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## Icy/Hot: Norwegian and Finnish Policy toward the European Union

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## 1

# ICY/HOT: NORWEGIAN AND FINNISH POLICY TOWARD THE EUROPEAN UNION

**Mia Bennett**

From the outside, Norway and Finland appear to be similar countries. Both have transparent democratic governments, strong welfare programs, and a high quality of life. Yet one of the most marked differences between the two Nordic countries concerns their policies toward the European Union: Norway rejected European Community membership in 1972 and EU membership in 1994, while Finland joined the EU in 1995 and has since been a strong advocate of expansion. In seeking to understand why two relatively similar countries had such contrasting policies regarding membership, some scholars have emphasized the issue of identity (Ingebritsen and Larson 207, Østerud 38, Tiilikainen 173). According to this argument, Norway saw itself as separate from Europe and was loath to give up its hard-won sovereignty, since Denmark and Sweden had each governed the country for centuries. Finland, on the other hand, actually regarded membership as a means of protecting its sovereignty and also as a means of underscoring its 'Europeanness.' While identity certainly is a valid factor, a comparative geopolitical analysis taking into account the influence of geography on factors of security and economics provides more tangible evidence to explain the differences between the two countries' policies. In terms of security, Norway's isolation from the rest of Europe, small border with Russia, and membership in the North Atlantic Treaty Organization made any extra security provided by the EU negligible. On the other hand, Finland's proximity to Eastern Europe, long border with Russia, and lack of membership in NATO meant that the EU offered vital security to a country that for decades lived in the shadow of the Soviet Union. Economically, both Norway and Finland depended on the export of natural resources. Norway's oil, its main export, helped subsidize its heavily protected agricultural and fishing industries. Oil also encountered no protectionist measures from the EU, which meant that trade relations were already unrestricted at the time of the accession debates. Contrastingly, Finland's economy was in dire straits at the time of EU accession. Finland had historically relied on the neighboring USSR as its biggest trade partner, so when it collapsed, so did the Finnish economy. Furthermore, in Finland, the leading export sector of timber, the farmers' political party, and the general public all supported EU membership, whereas in Norway, all three of Norwegian and Finnish Policy toward the European Union

these groups opposed EU membership. In the near future, with Norway's economic health essentially guaranteed by the rising price of oil, it does not look like the country will soon join the EU. Finland, however, will likely continue to support EU expansion and reject NATO membership, particularly with an ascendant Russia on its borders.

### **A BRIEF GEOPOLITICAL HISTORY**

Geography plays a major role in determining the foreign policy of a country. States relatively separated from the rest of the world tend to be more isolationist than those situated in the milieu of other countries. A glance at a map of Europe demonstrates the differences in geographic location between Norway and Finland (see *Map 1*, Appendix). While both countries are on the northernmost periphery of Europe, Norway is more isolated. For centuries, Bergen, in western Norway, was the only town with major links to continental Europe (Eriksen 12). Furthermore, unlike Finland, Norway did not lie between any great powers. The country was relatively safe from invasion and also free to determine its own foreign policy without fear of angering its neighbors. As soon as Norway achieved independence in 1905, it chose to be neutral, and its location helped keep it removed from great power conflicts. The major exception was during World War II, when the Nazis disregarded the country's neutrality and invaded. However, after the war ended, a weakened, occupied, and divided Germany made the threat of invasion minimal. As will be explained, Norway consequently ended its unsuccessful policy of neutrality and had the political wherewithal to do so since no resurgent country was breathing down its back.

Historically, Finland was a small state trapped between the two large and powerful countries of Russia and Sweden. This precarious geopolitical situation caused a two-front problem that exposed the country to invasion and war from both sides. Finland represented the frontier to be conquered (Karsh 47). During the Napoleonic Wars, its strategic location led Russia and Sweden to war over possession of its territory. After nearly six hundred years of Swedish rule, Finland was surrendered to Russia, which controlled the country until 1917. During the close of Russian rule, as the Kremlin's fear of the burgeoning Finnish nationalist movement grew, soldiers occupied Helsinki ("Fear Revolt"). The Finns were virtual prisoners in their own country and had to work hard to appease the Russians, who presented a security threat not only from the outside, but also from within Finland's own borders. Even after it finally won independence in 1917, Finland had to walk a fine line between the Soviet Union and Europe. During World War II, Finland and the USSR went to war, and it was not until 1947 that a peace treaty was signed. Yet even with the peace treaty, the USSR still managed to heavily influence Finnish foreign policy. The presence of a great power on Finland's borders essentially made neutrality the only safe foreign policy option.

### **POST-WORLD WAR FACTORS: HARD VERSUS SOFT SECURITY**

Geopolitical history leads directly into a discussion of the post-war security strategies of Norway and Finland. The post-war context, particularly the issue of NATO membership versus non-alignment, seems more relevant to the debates surrounding EU membership than residual fears of foreign domination. While Ingebritsen and Larson point out Norway's protectiveness of its sovereignty as a reason for its rejection of the EU (215), Finland lacked true sovereignty for even longer, since the 12th century. Certainly, Norway was ruled by Denmark and Sweden for hundreds of years, but these two counties are now peaceful and do not possess any imperialist intentions. It is vastly improbable that either Denmark or

Sweden would ever attempt to reconquer Norway, as these three Scandinavian countries have had close and productive relationships for decades. Denmark, Sweden, and Norway have all constructed national identities based on peace and multilateralism and are economically interdependent, making the costs of war and conflict astronomical compared to the benefits of furthered cooperation. Therefore, it is likely the NATO-based defense policy that Norway formulated after WWII, rather than fear of foreign rule or concerns over diminished sovereignty, provided a more important reason for the country's rejection of EU membership. On the other hand, the major issue for Finnish foreign policymakers had long been the Soviet threat, which was still fresh in the national consciousness as accession was debated in the early 1990s. Compared to Norway, Finland had a much more tenuous relationship with its former ruler. Even now, particularly as Russia has been reasserting its presence in international affairs, Finland must act somewhat cautious. Membership in the EU allows the country to secure itself against its former ruler in a non-aggressive manner.

Whereas Norway's occupier, Germany, was severely weakened after WWII, Finland's vanquisher, the USSR, was still powerful. Thus, foreign enemies did not bear the same kind of influence over Norway as they did over Finland. After WWII, Norway was free to pursue its own policy, and it rejected neutrality once it realized its two inherent failings. First, while Norway had remained neutral during WWII, it was still invaded by Germany. Second, Finland's policy of neutrality allowed the USSR much leverage over it (Gstöhl 34). As a result, and in light of the fragile environment of post-war Europe and the growing East-West tensions of the Cold War, Norway joined NATO, a collective security organization positioned against the USSR. If Norway was to be attacked or invaded again, NATO membership would guarantee military assistance from all the other member countries. Joining NATO meant giving up its long-held policy of neutrality, but since that had already failed, it was time for Norway to pursue a more decisive foreign policy. The Soviet threat was thereby handed over to be dealt with in NATO headquarters in Brussels. Norway's decision to join NATO contradicts the idea that the country was worried about losing sovereignty, because here, all-important military decisions were now made in concert with other member states rather than individually.

Norway's membership in NATO gave it a strong reason to rebuff the EU. While NATO provided hard security, the EU only provided a more intangible "soft security" (Mouritzen 102-103). This soft security could be defined as any type of threat reduction not involving outright military defense. Soft security in the way of measures such as arms reduction could be important against a country like the USSR, but this was not a pressing issue for Norway, which did not share Finland's history of fearing the Russian bear. Norway's experience in WWII could also have engendered a preference for hard security measures to reduce the risk of future military invasion or occupation. 'Soft' policies like neutrality had not worked. Furthermore, by some accounts, the EU even depended on NATO for security (Jakobson 121). As part of the Western European Union, several of the EU countries signed the Berlin agreement in 1996, creating the European Security and Defense Identity. This agreement allowed European countries use of NATO military resources. Therefore, EU membership could be seen as redundant for Norway, as it did not bring any additional hard security. Norway was more concerned about definitive policies and military protection, which the EU could not offer at the time. If the EU were to develop hard defense measures separate from NATO, then Norway might be more inclined to join. But for Norway, when EU membership was debated, its security concerns were

already satisfied.

Finland's security, however, was still in a precarious condition post-World War II and through the accession debates. Finland lost to Russia during the war. After a peace treaty with the USSR was finally signed in 1947, Finland entered into the Treaty of Friendship, Cooperation, and Mutual Assistance with the USSR. As a military cooperation treaty, if the USSR was attacked by Germany through Finland, it was obligated to offer military assistance. Thus, Finland was burdened with appeasing the great power to the east. Beginning in the 1950s, Finland embarked upon a policy of neutrality. The country was no longer a buffer zone between two major powers, but rather a rimstate located within the defensive area surrounding the great power of the USSR (Karsh 50). Neutrality was hence the only option Finland saw fit to defend its sovereignty without incurring the Kremlin's wrath. Such a policy also allowed the country to tentatively explore new foreign relationships aside from its special relationship with the USSR. Finland trod very lightly, as the main goal of neutrality was to not become involved in any superpower conflicts (Jakobson 52). It knew only too well how its precarious geography could easily involve it in such disputes, and it constantly had to reassure the USSR of its benevolent intentions (Mouritzen 100). The need for neutrality ruled out NATO membership, since the organization was essentially predicated on deterring Soviet expansion in Eastern Europe.

Despite its precautions, Finland became twice embroiled in crises with the USSR. In the so-called Note Crisis of 1961, Russia interfered with Finnish domestic politics to ensure that a candidate of its choosing won the upcoming elections. Both this crisis, along with the earlier Night Frost Crisis from 1958-1959, caused Finland to take even greater care to demonstrate its neutrality. Prime Minister Urho Kekkonen attempted to create "zones of peace" around his country to protect it from any potential Soviet incursions (Solsten and Meditz 61). Kekkonen advocated a neutral Northern Europe, which would presumably strengthen Soviet confidence in Finland and ensure his country's continued existence as a sovereign state. This more abstract form of defense, which could be conceived of as a form of soft security, demonstrates why Finland would conceive of EU membership as a means of safeguarding its sovereignty. This history of a defensive yet neutral foreign policy informed Finland's decision to join the EU, an organization which can be seen as creating an even greater zone of peace.

The collapse of the USSR changed Finland's defense strategy but did not have much of an effect on Norway's policy. Finland's defense was built around neutrality and appeasement of the empire to the east, which had now disintegrated. The fall of the USSR voided the FCMA Treaty, freeing Finland to go ahead with plans to join the EU. However, even after the fall of the USSR, joining NATO still was not a real option for two reasons. First, although Finland replaced its neutrality with non-alignment, this policy still ruled out NATO membership. Second, Russia was – and still is – generally opposed to NATO's expansion. Helsinki had appeased Moscow for so long that a type of conciliatory policy toward Russia was still deeply ingrained in Finnish policymakers. Consequently, for Finland, joining the EU was an acceptable way for it to increase its security, since it did not present a potential military threat to Russia. The EU provided "soft security" in the form of power and prestige (Mouritzen 103) while still allowing Finland to claim non-aligned status. In an address to the Assembly of the Western European Union in 1997, Finnish president Martti Ahtisaari remarked, "By being fully integrated into the European Union but remaining militarily non-allied we contribute to a controlled process of change with maximum

stability in the northern part of our continent” (Jakobson 144). It was in Finland’s national interest to increase regional stability and reduce the chance of war in its backyard while remaining non-aligned. Membership in the EU satisfied such a goal.

Finland’s neutrality succeeded in protecting the country’s sovereignty during the Cold War, demonstrating that the success or failure of past security policies informs current decisions on defense matters. Therefore, Finland was not likely to suddenly change course and join military or defense organizations. Likewise, countries that had lost their sovereignty to Moscow, such as the Baltic states, went ahead with joining NATO because they were eager to distance themselves from their former ruler and secure themselves from any future Russian encroachments. The accession of the Baltic states near Finland’s southern edge to both NATO and the EU helped bring about more stability and peace in northern Europe. Finland’s security was enhanced even though the country could still remain militarily non-aligned. Notably, Finland has been a strong proponent of such EU expansion, which increases its security by creating ever larger zones of peace. The other two Nordic states in the EU, Sweden and Denmark, do not have such a lengthy history of foreign interference in their domestic politics and military threats from neighboring countries, so they are less concerned with supporting EU expansion. Nevertheless, it is still improbable that Finland will join NATO. Particularly in light of Russia’s recent ruminations on using force against the organization in Kosovo (“Russia Could Use Force”), Finland will in all likelihood continue to stay out of the defense organization for its own safety. As Russia begins to flex its muscles on the European and world stages, it can be expected that Finland will seek to emphasize soft power and promote ever greater EU expansion while trying to improve EU-Russia ties. By this logic, it would not be surprising if Finland were one of the first countries to support Russia if it ever expressed a desire to join the EU.

#### **POST-COLD WAR FACTORS: THE ECONOMY**

Geography was also important in determining the make-up of the economies in Norway and Finland because in both cases, the main export was a natural resource. However, one of the major differences between the two export-driven economies concerned the type of commodity most likely to be sold overseas. Norway exported mostly oil and fish, while timber dominated Finland’s exports. Norway’s strong, petroleum-driven economy provided a major reason for the country to reject EU membership. In the 1970s, the country discovered oil in the North Sea. These deposits have fueled the economy ever since and have also granted Norway the financial ability to remain outside the EU. Oil profits subsidized the country’s heavily protected farming and fishing industries, which were politically important even though they did not contribute very much to the country’s GDP. Europe’s need for oil, particularly from stable and reliable trading partners, also made Norway’s exports extremely valuable and desirable. The EU did not place any protective measures on the fossil fuel, which in 2005 accounted for 52 percent of Norwegian exports (Norwegian Ministry of Foreign Affairs). Thus, the main sector of the economy – petroleum – would not have received any tangible benefits from EU membership. In fact, Norway even had a large trade surplus with the European Economic Area at the time (Hveem 35). The economic benefits of EU membership, namely becoming part of a common market without restrictive tariffs, consequently did not resonate with the leading export sector of Norway.

Equally important as oil in the debates was the more traditional and heavily subsidized fishing industry. For centuries, Norway’s location along the plentiful North, Norwegian, and



Barents Seas made fishing a vitally important industry. Though it accounted for a mere 0.7 percent of the country's GDP (Archer 115), it composed 6.7 percent of exports in 1991 (Myrstad). As part of the European Free Trade Association, many of Norway's fish exports were already granted free access to the European market. But by choosing to remain outside the EU, Norway could still protect its all-important fishing industry. Although there were still some tariffs on Norwegian fish, the country calculated that the political benefits of staying outside the organization were greater than the economic benefits gained by joining. For instance, if Norway joined the EU, it would have had to repeal a law allowing only Norwegians to own fishing vessels registered in Norway (EFTA 12). Such a move would have greatly angered fishermen. Furthermore, EU membership would have mandated opening up Norwegian seas to foreign fishers, which would have weakened the state's jurisdiction over management of its prized fish stocks. Letting go of some of its sovereignty may have benefited Norway in the long run, as statistics show that it loses out on 1.5 billion kroner (approximately 282.2 million dollars) per year as a result of not being in the EU (Kristiansen). These losses mostly come in the form of tariffs that are imposed on products such as Norwegian salmon. But at the time of the accession debates, the political ramifications of EU membership outweighed the possible economic benefits.

EU membership would have also reduced cherished agricultural subsidies. In the Norwegian economy, up to 80 percent of the total value of agricultural output comes from subsidies (Arter 140). Furthermore, in 1990, subsidies composed 5.5 percent of Norway's GDP, which was four times the average amount in other industrialized countries. If the country were to join the EU, agricultural subsidies would have decreased, as those provided by the Norwegian government could not have exceeded limits put in place by the Common Agricultural Policy (Archer, *The 1995 Enlargement* 155). Norway's vast oil resources allowed the country to continue its inefficient but popular agricultural subsidies. In the rural northern regions of Norway, where more farmers lived than in the southern urbanized areas, 70 percent of people voted against EU membership (Arter 140). The resounding "no" vote to membership demonstrated the deep level of opposition within the agricultural community, a group with massive political and financial clout.

The microeconomic costs on each Norwegian farmer and fisherman generated enough public opposition to counteract the benefits of EU membership propounded by the government and Norwegian trade organizations. The government, led by the Labour Party, was officially in favor of EU membership and claimed that it would help secure market access for Norway's exports and ensure the health of Norway's economy and welfare state in the long run (Gstöhl 179). Business and trade associations like the Confederation of Norwegian Business and Industry also supported EU membership, but such associations had a difficult time generating grassroots support since they did not easily generate public sympathy. Farmers and fishers had an easier time mobilizing grassroots opposition to EU membership thanks to their inherently populist, nationalist appeal, and their political organization was strong. The Norwegian Farmers' Union was a major contributor to the 'No to the EU' campaign (Archer 60). The Centre Party and Socialist Left Party, the two leading opponents of Norway joining the EU, believed that membership would erode the exclusive fishing rights of Norwegian coastal communities (Archer 116). The whole concept of integrating Norway into Europe proved so divisive that earlier, in 1990, the Centre Party resigned from the center-right coalition government over a failure to reach a compromise. The coalition government consequently lost power and was replaced by the left-leaning

Labour Party. Thus, if Norway had joined the EU, the political fallout could have been disastrous, as the farmers and fishers had already demonstrated their ability to mobilize. The government, despite its preference for EU membership, could not afford to push too hard for integration if it still wanted to retain the support of key constituencies. Political leaders and parties in Norway in favor of EU membership, consequently, were been unable to rally the citizens to their side. In fact, in November 1992, the “No to the European Community” campaign had more members than any Norwegian political party (Mjøset 128). Interest groups hence demonstrated more power than political parties in the debate over EU membership.

For Finland, the collapse of the USSR wreaked havoc on its economy since the two countries had been such important trade partners. Beginning in 1951, the Soviets and Finns negotiated the first of a series of five-year trading agreements which would last until the 1980s, when Mikhail Gorbachev’s instituted *perestroika*, or economic reforms. These bilateral trading agreements mandated that the balance of trade equal zero. Finland was assured oil and other important natural resources from the USSR, and it had a guaranteed market in Russia for its manufactured goods like technology and paper products (Eronen 37). Although *perestroika* dismantled these agreements and gave Russia free rein to look to other markets, Finland still remained heavily dependent on Russia as a trade partner. Thus, when the USSR fell apart in 1991, Finland’s GDP dropped 5.9 percent and continued to fall until 1994, when EU negotiations began (Torvi 1999). At the time of accession, unemployment stood at 18.5 percent, while the country was deep in debt (Arter 130). Finland’s economy was in a terrible state of recession and in desperate need of stimulus. The leading export industries, the agricultural political party, and the general population largely supported EU membership, which contrasted with the picture in Norway.

One of the biggest actors in the Finnish economy, the timber industry, favored joining the EU, while in Norway, the dominant oil industry was opposed. Finland’s small coastline was not as rich in resources as Norway’s, so the country turned inland to harvest its abundant forests, which covered 72 percent of the terrain (Kotisaari). In Finland, timber and forestry products composed close to 40 percent of net export income (Solsten and Meditz 200). At the time of accession, 80 percent of these products were exported to the EU. Timber exports suffered from French protectionism (Arter 130) and their prices were more volatile than oil, making them a less reliable and valuable commodity than Norway’s main export. If Finland remained outside the EU, one of the main sectors of its economy would have been negatively affected, whereas this was not the case in Norway.

While Finland also had vocal opposition to EU membership from its agricultural sector, strong macroeconomic reasoning defeated interest groups’ relatively unpersuasive microeconomic concerns. The farmers’ argued that they would suffer heavy fiscal losses if the Finnish market was opened up to cheaper foodstuffs from the continent. Due to the country’s northerly latitude and difficult growing conditions, Finnish farmers’ production prices were on average 30 percent higher than those of their Danish counterparts, who were their main competitors (Arter 141). But the larger macroeconomic picture of Finland painted dreary statistics, as mentioned above. Furthermore, agriculture composed only 3 percent of the GDP (Jakobson 108), whereas a sector like timber, which would benefit from EU membership, was economically much more important. Interestingly, the agriculture and timber industries in Finland were interlinked: in the 1980s, 35 percent of all the country’s forests were controlled by private farmers. These forests were also highly productive,



generating 75–80 percent of the industry's wood (Solsten and Meditz 170). The overlap between the two industries meant that many farmers actually had a vested interest in joining the EU because it would benefit their timber sales. Accordingly, though agriculture proved to be an inevitably contentious and emotional issue, Finland could not afford to stay out of the EU just to placate those farmers without a stake in the timber industry. Even the Centre Party in Finland, which represented farmers' interests, was officially in favor of joining the EU (unlike in Norway), though only 36 percent of its party members voted 'yes' in the referendum. Political leadership in Finland actually supported EU membership across party lines (Raunio and Tiilikainen 48), but as the Centre Party demonstrated, there was much division among the rank-and-file members of each party. Such discord within the individual parties was one reason why Finland decided to hold a popular referendum instead of deciding the issue of membership in Parliament, where it would have been difficult for party leaders to achieve consensus even within their own parties (Jakobson 109). Again, as in Norway, political parties were not highly important in persuading the populace to vote a certain way. Instead, groups that played a role in the economy, such as the timber and agricultural industries, had more clout.

A majority of the general population in Finland also thought EU membership would help the economy, unlike in Norway. On the whole, 53 percent of Finns in favor of EU membership believed the economy was an important factor in joining, while only 28 percent of Finns against EU membership felt the same way. Hence, a definite majority of people supported the EU in part because of foreseen economic benefits, while those who opposed membership did not do so as much on economic grounds. In Norway, those numbers were somewhat reversed: though the number of people who thought that EU membership would have a positive effect on the economy was still larger than those who thought it would have a negative effect (47 percent to 37 percent, respectively), a greater percentage of people in Norway than in Finland felt that the EU would harm their economy (Oskarson and Ringdal 151–152). Popular opinion was extremely important, since in both countries the voters decided the issue of EU membership in a referendum. In Finland, macroeconomic concerns defeated microeconomic ones because of the deep recession and the way in which the minor industry of farming actually overlapped with the major industry of timber. In Norway, conversely, the strong health of the major economic sectors enabled the minor, microeconomic concerns of small interests groups like farmers and fishermen to mobilize popular support against EU membership.

#### **FUTURE POLICY TOWARD THE EU**

If Norway's oil and gas run out, the country may have to reevaluate its position outside the EU. However, according to a 2007 report on Norway by the European Free Trade Association, current levels of oil production are expected to last for at least a century, and oil prices have been rising to record levels as of late. Meanwhile, Norway can wait and see whether the EU will continue to expand and strengthen or whether it has in fact integrated as much as possible. Some Euro-skeptics have been particularly vindicated by the French and Dutch rejections of the proposed EU constitution. Norway's security is also already assured by its membership in NATO, so until the EU can offer some tangible security benefits, defense will not serve as a reason to join. On the other hand, Russia still continues to engender nervousness and suspicion in Finland, making EU membership and integration all the more important in its eyes. Finland's parliament ratified the EU

constitution by a large majority in late 2006. The country has been consistently pro-expansionist in its EU policy, in contrast to its neighbor Nordic states and fellow EU members Denmark and Sweden (Raunio and Tiilikainen 13), which have both delayed ratification of the constitution. Unlike these two countries, Finland has also adopted the euro, which could be seen as a type of economic security measure. Membership within the common market and currency union of the EU means that Russia, which has occasionally resorted to worrying tactics such as shutting off natural gas to other countries, is no longer Finland's biggest trade partner (Statistics Finland). As Finland integrates further into the EU, its security and economy strengthen while the country can still maintain its position of non-alignment. The depth of its relationship with Brussels has transcended geography, for Finland has entered the political core of the EU even though it lies on its geographic outer edge. However, as Finland enmeshes itself more deeply into Europe and as the EU develops its military capabilities, the country will have to come to terms with whether it really still is non-aligned. Time will tell whether Finland will turn against further EU integration and whether Norway will end up joining the EU.

## CONCLUSION

We have seen that issues of identity and sovereignty might not be as important factors in determining EU policy for Norway and Finland as geography, security, and economics. If Norway were really so concerned about maintaining a unique identity, it probably would not have joined NATO. Furthermore, Finland was constantly under pressure from the USSR until just a few years before accession, but it willingly and quickly entered into the EU instead of attempting to take charge of its newfound independence in policy-making.

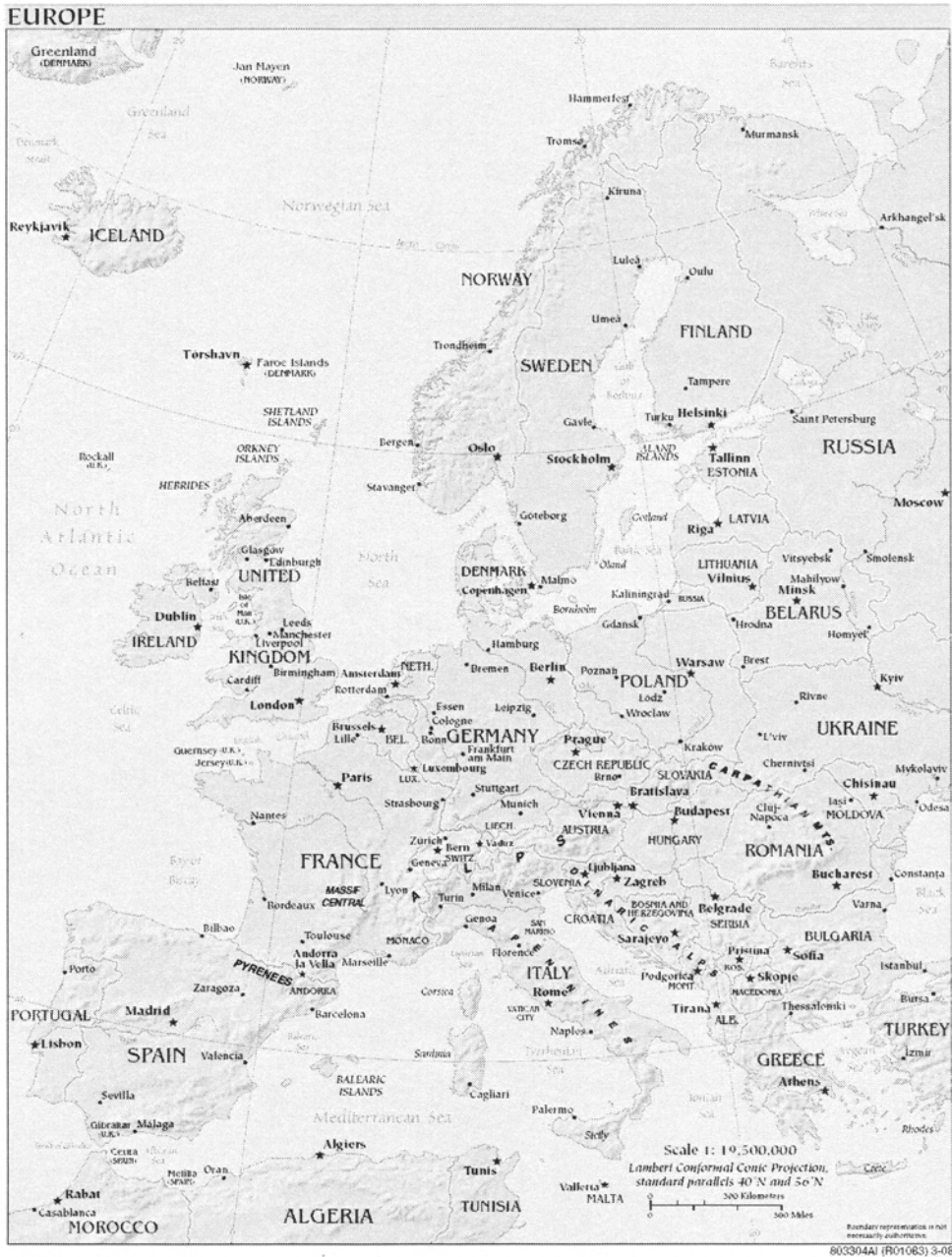
Security and economic issues can be traced back to Norway and Finland's geography. Norway was fortunate to lie in a relatively inaccessible, resource-rich part of Europe. Its isolation granted it security, while its long coasts and position next to the North Sea endowed it with oil and fishing resources ample enough to fuel an entire national economy. Finland, on the other hand, was situated right next to Russia, a great power that interfered in its domestic politics and deeply influenced its foreign policy, first of neutrality and now of non-alignment. Its proximity to Russia also made it a natural economic partner. Although this benefited Finland for decades, having a guaranteed trade partner came back to haunt Finland once the USSR collapsed. In terms of natural resources, Finland's expansive forests provided fertile ground for a timber industry, but forestry exports were subject to more protective measures from the EU than oil and fish. Integration was therefore crucial for sustained economic growth. The agricultural sector and the general public were both in favor of EU membership in Finland, while these groups held the opposite viewpoints in Norway. Joining the EU was a way for Finland to bolster its security and strengthen its economy while maintaining its foreign policy of non-alignment. Norway had already accomplished the first two of these objectives thanks to its membership in NATO and natural resources, and it was not concerned with remaining a neutral actor. Integration worked to Norway's disadvantage and Finland's advantage. Today, it would take a major shift of security or economic circumstances to change either country's policy toward the EU.

This analysis of the intersection of geography with security and economics and their combined effects on Norway and Finland's policies toward the EU can be used to make a number of predictions regarding other countries. Firstly, while geography has historically played a major role in determining a country's foreign policy, it is clear that in this globalized

age, it is of less import. Finland has become one of the most integrated members of the EU even though it lies on the periphery of the continent and is farther away from the core of Europe than Norway. Similarly, Turkey wants to join the EU even though its geographical status as part of Europe is debatable. In regards to geography's effects on security policies, it should be investigated more fully whether countries bordering great powers are more likely to choose a path of neutrality or seek to align themselves with a contiguous power or bloc. Finland has tried to do both simultaneously; on the other hand, the Baltic states are a good example of countries that have sought to distance themselves from one great power (Russia) while allying with the one to the west (the EU). In terms of economics, countries with a large amount of valuable natural commodities such as oil will likely not actively seek out integration into supranational bodies, trade organizations, or other institutions that would diminish their control over their resources. For instance, the discovery of oil in Scotland in the 1970s set off a number of calls for Scottish independence from the United Kingdom with the slogan, "It's Scotland's Oil." Likewise, accession into the World Trade Organization has become less of an immediate concern to the Russian government now that oil prices are high. It can afford to stay out of this organization in the short term thanks to its massive oil exports. Unless the WTO begins regulating oil, then resource-rich countries will not have as strong of an incentive as they otherwise would to join. On the other hand, countries that export products subject to tariffs will be more enthusiastic about joining customs unions, common markets, and other organizations that reduce trade barriers. Finally, the role of agriculture will continue to be an emotionally charged issue, yet economic efficiency will likely win out over sentimentality in the end. Countries will only be able to refuse integration and continue subsidies if they possess the requisite financial resources. Thus, the historical aspects of geographical location, along with more current issues of security and economy, will continue to play roles in determining countries' policies toward international organizations.

## APPENDIX

Map 1: Europe



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