licenses in the Barents Sea, the other company being Rosneft.

Despite these facts, Moe et al. argue that the energy aspect was not a major driver for the change in Russia's position on the Barents Sea.⁴⁶ However, given the economic turmoil in 1990s that ended in a subsequent crash and default in 1998, and revenue being so dependent on energy prices, one cannot ignore Russian interests in the oil and gas market. With oil and gas prices sky rocketing in the 2000s and providing much-needed liquidity and revenue for the Russian national budget, it seems likely to have been a significant factor for the timing of the dispute resolution. Politically, the higher revenues enabled Putin to implement necessary policies and repay foreign debt accrued under the 1998 financial crisis, and the Russian population enjoyed a decade of rising living standards. The careful provisions for exploitation of hydrocarbon deposits in the Treaty as found in Article 5 and Annex II further indicate the importance placed on the energy aspect of the deal by both parties.

Nevertheless, the development of the oil and gas industry in the Barents Sea has been slower than expected. The mean lag of thirteen years in the Arctic that it takes from start of exploration to the oil and gas hit the market can be attributable to the high costs of drilling in the Arctic, weak existing infrastructure and delays in licensing due to domestic and international environmental laws.⁴⁷ Although not directly affected by the boundary treaty as it is on the Russian side of the Barents Sea, the Shtokman field serves as an example of how costly and difficult it is to develop oil fields above the Arctic Circle. As one of the largest gas reserves in the world discovered in 1988, it was scheduled to be developed in 2007 by a joint venture owned 51 per cent by the Russian state-owned oil company Gazprom, 25 per cent by French Total and 24 per cent by Norwegian Statoil. However, the project came to an end in 2012 when soaring costs and falling European demand led Statoil to hand over its shares.⁴⁸ Additionally, Statoil and Rosneft have drilled exploratory wells in the northern parts of the Barents Sea, but both are under pressure from environmental protection organisations, as the consequences of a potential oil spill are very severe to the fragile eco system.⁴⁹

⁴⁶ Moe et al., 2011, p. 151.

⁴⁷ Le Mière and Mazo, 2013, p. 52.

⁴⁸ Terry Macalister, 'Plug pulled on Russia's flagship Shtokman energy project', *Guardian*, 29 August 2012 <<http://www.theguardian.com/world/2012/aug/29/shtokman-russia-arctic-gas-shale>> [accessed 21 March 2016], (para. 5 of 17).

⁴⁹ Rick Steiner, 'Norway's offshore drilling puts Arctic Ocean at risk', *Greenpeace*, <<http://www.greenpeace.org.uk/blog/climate/norways-offshore-drilling-puts-arctic-ocean-risk-20140822>> [accessed 15 March 2016], (para. 5 of 10).

CONCLUSION

When the Barents Sea Boundary Agreement was settled in 2010, it resolved one of the most difficult challenges in Norwegian-Russian relations, and put an end to the forty-year long dispute over sea delimitation and marine resource management. Medvedev's time as president of the Russian Federation was limited to one term from 2008 to 2012, when he took up the premiership and Putin returned to the presidency. The handover from Putin to Medvedev constituted not only a change in rhetoric, but also a change in substance. This paper has argued that the Boundary Agreement serves as a case to illustrate such a shift towards a more cooperative foreign policy.

The Barents Sea Treaty was not only important logistically, but also symbolically, illustrating a more consistently cooperative foreign policy course under president Medvedev. The settlement of the boundary delimitation can be used as an example for other disputed sea areas in the Arctic and elsewhere, demonstrating the significance of the Law of the Sea and peaceful negotiations as a means of settling long-standing disputes. The inherent symbols of the compromises made by a 'large' nation such as Russia towards a 'small' country like Norway should also be recognized, although concessions were made on both sides. This is particularly interesting in the analysis of Russian foreign policy, given the traditional emphasis on state sovereignty.

Although there was a strong focus on the economic gains from the development of the oil and gas fields in the Barents Sea at the time of the conclusion of the agreement, there is still little evidence of successful advancements in the energy sector. The expected rush of field developments has not materialized to the extent that was expected at the time. More recently, the plummeting oil prices since December 2014 have probably made many of the already costly Barents Sea projects unprofitable, and sanctions imposed on the Russian economy have further strained the already vulnerable national budget, capping the resources necessary to invest in technology and infrastructure.⁵⁰

Several factors contributed to the favourable conditions under which the deal was signed. One of them arguably was the increased growth in oil and gas prices and the wish to expand the Russian economy by developing high-technological expertise in the North. Another was the desire to be seen as a more constructive partner to the West, reverting to

⁵⁰ International Institute for Strategic Studies, 'Negative outlook for Russian economy as sanctions bite', *Strategic Comments*, March 2015
<<http://www.iiss.org/en/publications/strategic%20comments/sections/2015-1f4d/negative-outlook-for-russian-economy-as-sanctions-bite-4b7c>> [accessed 15 March 2016].

international law, negotiations and compromises. The foreign policy legacy of Medvedev is characterized by a change in rhetoric towards being less confrontational in relations with the West. A stronger emphasis was laid on international law for governing international questions in a multipolar world and a focus on foreign policy as a tool for economic modernisation. The Barents Sea Boundary Agreement provides a good example of this legacy.

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