

# POLITICS



## FORECASTING ACTIONS OF BALTIC ELITES: A SCENARIO APPROACH

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*This paper provides an overview of different approaches to forecasting the future of the three Baltic States. The author's theoretical approach to studying Baltic elites is used to forecast changes in the action models of the Baltic elites. The article stresses the scarcity of internal political processes in the Baltics. However, a significant number of scenarios focusing on military aspects in the Baltics have recently been published. The author distinguishes between inertia, confrontation, and cooperation scenarios and examines their prerequisites and possible consequences. The scenarios are developed based on an analysis of geographic, economic, and political factors. The decisive factor is a state-controlled foreign policy, which is affected by the international situation as well as relations between the state and the external resources exploited by political elites. The paper contributes to the general debate about the factors of political development and the role of political elites in it. The author provides additional material for analysing possible developments in the domestic policies of the Baltic States in view of external factors.*

*Key words:* political elite, Baltic States, Lithuania, Latvia, Estonia, forecast, scenario approach

### Forecasts for the Baltics

Most forecasts consider the Baltics as part of the Baltic Sea region, which comprises states bordering on the Baltic Sea. Forecasts for the development of the Baltics can be divided into three major groups — general forecasts, security forecasts, and political forecast.

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*Submitted on April 13, 2016.*

doi: 10.5922/2079-8555-2016-3-7

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*General forecasts* are based on the analysis of the regional economic, demographic, environmental, migration, and other trends and their influence on the future of the Baltics. The report ‘The Role of Regional Collaboration in the Baltic Sea Region of the Future’ [13] considers trends towards a reduction in the relative influence of the Baltic region at the level of world economy, as compared to the regions of South and East Asia [5]. The key variables used in these scenarios are trade liberalisation or protectionism within the EU countries of the Baltic region and between Russia and the EU. In the optimistic scenario, the opening markets and developing transport infrastructure contribute to regional integration. The baseline scenario suggests the continuation of the regional dialogue on economic and political issues without further integration. In the negative scenario, states of the region resort to protectionist measures.

A number of forecasts focus on the demographic situation in the region. The analytical report ‘The Future of the Baltic Sea Region: Potentials and Challenges’ [23] published by Hamburg Institute of International Economics states that, in 2010—2030, the demographic decline will reach 4.9% in Estonia, 7.6% in Lithuania, and 9.6% in Latvia. Moreover, during this period, the number of working age population (15—44 years of age) will decrease by 17.9% in Estonia, 23.2% in Lithuania, and 24.3% in Latvia. A recent forecast published by the European Commission suggests that by 2060, the size of Latvia’s population will have dwindled from 2 to 1.4 million, the population of Lithuania — from 3 to 1.8 million, and that of Estonia — from 1.3 to 1.1 million [25].

The report ‘TransBaltic Forecasts and Scenarios for BSR Corridor Flows 2030’ analyses the impact of transport corridors on the future of the Baltic Sea region and the Baltics. The document estimates possible economic effects of three scenarios for the countries of the region: a) establishing the West — East corridor, b) development of the Northern Sea Route, c) development of a green corridor network in the EU. The major parameter of all scenarios is the scenario timeline. It is expected that the North Sea Route will remain ice-free during 4—5 months at the end of the 21<sup>st</sup> centuries. Today this period is 45 days.

Environmental forecasts for the Baltic Sea region were a common occurrence in 1990—2000. For instance, the Swedish Environmental Protection Agency published a voluminous document [26] providing a detailed analysis of trends, scenarios, and threats to the environment of the Baltic Sea in the context of preserving biodiversity and prevention of environmental risks associated with wartime ammunition buried on the Baltic Sea floor.

*Military and security forecasts* are usually more detailed; they focus primarily on the Baltics. Most forecasts are based on the assumption that security of the Baltics will be determined by the dynamics of the US-EU-Russia relations [28]. The EU is often viewed as an economic and political alliance without strong international influence on security. The major role is played by NATO, which comprises most of the EU states. This assumption is used by the analysts of the Swedish Ministry of Defence, which published a large security forecast for the Baltic Sea region [11].

During the last two years, military exercises based on scenarios of possible conflicts with Russia have become popular in the West. The Baltics are considered as the most probable scene of military action. For instance, the RAND corporation published a report [19] examining different scenarios of Russian 'invasion' into the Baltics. It is concluded that it would take the Russian army approximately 60 hours to reach the three Baltic capitals. Boosting NATO presence in the Baltics is suggested as a 'preventive' measure. Similar conclusions are made by the authors of the forecast 'Alliance at Risk' prepared by the NATO-financed Atlantic Council [9]. It uses stronger wording and states that the Russian-speaking Baltic minorities would become the centre of a Russia-NATO confrontation.

Hypothetical mass rallies of Russian-speaking minorities or an uprising in the Latgale region of Latvia are considered as an immediate cause of a conflict between Russia and NATO [16]. Another scenario suggests that Russia and NATO's military exercises will result in unintended escalation, which may lead to a conflict in the conditions of increased tension [10]. Lithuania may block transit to the Kaliningrad region and catalyse this conflict. Western experts consider this scenario as the most dangerous one for the region.

*Political forecasts* attract less interest than general or military ones. One of such forecasts was prepared by the National Research Institute of World Economy and International Relations of the Russian Academy of Sciences in 2015 [3]. The forecast shows that if the international crisis de-escalates in Eastern Europe, pragmatic interests of Baltic corporations will have a more profound effect on politics, softening the rhetoric of Lithuania, Latvia and Estonia's political leadership.

An important comprehensive forecast of international political situation in the Baltics was prepared by the Finnish scholar Arno Tanner 20 years ago [24]. The optimistic scenario was associated with stabilisation in Russia, the development of the Western European Union (WEU), and a gradual development of the EU-Russia relations. One of the expected results was stabilisation in Europe accompanied by the decreasing influence of NATO and the EU. The baseline scenario suggested the failure of the WEU project, stabilisation of Russia as a democratic state, and OSCE becoming a guarantor of security in the Baltic Sea region. The pessimistic confrontation scenario supposed that Poland and Baltics' accession to NATO would put distance between Russia and Europe and weaken the WEU in comparison to NATO. As a result, preconditions for a new cold war would arise in the region. Without a buffer between Russian and NATO, this would increase the risks.

The current international crisis in Eastern Europe centring on Ukraine has given an impetus to scenarios based on Samuel Huntington's concept of 'a clash of civilisations'. One of the works by the Romanian political scientist Alina Mungiu-Pippidi has made an important contribution to these scenarios [14]. The author forecasts a civilizational divide between Europe and non-Europe along the Dniester. The Western world would comprise today's NATO member states, whereas non-NATO countries would not be part of political Europe.

There are few forecasts for the Baltics focusing on domestic political trends, which are affected by the regional and international situation. This

article aims to contribute to closing this gap. After the Baltics had seceded from the USSR, the countries' political elites opted for a conflict model in the eastern policy. Forecasting possible changes in the selected model<sup>1</sup> is an interesting area of research. It allows for analysing the causes and drivers behind policies of the Baltic leadership. It can serve as a basis for formulating scientifically justified scenarios of the future political development and alignment of the Baltics in the international arena.

However, forecasting current political changes in the Baltics is restricted to short-term estimates, relying on the minute balance of powers and interests rather than on theoretical models. There are few works on this topic, which is new for Russian researchers. Within the Russian tradition, more attention is paid to changes in the personal composition of political leadership. In the Baltics, they do not always entail serious alterations in the states' policies. This makes a scenario analysis a relevant area of research, since it considers situations that can affect the performance model of the Baltic elites and transform the attitudes of the Baltics towards their neighbours.

Forecasting political processes usually includes the several steps: developing a theoretical model of the object under consideration; based on the theoretical model, identifying key factors and variables affecting the object, and constructing scenarios reproducing probable states and actions of the object. It is important to be aware of an inevitable dichotomy. When restricting a forecast to the logical development of a theoretical model, one becomes hostage to the deterministic approaches that simplify complicated political dynamics. In other words, a simple extrapolation of key factors theoretically affecting the conditions of the object into the future yields mechanistic forecasts that do not provide the desired result for either scientific analysis, or political decision-making.

The other extreme is prognostic attempts based on arbitrary and non-formalised selection of factors and their effect on the studied object. A good research strategy is combining the two approaches. Any forecast should be based on a clear theoretical model, but researchers enjoy relevant freedom in determining the values of variables and constructing different scenarios.

### Theoretical framework

In this article, the forecast is based on the theoretical model<sup>2</sup> proposed by the author, which defines political elites as social groups comprising a political body that can exert control over the state using formal and informal means. This body analyses the interests, resources, and goals of the state, which allows for developing a *modus operandi* manifested in decision-ma-

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<sup>1</sup> The action model is the consistent behaviour of political elite in foreign politics. The model can be described in foreign policy doctrines, which transform it into a strategy as a package of coordinated actions to reach a long-term goal. However, the actual performance of a state in the international arena can differ substantially from the declared principles due to poor recognition or conscious camouflaging of interests.

<sup>2</sup> The theoretical framework of the proposed model is as follows: structural approaches developed within elite studies, neo-institutional approaches (the state is a bureaucratic organisation with formal and informal rules), and international relations theory.

king at the government level. Internal organisations and the degree of polycentricity of political elites can differ. Political crises are associated with rifts and internal conflicts within power groups.

A political elite acts in a certain domestic (interactions with social groups and organisations) and foreign (interactions with other states and international subjects) political environment.

The actions of a country's leadership are aimed at managing resources, raising prestige [22], and securing and extending power. Promotion of these interests depends on available resources and the sturdiness of the intra-elite coalition supporting the single authority principle in strategic areas of governance. Stability and efficiency of political elites depends on the stability of public institutions. In these cases, the institutional (organisational) resource is supplemented by material and moral/psychological resources available to the ruling circles. When resources are no longer sufficient for ensuring budget stability, intra-elite conflicts arise. However, this process can be stalled by an external threat.

Geographically determined resource endowment — size of the territory, demographic and natural resources — is affected by the nature of the ties between the ruling circles and the domestic and foreign political environment (economic and military/political factors). The classical formula suggests that 'power and responsibility for the lives of nations are not abstractions... One begins quite naturally with the nature of a nation's resources, which are not confined to factories or armies or bombs, but extend also to culture, political ideas, and education' [6, p. 15—16].

Interactions with foreign political environment depend on this combination of potentials. To a degree, they are determined by the position of a state in the international system — its role in the global system of the division of labour and political standing in relation to other subjects of international relations, primarily, world powers and 'empires'<sup>3</sup>. The scope of available 'niches' in international politics is limited by a state's geographical position, territory, and economic and military potential, which determines opportunities for and forms of interaction with 'empires', creating a major economic, military, and political configuration of international relations. The largest states and 'empires' can act as subjects in world politics, whereas the role of an agent is reserved for smaller states that have to fit into the interests and interactions of 'empires'. In the periods of stable functioning of 'empires', smaller and medium states have almost no freedom in choosing their 'niche'. Potential 'niches' can be classed according to their functions (performed for the benefit of 'empires') in the system of international relations, i. e. in trade, defence, and ideology. These functions create the following niches:

— in trade: a 'transit country' or an 'economic bridge'; the elite plays the role of a mediator;

<sup>3</sup> Joseph Colomer considers 'empires' to be key subjects in international relations, even at the current stage. He defines an 'empire' as a polity without fixed or permanent boundaries and characterised by multilevel, often overlapping jurisdictions. For more detail, see [8].

— in defence: a ‘buffer’ or an ‘outpost’ at the border of an ‘empire’; the elite plays the role of a gatekeeper;

— In ideology: a ‘cause promoter’ or an ‘expert’ on the neighbouring countries within ‘zones of interests’ of an ‘empire’; the elite plays the role of a ‘missionary’.

The study of the Baltic elites shows that the ‘gatekeeper’ and ‘missionary’ roles, which they play in the North Atlantic Alliance, contradict the role of a ‘mediator’. These roles and functions determined by the selected ‘niche’ are translated into persistent series of political steps and reactions from the elite, leading to the conservation of certain action models. One can say that the role of a ‘mediator’, which was played by the Baltics until the beginning of the century, has been lost for good [1].

This theoretical model can be used as a framework for forecasting future actions of political elites of smaller countries based on the identification of the available niches (roles) and conditions for selecting them. It is important to remember that the selection of a ‘niche’ determines, to a great degree, both the political development of smaller states and possible changes in the action model of their elite in the future.

In political science, the theoretical model of an object is not considered complete or exhaustive. Political processes can be interpreted as a result of an intricate intertwining of numerous cause-effect relations, some of which elude scientific analysis due to their non-public nature and their non-manifestation until a certain moment. The uncertainty of political process is increased by the so-called ‘human’ factor, which takes on special importance during political crises, when decisions of political elites determine long-term trajectories of institutional development [18].

It is important to describe the above mentioned theoretical approaches in more detail, i. e. formulating and verifying relevant forecasts. The scope of alternative scenarios of the modelled object gives a better understanding of the logic behind its development and allows for the identification of strengths and weaknesses of the theory.

The most frequently used approaches to constructing scenarios are the search and normative ones. The former aims to analyse and extrapolate current trends into the future; the latter is meant to describe ‘target futures’ of the object and identify possible factors and events leading to such states. Firstly, the theoretical approach to studying political elites, which is adopted in this article, requires an assessment of qualitative changes in the elite’s action model. This means a careful reconsideration of interactions between the political elite and the domestic and international political environment. In the case of the Baltic elites — the leadership of smaller states — changes in the external political environment and its structural characteristics is a key factor behind the emergence of a new action model. Such changes transform the configuration of the ‘niches’ and roles assumed by the ruling circles.

At the same time, scientifically justified normative scenarios are always based on the search approach aimed at identifying current trends and analysing the ‘reference point’ in the development of new states described in nor-

mative scenarios. In the normative context, confrontation and cooperation are radically new states; it reflect the general nature of relations between the object and its environment [4].

Thus, there are three basic scenarios: a) the baseline scenario (an assessment of current trends), b) a confrontation scenario, c) a cooperation scenario.

### Factors behind the actions of the Baltic political elites

The key factors affecting the object of research and its further development can be deduced from the theoretical model. These factors are divided into relatively certain (corroborated by scientific theories and historical facts) and relatively uncertain (results of an arbitrary combination of different circumstances), which modern theories cannot predict with a high probability. This explains the relevance of employing the scenario approach in forecasting the development of the studied object.

The key factors used for forecasting changes in the action model of the Baltic political elites can be divided into geographical, economic, and political ones. These groups of factors do not have a linear connection. However, they reflect a transition from more certain geographic factors to less certain political ones. 'In between', there are economic factors; they are affected by both geography and politics and, at the same time, they influence political processes.

The geographic factors include a country's geographic position, the climate, landscape, and natural resources. These are the most basic and certain factors that can serve as independent variables determining the historical and cultural logic of a state's development and the scope of possible actions of its political elites. The group of economic factors includes demographic and technological characteristics of a state, its industrial and transport potential, energy, industry, and external economic ties.

The political factors embrace the system of resource management and distribution at the national and supranational level as well as interactions between political elites and other states and international subjects, which affect the resource and defence potential and the development of social and economic institutions on this territory. The scenario approach allows for analysing mutual influence of these factors and their future configurations.

Let us provide an overview of each group of factors using the Baltics as an example. Geographically, Lithuania, Latvia, and Estonia are situated along the eastern shore of the Baltic Sea; they have strong historical connections with the Baltic region and Polesia. Culturally and historically, the Baltics gravitated towards Eastern Europe — Germany, Poland, and Russia. In this case, we can use the term 'Central Europe', which was used by imperial Berlin and Vienna to refer to the territory between France and Russia. Although Estonia's self-positioning as part of Nordic Europe seems to be inappropriate. One should admit that the Baltics were historically situated at the intersection of interests of Eastern and Western empires. It explains frequent changes in boundaries, zones of influences, and foreign policy objectives of the countries' local elites.

Most European geographers and specialists in regional studies class Lithuania, Latvia and Estonia as buffer territories sandwiched between Russia and Germany — the largest EU economy and the political leader in the East. This approach is dominated by an objective interpretation of the geographic or, more precisely, geoeconomic and geopolitical position rather than political assessments. The control of data on ‘in-between’ regions (‘double periphery’) makes it possible to affect the degree of amity between Russia and Germany and, therefore, the EU. Over a long period, the ‘island empires’ — Great Britain and, later, the US — have shown increased interest in these territories.

The geographical position of the Baltics is very important for defence, since these NATO members serve as a barrier to the expansion of Russia’s influence in the Baltic Sea region and as a flank that can potentially threaten Russia’s North-West. The military significance of the Baltics is determined not only by the proximity to the political centres of Russia, but also the opportunity to exert influence over the Baltic Sea basin and the space between the Baltic and Black Seas through affecting the situation in Belarus and Ukraine from the North.

In terms of economics, the Baltics are characterised by meagre and declining demographic resources, ageing population, and unceasing outflow of working-age citizens, which impedes prospective economic growth [27]. Large port facilities and a developed railway network of the Baltics create a significant potential for cargo transit along the West-East and North-South corridors, which has not been fully developed due to political tensions. The transport and energy systems of the Baltics are interconnected with those of Russia and Belarus. Russia still accounts for over 90% of the Baltics’ imports of oil and natural gas [12]. However, the Klaipeda port boasts an LNG terminal receiving gas from Norway and other countries.

The Baltics’ economies are dominated by the service sector and they are open to the West, which makes the countries very sensitive to economic crises. This became evident in 2008—2009. Firstly, the gradual loss of most of industrial potential after the secession from the USSR and, secondly, the Nordic countries gaining control over the countries’ banking sector deprive the Baltic elites of the freedom to take independent steps in politics and economy. A relatively small scale of economic activities does not make it possible for national governments to carry out large infrastructure projects, which have become heavily dependent on EU funds [1].

The political factors affecting the development of Baltic elites are determined primarily by the small sizes of the Baltic States. To ensure security and economic development, smaller states have to accede to large intergovernmental alliances (‘empires’). After the demise of the USSR, the Baltic elites were consistently pursuing the ‘return to the West’ policy, which enjoyed broad support in the countries. As a result, the three states acceded to the EU and NATO in 2004. However, the ‘return’ process did not end but rather assumed a new form. Adapting to the common EU market has had a profound effect on the structure of the Baltics’ economies, increasing the

proportion of the services sector and encouraging labour emigration. NATO membership imposes restriction on the freedom of political choice — the Baltic elites have to abide by the military and political imperatives of the bloc. The Baltics are perceived as ‘front-line states’ [15], this concept being very popular in the US.

Within the Euro-Atlantic community, political elites of the Baltics are provided with both military guarantees and economic support — opportunities to boost their status and their legitimacy at home. Having the power of veto in the EU, the elites of Lithuania, Latvia, and Estonia can draw attention in the European political processes. However, their dependence on European investment in infrastructure projects, career ambitions of politicians within the EU and NATO structures, and NATO’s bloc discipline make the power of veto next to meaningless when it comes to major European issues. Nevertheless, this does not hold true for relations with Russia. For instance, Lithuania vetoed the signing of a new Partnership and Cooperation Agreement between Russia and the EU in 2008. The very existence of this power makes the domestic policy of the Baltics an important issue for the Euro-Atlantic bloc and Washington, the latter trying to prevent the emergence of ‘weak links’ in the enlarged NATO. This explains the plans to integrate the transport<sup>4</sup> and energy systems of the Baltics into the European space, a discrimination policy towards national minorities, and the West ignoring the problems of alien population in Latvia and Estonia<sup>5</sup>. However, due to their periphery geographical position and a low trade and economic status, the Baltics are not critically important partners for the US. This leads to an unceasing struggle of the Baltic elites for increasing their significance and attracting attention of the ‘empire’ through scaremongering, preaching about the ‘threat from the East’, and taking part in almost all NATO operations.

### Scenario forecast

The analysis of the key factors shows that there are highly probable (certain) trends that determine the scope of actions of the Baltics’ political elites and less certain trends that outline the variants of future development. The

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<sup>4</sup> In a number of analytical publications, Western experts emphasise the link between the construction of *Rail Baltica*, which will have the standard European gauge and connect the Baltics with Poland and Germany, and the military needs of NATO. ‘A better rail connection with Europe would enable NATO forces to react more quickly to crises, especially in terms of moving high volumes of armoured vehicles in the event of an emergency’, Eugene Chusovsky writes [17].

<sup>5</sup> Western experts linked ‘military threats’ from Russia to the problems of energy independence and the accelerated integration of the Baltics into the energy system of the Nordic states, which is an apparent contradiction (see, for instance [20, p. 125]. US researchers consider the military security of Lithuania, Latvia, and Estonia in the context of developing LNG supply, stressing that energy supply ‘has an impact on military readiness’ [7, p. 11].

Baltic States are smaller countries, thus the action model of their elites will largely depend on their 'niche' in international politics. The position on the eastern shore of the Baltic Sea can contribute to the trade, economic, and cultural gravitation of the Baltics towards the Nordic states and Germany. The interconnection of the transport and energy infrastructure of the Baltics with Russia and imports of oil and gas from Russia makes the stability of these states sensitive to relations between Russia and the North Atlantic Alliance. Russia is forced to find corridors in the Baltic Sea bypassing the Baltics, which diminishes the significance of the Baltics in Russia's domestic policy. However, the NATO membership contributes to the barrier function of the Baltics' borders. For the military alliance, the border states perform the important function of sustaining the stability and security of demarcation lines.

From the perspective of geography and history, the Baltics are located at the intersection of the 'great European peninsula' and continental Eurasia. Therefore, their development will range between the extremes of a 'bridge' and a 'barrier' and will depend on the general political and economic situation in Europe. More particularly, it will be affected by the formation of a common security space or the persistence of demarcation lines at NATO's eastern borders, the creation of trans-continental trade corridors or increasing protectionism between the EU and the EAEU, etc. There are variants to these development paths and their analysis requires a scenario forecast. It is important to consider the transformation of the structure of international politics, which will change the alignments of the Baltics' ruling elite and, therefore, their personal composition.

### *Baseline scenario*

The baseline scenario suggests extrapolating the main trends affecting the current action model of the Baltic elites into the future. The key assumptions are the persistence of military and political characteristics of NATO and close interactions between the EU military command and the North Atlantic Alliance with a dominating role of Washington. Maintaining the *status quo* will force NATO to seek further enlargement: if NATO expansion stops, the bloc discipline will weaken, which can contribute to the centrifugal trends produced by the deep internal crisis in the EU. As the 'neutral' geographical space in Eastern Europe shrinks, Russia-NATO relations will become more strained. The unilateral efforts to 'switch' the Baltic infrastructure to the Western mode at the expense of severing connection with Russia will continue. Russian export to Europe via the Baltics will decrease.

In this situation, even an apparent shortage of resources will not lead to a change in the policies of the Baltic elites. Confrontation prevents from the development of an alternative 'niche', which could make it possible for the Baltic politicians to assume the role of a 'mediator' and a 'trade bridge' between the West and the East.

The efforts towards economic pragmatism will be interpreted as potential political and military threats, which will contribute to the polycentricity of the Baltic elites. Amid confrontation, this can be interpreted as a risk of the weakening of NATO at the ‘front line’. This can decrease the competitiveness of the Baltics’ economies and increase their vulnerability (Russian experts stressed it even before the 2008—2009 crisis [2]). The growing conflict potential will adversely affect external trade in the Baltics.

At the level of doctrines, the Baltics will consider Russia and the EAEU as competitors and an insidious threat. At the level of political rhetoric, propaganda will become more active. The ‘threat from the East’ will be invoked to explain economic instability. The Baltics’ political elites will be forced to play on the contradiction between larger states (primarily, the US, Germany, Russia) and promote an image of the most active, decisive, and vulnerable members of NATO to attract additional resource and attention.

The conflict action model can deprive the Baltic societies of the benefits associated with transit and multilateral economic cooperation and decrease the general competitiveness of their national economies. An interconnection with the Western transport and energy system will increase the production costs for local manufacturers. Since the Baltics lie beyond the zone of the vital interests of the US and Russia, the risk of a military confrontation will remain moderately low (although alarmist forecasts from Western politicians, experts, and mass media are frequent and abundant<sup>6</sup>). The Baltics elite will not have sufficient resources for changing the ‘rules of the game’. The actions of the Baltics’ political leadership will be determined by the positive motivation of attracting additional resources within the Euro-Atlantic community to strengthen the ‘strategic security’ and boost personal careers in the EU. The negative motivation will be the fear of losing the trust of the North Atlantic Alliance and the US due to an insufficiently stringent position on the key issues of the Alliance’s policy.

### *Confrontation scenario*

The second scenario is *confrontation*. The key assumption is that the situation developing in accordance with the above scenario will be supplemented by the system crisis in the EU. The latter can combine a socio-economic crisis and possible collapse of the Eurozone aggravated by the migration crisis, which will have a devastating effect on the economies of the Baltic States. This will result in an acute deficit of resources to sustain the stability of state institutions and prevent an intra-elite rift in Lithuania, Latvia, and Estonia. The largest states of the EU will allocate resources to stabilise their major sales markets and support socio-political stability on their territories.

The most precarious situation is associated with an internal crisis in the Baltics accompanied by increasing international confrontation. In these conditions, an acute internal crisis can lead to the Baltic elites taking ill-

<sup>6</sup> One of the recent examples is a forecast based on game theory principle, which shows that the Estonia crisis can lead to World War III (for more detail, see [10]).

considered drastic steps provoking an international rather than local crisis<sup>7</sup>. Lithuania, Latvia, and Estonia will be forced to cut social expenditure, which will increase the risk of the emergence of powerful political opposition. In this situation, political provocations can serve as a pretext to attract attention and financial support to the Baltics from the largest EU states. If these steps do not yield the expected result, the Baltics can opt for attracting the attention of NATO through blowing the national minority situation out of proportion<sup>8</sup> and placing a transport blockade on the Kaliningrad region<sup>9</sup>. This will lead to the complete severance of all economic ties with Russia, including transit, and aggravate the political and military situation in the region.

### *Cooperation scenario*

The *cooperation* scenario is based on the assumption that the Baltics will abandon the buffer/front-line ‘niche’ at the borders of the North Atlantic Alliance for the role of a neutral ‘mediator’. Today, the role of a mediator is out of reach of the Baltic elites, since it does not exist in the international political environment. A transition to a neutral state is almost excluded from the current international configuration, since NATO continues to develop within the bloc logic and the border of the military alliance performs a primarily barrier function hampering the development of active transboundary cooperation.

A key prerequisite for the cooperation scenario is a change in the system of common security in Europe through developing interactions with Russia, the Eurasian Economic Union and reforming NATO towards more flexible and open organisation. that would ensure achieving the goals of creating a common space of indivisible security in Europe. These trends will open the way for developing security cooperation between the EU and Russia and encourage the Baltic elites — and the leadership of the other Eastern European

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<sup>7</sup> In this connection, US analysts express traditional concerns about national minorities in Latvia and Estonia considering them a threat to domestic political stability in these states and, therefore, NATO. However, the Baltics do not have any prerequisites for large-scale civil conflicts — and they did not take place in the 1980—1990s. National minorities in Latvia and Estonia, despite being deprived of certain political and economic rights — are integrated into the labour market and social institutions of the Baltic societies. There are no radical organisations to assume leadership in preparing corresponding actions.

<sup>8</sup> The theme of national minorities in the Baltics are often addressed by western researchers, who produce forecasts of different situations leading to political destabilisation in the region (see, for instance, [29]).

<sup>9</sup> This means a blockade of passenger, cargo and energy transit via the Kaliningrad region and Lithuania. Remarkably, the scenario of Kaliningrad blockade by Lithuania is considered in detail in the open access publications of the Center for European Policy Analysis, cooperating with the Pentagon [15, p. 13]. Moreover, one cannot ignore Baltic politicians floating ‘trial-balloons’. See, for instance, the statement of Lithuania’s Minister of Foreign Affairs Linas Linkevičius prior to the 2013 Eastern Partnership summit in Vilnius. He said that a blockade of the Kaliningrad region could not be excluded.

states — to take advantage of the economic and political opportunities of mediation between Russia, China, India, the EAEU, and the EU. Transit will develop along the North-West and West-East transport corridors running through the Baltics. These events will increase polycentricity in the Baltic ruling elite, reduce the significance of the political leitmotif of the ‘threat from the East’, and strengthen the pragmatic political positions within the business community aimed at multilateral politics.

## Conclusions

The proposed theoretical model of political elites of smaller states allowed for constructing three scenarios based on one key variable — the opportunity for the Baltic elites to choose a ‘niche’ in international politics. This choice is determined by the general international situation in Europe and, primarily, the evolution of the role of NATO in European security. In fact, there is a limited range of alternatives for the future development of the Baltic elites and these variants can be described rather accurately.

The theoretical model makes it possible to produce normative forecasts, where most major factors and circumstances affecting the future states of the studied of political forecasts goes beyond the scope of a strict scientific theory and requires expert evaluations and educated guesses based on concrete knowledge, experience, and an applied political analysis.

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### **To cite this article:**

*Smirnov V. A.* 2016, Forecasting Action of Baltic Elites: a Scenario Approach, *Balt. reg.*, Vol. 8, no. 3, p. 84—97. doi: 10.5922/2079-8555-2016-3-7.