# World Economic Conflicts. The New American Paradigm: Intermarium vs. Russia's Destabilization Strategy

# Angela Mihaela Ene<sup>1</sup>

**Abstract**: The approach of the topic on a new concept launched in Croatia, in 2016, but with older roots in Poland, is a notion which began to take shape with its validation, through the presence of the American President in Warsaw and, as such, is worth being analyzed in the context of a future evolution on the world stage. The three seas initiative (the Baltic Sea, the Black Sea and the Adriatic Sea) essentially aims to provide energy and security assurance towards Russia, as well as a new liquefied gas market for USA, which turned from an importer into a an important exporter on this market.

**Keywords**: initiative; intermarium; paradigm; economic strategy; world scene; the initiative of the three seas

## Introduction

To a great extent, along the time, the world's nations have interacted, formed and consolidated according to various criteria. This aspect has never changed and I do not believe that it will happen too soon. Thus, from religious reasons, linguistic homogeneity or culture, up to expansionist tendencies that have the role of economic and territorial accumulation, the world states, which changed into international powers, acted in various ways, more or less peaceful, for their own advancement and enrichment.

Returning to the present of the world we are living in, where the Romanian state is part of a larger state called the EU, we cannot fail to see that the world stage is still in a rhythm of accumulation, security and why not, expansion. Bringing the three great powers in this initiative, EU, USA and Russia, obliges us to a pertinent

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<sup>&</sup>lt;sup>1</sup> Senior Lecturer, PhD, Danubius University of Galati, Romania, Address: 3 Galati Blvd., Galati 800654, Romania, Tel.: +40372361102, Corresponding author: angelamihaela.ene@univ-danubius.ro.

analysis, based on political and economic realities, to show the advantages and risks of such a construction.

In order to understand the essence of this initiative, first of all, we need to make a brief exposure of the world's three great powers and thus we can give fluency to the game they are playing on the world stage.

By far, USA is the topic with the highest financial availability and through the economic policy carried out so far, the subject involved in most geographical areas of the world, which creates an influence advantage in any initiative it would support. On the other hand, Russia and the EU, two powerful state formations, but with economic and political views based on their own history and their own political and economic doctrines, represent the counterbalance and the reactive line that could leave the initiative to the three seas to become a real fact or, to simply annihilate it from the very beginning.

At this point, the countries which are at the heart of this initiative, Poland, Romania and Croatia, began by supporting this project, starting from the premise of energy security and opening up new opportunities for sustainable, medium and long-term economic growth. Slovakia, Latvia and even Hungary join these countries in an accelerating and officially declared rhythm.

What lies behind the discussion in materializing this initiative is precisely the positioning of these countries in both the jurisdictional and international law, all these states being in a relationship regulated by the EU treaty, which is extremely rigorous and with very clear binding obligations. In some international journalistic environments, it is claimed that this initiative supported by USA would represent both a new and readapted Marshall plan for Eastern Europe, but also an effective method to block Turkey and Russia from influencing the Balkan and Eastern Europe.

It is well-known that at this time Russia has islands of influence and power in a considerable proportion in the Eastern EU by captivating Bulgaria, Hungary, Serbia and the Baltic States, which represents USA stake in promoting this initiative and the EU's expectation, especially Germany's one, regarding the efficiency and materialization of such a project.

In a published report on the fate of this initiative, George Friedman argues that:

<sup>1</sup>"The economies in Eastern Europe are growing and enjoying highly skilled and relatively inexpensive workers and is causing the economic status quo, represented by the 1950s hegemony of corporations that dominate the European economy. According to Friedman, Intermarium lays the basis of a more integrated economic stream. It will be within the EU, but it will behave differently from the EU - more inclined towards entrepreneurship, closer to the American model. This will create a stress in the EU, that does not need any further stress. It will also require political developments outside EU ideology. The governments of Poland and Hungary are no longer following the EU collectivist model and Brussels criticized them accordingly. But neither Warsaw, nor Budapest gave in.

The concept of Intermarium has just begun to take shape and is already showing signs of expanding. Although the base "block" extends from the Baltic Sea to the Black Sea, its logical extension goes South-East to the Adriatic Sea. This would bring to Intermarium states such as Austria, Slovenia and Croatia. This extension is partly explained by the growth of Turkey's power, which will become a major regional power.

In the past, when Turkey was a great power, its influence reached the Balkans and sometimes Budapest and Vienna. Eastern European countries are concerned about the issue of immigration, in which Turkey is naturally involved. If Turkey's power becomes alarming, then Intermarium will have to block not only Russia, but also Turkey. The expansion is also explained by the nostalgia of the Austro-Hungarian Empire, a significant multinational success which united the small countries and gave them a large degree of autonomy.

Many believe that the EU, which proved incapable of managing Europe after the crisis in 2008, violates the national self-determination as much as an empire. By extending towards Austria, Croatia and Slovenia, the old empire is recreated, although in a geographical sense. Intermarium is just an idea, a vehicle of regional cooperation. It is not an alliance, at least not at this time. But as it was conceived, it must evolve and its evolution creates some problems. Multinational institutions are difficult to create. They require time, money and political will and the members rarely have the same values.

Romania has again the chance of a strategic thinking, with long-term diplomatic and economic results and the role it should play with the support of the American partner is a very important one. But what benefits could the support of this cause

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<sup>1</sup> http://adevarul.ro/.

bring for Romania? A natural question and the answer can be seen in three major directions: military security, economic development, strengthening the geostrategic position at international level. Therefore, for these perspectives, Romania, together with Poland, could play a decisive role in the relation with USA and the EU and thus it would ensure the prosperity and security of its own nation in the context of global economic aggression.

President Klaus Iohanis, known to have certain affinities in his relation with Germany, is a pragmatic advocate of this social and economic approach and even presented his vision for the development of this partnership. If 2018 represents the meeting proposed by the Romanian president to implement the partnership through projects which are to benefit from EU funds for regional cohesion, 2019, when Romania takes over the EU presidency, may represent an instrument for cooperation and substantiation of the three seas project. The development of the infrastructure of cooperation with Poland can be the key for a successful double, both in terms of foreign policy and internal economic policy, which would make Romania a major player on the international stage.

According to an article appeared in the Romanian press, the point of view of the Romanian president and the Croatian president reveals the materialization of this partnership and even the acceleration of this process of cohesion and development. In this respect, we present the expositions of the two presidents in the following lines:

<sup>1</sup>"We want to make the summit more visible, more efficient and ultimately to promote joint projects of substance. We also want to present these projects to the European partners (...) This initiative is profoundly pro-European, but at the same time this initiative underlines the importance of the transatlantic relation and we want these two messages to be delivered very clearly in 2018, so that no one can have the impression that this initiative is not a European one. (...) Under no circumstances do we want anyone to believe that it is either in parallel or against Brussels, no way. It is a healthy regional European initiative. (...) I think it is a valuable initiative and I am firmly determined, together with the president, to take this initiative further on".

"I will suggest trying to outline a short list of feasible infrastructure projects, agreed by all participants, with which we can then go, for example, to the European Commission and require cohesion funds, as this is where they can fit. In the same

<sup>1</sup> www.agerpres.ro.

way, I believe that we need to develop, until we meet in Bucharest in 2018, some initiatives for the future of this summit, for example, to think whether it would be appropriate for us, for 2019 - 2020, to invite other states in the area, perhaps at first as observers, after which we can think of other formats".

"We have to prove our citizens that this initiative aims at improving citizens' standard of living and removing the differences between the standards in our countries and other developed countries. We have not benefited from a deeply democratic society, nor from an exchange market as other states within the EU had", said Kolinda Grabar-Kitarovic.

As we are an EU member state, we have the obligation to strictly observe the treaty and everything that comes from it, knowing that state sovereignty is currently diminished by the adherence treaty, as in terms of legal norms, the European ones take precedence over the national ones and thus, any denial attempts which are not sufficiently thought can produce frictions or incompatibilities with EU rules. But surpassing all these technical aspects and returning to the importance of this project, we could create an integrated line, in accordance with our EU status and the eastern border of the union, to represent a strengthening of economic and military security.

<sup>1</sup>Another point of view expressed by Daniel Dăianu regarding the course of this initiative can be useful in the overall understanding of the issue; thus he states that:

In this encounter of positions and interests, we must not underestimate the functioning of an internal geopolitics within the EU, as there is a balance of economic and political power, which is expressed by the way in which decisions are made in the Union, in recent years the intergovernmental branch gaining more and more prominence (at the level of the European Council), to the detriment of the community method. It must be said that the positions of states are not strict; there are opposite directions in the domestic political life of the member states, in the encounter between national interests and those that concern the EU as a whole.

Brussels, as the headquarters of the European Commission, capitals from EU (Berlin, Paris in particular) must not over-react towards the three seas initiative to the extent that it does not stimulate fragmentation in the Union.

<sup>1</sup> http://www.ziare.com.

The initiative can in itself be seen as a form of "enhanced cooperation", reminded about as typology in the European Commission recent document regarding the future of the Union.

There is an economic agenda that can be imposed in the collaboration of the twelve countries participating in the dialogue of the three seas initiative and it should be regarded with interest (not with mistrust) by the European institutions, in order to make use of the financial resources provided by the Union.

#### For example:

- Measures to alleviate the human capital exodus in the region, which affects the economic growth potential of the less developed countries;
- Measures to overcome the "middle income trap", typical for economies that reach an average growth and which have a growth model not primarily based on innovation;
- Strengthening local banking systems, which are strongly influenced by developments in the states where mother banks operate;
- Better preparation for possible adherence to the euro area;
- Development of the infrastructure to promote economic relations on the North South axis.

In 2018, Romania, through the proposal made by president Klaus Iohanis in Warsaw, will host the summit on the theme of the three seas initiative, where a more pragmatic approach is expected and with results meant to form a concrete direction of this project, both from EU and USA perspective, through the partnership that it promotes in this regard.

# Conclusions

From our point of view, the *intermarium* project is a credible initiative and has primarily the role of diminishing the economic gaps between Eastern European states and Western European developed states. We are also talking about a validation by Romania of the NATO partnership, whose great financier is USA and, last but not least, of the increase of the level of economic and social cooperation with the other states in the former Eastern block, which in the last years has not made any significant progress.

We consider that this initiative could be the completion of the country project that Romania really needs and obviously, a much faster progress way than the EU's present economic agenda. Romania also needs a little courage in approaching major country interests, even though we somehow force the international boundaries of the treaty we are part of. In essence, under the pragmatic analysis of our regional interest and according to the EU agenda, Romania can assume the role of promoter of some economic development alternatives meant to stimulate the rigidity of the intra-European economic mechanism and to strengthen the country from the economic, energetic and military points of view.

From a sociological perspective, this approach of the emerging countries of the three seas represents an interesting point of analysis and prospectus, which can complete the science of sociology through data and characteristics identified in the approach. A sociological approach, by involving specialists, could be traced to deepen three major lines of interest within this project, namely the regional security, the economic implications at individual level and the elucidation of the geostrategic concept at the level of involvement of the stakeholder named USA in this region of Europe, through the stated support of this approach.

If this project is apparently a purely economic and political one, it is possible and necessary at the same time to analyze from a sociological perspective the categorical implications of the impact it can have on the region and individuals as a whole. In concrete terms, sociology could reveal through specific methods, the most efficient way and mechanism to use in assessing the positive or negative effect that such an approach implies, since not every method justifies the way towards progress. We believe that the three seas initiative must preserve its character as an accelerator of the economic gap between East and West and equally represents the feed back of some resources in favor of its own nations.

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