

Opening remarks

***The Conference on the Future of the Baltic Sea Region in Europe
27-28 August 2009, Hamina, Finland***

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Vice-chairman, Delegation for the Year 1809

Distinguished participants,
Ladies and gentlemen,

In the history of nations some years are more important than some others. From this angle the years 1808 and 1809 are a most crucial period of time for Finland and the Finnish nation. After one and a half years of warfare, which was conducted with varying intensity, the Peace Treaty between Sweden and Russia was signed on September 17th, 1809 in this small town of Hamina, on the Northern shores of Gulf of Finland. At that time Hamina was a typical border town, which over the centuries had belonged both to Sweden and Russia. However, the local population had remained predominantly Finnish through the ages.

The Hamina Peace Treaty was exceptional in a long row of Swedish-Russian peace accords. The treaty was preceded and followed by a series of developments, which led to an entirely new political, military and economic situation in the region. The Russian victory over Sweden in the so called War on Finland marked a turning point in the Finnish national history; over 600 hundred years unity with Sweden ceased to exist and Finland became an autonomous Grand Duchy as a part of imperial Russia.

The new autonomous status launched in Finland a vigorous effort for building own nation. That development had begun already during the war, when the Russian Emperor Alexander I called the Finnish Estates to a Diet in the town of Porvoo to discuss the future

of the newly occupied land. When closing the Diet in July 1809 the Emperor in his speech elevated the Finnish people “to a nation among nations”.

This Emperor’s favourable attitude and his political decisions that followed led in Finland to the establishment of own national central administration in October 1809 and gradually started an extensive internal development process in the country; new roads and railroads were built, a new nationwide school system was established to meet the needs of mostly uneducated population, own currency was achieved as well as own customs and taxation system were created. The strong positive development lasted almost to the end of the 19th century. One could say that due to that period Finland was exceptionally mature to begin her life as an independent state and nation when full independence and sovereignty were reached on December 6th, 1917.

The 19th century was remarkably strong period of development especially to Eastern Finland, including Hamina region, due to its close geographic location to world class metropolis, Russian capitol St. Petersburg. The proximity of the heartlands of imperial Russia offered a great economic opportunity for a wide range on industries, which could rely on demand and expansion of huge Russian markets. One could say that in the 19th century south-eastern Finland became for the first time a part of international economic integration, which spread wealth and prosperity to a number of new regions and population groups.

For the second time the international economic integration process in larger scale took place in this region when Finland became a member in the European Union in 1995. This time especially the location of the region by the Baltic Sea and in the immediate vicinity to Russian border offered excellent opportunities for south-eastern coastal cities of Finland to serve as focal points in cross-border trade and business between Russia and the rest of the industrialized world. I am proud and pleased to say that the cities and industries have well understood the available opportunities and have taken full advantage of those. The remarkable part of Russian foreign trade in many business branches is channelled through ports of cities like Kotka and Hamina.

Ladies and gentlemen

The Baltic Sea region hosts eight member states of the European Union. It is thus a “one third” of the EU and an emerging mega-region of Europe. Challenges for the Baltic Sea Region are diverse and clearly manifested. The region was for almost 45 years divided by the Cold War. The Cold War understanding of a bipolar world made it impossible to develop a regional identity and to comprehend the region as a whole.

The European Commission has adopted its communication on the strategy for the Baltic Sea Region and published an Action Plan to support it. This is an important step for the region. It is the first internal strategy of the European Union meant to support intensifying regional cooperation with EU means. With the Baltic Sea Strategy we acknowledge that a region-specific approach and the consideration of special circumstances - like the sensitivity of the marine environment - is significant for the efficiency of our common European policies.

The Strategy for the Baltic Sea Region is the first macro-regional strategy of the EU, but it will not be the only one. A strategy for the Danube Region is already in the making and other regions might follow suit.

The Delegation for the Year 1809 Project started to plan this conference well before the strategy documents were adopted. Our intention was to open discussion on future of the Baltic Sea Region in a wider perspective. We want to open perspectives beyond the current challenges.

During the planning process of this Conference the landscape changed dramatically. Economic crisis has hit the region. A year ago the Baltic Sea Region was the fastest growing economic area in Europe. Today our economies suffer from the global crisis, but also from the consequences of financial bubbles that were home-made in this region. The severe economic downturn is now starting to manifest itself as rising unemployment and increasing social insecurity.

The global economic recession has shown that especially those countries that are largely dependent on global free trade and economic integration are suffering the most. The rapid slowdown of international business has hit hard the trading cities of this region. More and more cranes in the ports and trucks in the terminals are standing idle and workers in great numbers are laid off or jobless. Despite the current difficulties, I am, however, convinced that this is a setback for a limited period of time. First signs of recovery have already been seen and although it will take time for the Baltic Sea Region to get back on the path of economic growth, there's light already at the end of the tunnel. We have, after all, the right elements for economic success in the globalised markets; high level of education, sufficient economic integration and good and developing infrastructure.

There is a lesson to be learnt from the current situation. The unforeseen economic boom of recent years as well as the dramatic slump that followed are a testimony of the fact that we are more and more closely intertwined to each others. There can not any more be economically isolated areas, which could build their future and wellbeing merely on self-reliance. The wealth of the future requires larger exchanges of goods and ideas as well as movements of people. But the growing interdependence also requires widely accepted rules and regulations between countries and regions.

More than ever we need discussion and exchange of views, which reach over national boundaries. Therefore I wholeheartedly welcome events like this conference here in Hamina. It offers an excellent opportunity to look into the large variety of issues, which are crucial for our common future in the Baltic Region.

It is even more important that we widen horizons for broader perspectives. This conference has three main themes. First, we want open perspectives on the role of the Baltic Sea Region in a wider European context. Secondly, we wish to offer views on how to combine environmental sustainability with economic and welfare needs. This is a particular challenge in times when we have to look for new strategies and ideas how to reach new dynamism and growth in new global conditions. Thirdly, we want to encourage discussion on safety and security of the Baltic Sea area.

And - while we are speaking about an internal EU strategy for the Baltic Sea Region, we will have to see that this strategy has a strong external dimension. None of the great

challenges in this region can be met without extensive cooperation among all the states. The European Union needs to engage its partners from this region, Russia and Norway specifically, but not forgetting Belarus, into a new intensive phase in practical cooperation. Interdependency is clearly manifested in the economic, logistical and environmental cooperation in the Baltic Sea Region.

This conference looks to the future. We want to offer wide perspectives to the Baltic Sea Region as a European region. We see the Baltic Sea area as a pilot region in many modes of intensified regional cooperation. This is a challenge for us in the region. We are not only aiming at enhanced cooperation and to the introduction of new ideas and policies for the Baltic Sea Region. We are aware that many will be looking at how we will be able to use the existing policies and instruments of the European Union for the better benefit in this macro-region and what everyone can learn about this new intensity of cooperation in the common EU framework.