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# Nationalism and International Political Economy in Eurasia

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Nationalism has four primary effects on governments' foreign economic policies: it endows economic policy with fundamental social purpose, related to protecting and cultivating the nation; it engenders the economic sacrifice necessary to achieve societal goals; it lengthens the time horizons of a national community; and, most significantly, it specifies a direction for policy, away from the group that a nation conceives of as "other" and, often, toward another cultural space. As a result, nationalism powerfully influences the world economy. However, the study of international relations (IR) and international political economy (IPE) lack a theoretical framework to explain how, when, and why this influence occurs. This is a serious deficiency, because it is impossible to make sense of fundamental patterns of interstate economic relations without understanding the influence of nationalism.

Building on a neglected Nationalist tradition in IR theory, as well as on the emerging constructivist research agenda, I specify several necessary analytical components of a framework that links nationalism to the world economy. In doing so, I outline a distinctively Nationalist perspective on IPE—that is, one that explains how nationalism and national identities affect cooperation and discord in the economic relations between particular states. A Nationalist perspective therefore differs fundamentally from the

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two dominant theoretical perspectives in the study of IPE, realism, and liberalism.

Of course, IPE already has something called the "nationalist perspective," presented by Robert Gilpin (1987, chap. 2) in a foundational text of the field. Gilpin's nationalist perspective is, however, a masterly restatement of realist political economy. It is filled with mercantilism and statism; there is no nationalism in it. Nationalism is an expression of a constructed societal identity. Statism is an expression of an autonomous state with interests distinct from society. The equation of the two approaches and concepts, therefore, is an analytical mistake: nationalism is not equivalent to statism; economic nationalism is not equivalent to mercantilism; and thus a nationalist perspective on IPE, if it is to take nationalism seriously as a causal variable, cannot be equivalent to the Realist perspective.

In this chapter I also illustrate the necessity of an approach to IPE based on nationalism by applying the Nationalist perspective to an important puzzle of the post-Cold War world economy. This puzzle is the central question of the political economy of post-Soviet international relations: Why has the Eurasian regional economy both disintegrated, among some states, and reintegrated, among others, during the first post-Soviet decade? In December 1991, after the Union collapsed, all post-Soviet states were economically dependent on Russia. Post-Soviet governments interpreted their dependence in dramatically different ways, however. Some post-Soviet governments, such as Belarus's, decided that dependence was a good reason for economic reintegration with Russia. A second group of post-Soviet governments, typified by Lithuania, interpreted the very same dependence differently; these governments considered economic dependence on Russia a security threat and sought to reorient their economies. Still a third group, typified by Ukraine, failed to choose a coherent economic strategy and remained neither oriented away from nor oriented toward the Russian economy. Thus, post-Soviet governments had contrasting preferences for the political-economic future of the region. Differences in the national identities of post-Soviet societies led to these varying government preferences.<sup>1</sup>

During the 1990s, national identity was the central axis of debate about the regional economy. In each post-Soviet state there were nationalists who advocated economic reorientation away from Russia and toward some other group of states, most commonly the "West" or "Europe." The nationalists argued that the economic costs of reorientation were worth the goal, and that autonomy from Russia would eventually bring its own rewards. They demanded change at the expense of regional cooperation. In opposition, others demanded that the economic ties of the former Soviet Union be

maintained and even strengthened. Invariably, among the groups that insisted on regional economic cooperation and reintegration were the industrialists and other organized business interests. Repudiating the "romanticism" of the nationalists' program, they urged pragmatism and continuity. These incompatible arguments forced post-Soviet societies and politicians to choose between reorientation and reintegration.

The political economy of post-Soviet international relations revolved around one central question: Did post-Soviet societies and politicians agree with their nationalists? Here the former Communists played a decisive role. During the first post-Soviet decade, the defining political difference among the fourteen non-Russian states was the relationship between the formerly Communist elites and the nationalists in each—whether the former Communists marginalized the nationalists, arrested them, co-opted them, bargained with them, or even tried to become like them. These different relationships indicated the degree of societal consensus about nation- and statehood after Soviet rule. Lithuania's former Communists sided with its nationalists, Belarus's former Communists did not, while Ukraine's former Communists and nationalists were deadlocked. These outcomes indicated that Lithuanian national identity was coherent and consensual; Belarusian national identity was contested, fragmented, and ambiguous; and Ukrainian national identity was regionally contested, as west and central Ukrainians largely accepted the arguments of the nationalists, while east and south Ukrainians did not. The Nationalist explanation presented here can be generalized to the overwhelming majority of post-Soviet states.<sup>2</sup>

In this chapter I first specify several core arguments that must be part of an approach to IPE based on nationalism and national identity and show how these arguments differ from the core assumptions and analytical foundations of realism and liberalism. Second, I outline the central empirical puzzle of the economic relations among post-Soviet states and show that a nationalist perspective on IPE is necessary to resolve it. Then I illustrate these politics with three case studies of post-Soviet foreign economic policy-making during the 1990s—Lithuania, Ukraine, and Belarus.

## Nationalism and International Political Economy

A rich scholarly literature on nationalism concludes that nations, national identities, and nationalisms are inventions.<sup>3</sup> Nations are not actual groups

<sup>1.</sup> For a similar argument, which emphasizes the "strength" of national identity and the prior history of statehood, see Tsygankov (2001).

<sup>2.</sup> Here I treat these identity variables as given. The origin of variation in post-Soviet national identities is a separate explanatory task, which I take up in Abdelal (2001, 2002). For an insightful analysis of the material stakes in the Ukrainian and Russian debates about the content of their national identities, see Maya Eichler's chapter in this volume.

<sup>3.</sup> See especially Brubaker (1996).

of people. Rather, nations are symbols, reifications of a group's collective identity. National identity is a collective identity of a particular kind: it is an identity shared among a population and defined by historical memory and cultural symbols. In addition, many national identities include components of language, ethnicity, and religion. Nationalism is the use of the symbol of the nation for specific political, economic, and cultural purposes; it is the nation connected to a project (Verdery 1996). Nationalists, then, are societal actors who propose the nation's most important goals; they have fundamental goals for the states they seek to create or govern. Moreover, as Valerie Bunce argues (1999, 12–13, 147–51), the projects and goals of different nationalists and, therefore, of different nationalisms vary dramatically across time and political space.

National identities also vary—from society to society, and over time—in two primary ways: in their content and contestation. First, national identity has content: self-understandings and goals that are cultural, political, and economic.<sup>4</sup> The content of a national identity includes definitions of membership in the nation, the fundamental purposes of statehood, and the states that threaten those purposes.<sup>5</sup>

The content of national identity is inherently relational, because nationalist movements arise in interaction with (and frequently in opposition to) other nationalisms and states in the international system. Therefore, the content of a national identity is a direction, a state or ethnicity against which identity is defined. Nations are frequently imagined to have a most significant "other." Nationalism thus leads governments to be averse to close cooperation or integration with specific states in the international system. At the same time, however, the content of a national identity may also include an affinity for another, broader cultural identity. Thus, there is often a two-way (anti and pro) direction in national identity. The content of national identities is both more variable and more consequential than has been acknowledged in IR theory.

Who decides what the content of national identity is? Every society has nationalists, who attempt to link the symbol of the nation to specific goals and, therefore, who seek to define the content of their society's collective identity. Not everyone in society always agrees with how the nationalists seek to construct their identity, however. Sometimes the nationalists cannot even agree among themselves. Nationalists can only offer proposals for the content of societal identity; they cannot dictate the content.

Therefore, national identities also vary in their contestation among all members of society. Specific interpretations of the goals of the nation are sometimes widely shared, sometimes not. Moreover, the further apart the contending interpretations of national identity, the more that identity is fragmented into conflicting and potentially inconsistent understandings of what the goals of the nation should be. Thus, the variable of contestation describes whether the rest of a society agrees (and how it disagrees) with its nationalists. In some societies, and at some moments in history, nationalists' ideas resonate, achieve widespread support, and are converted into policy. In other societies, or at other times, they do not. Mark Beissinger's (1998) metaphor succinctly captures the contestation of national identity: many nationalisms bark, but only some bite. The process of the contestation of the content of national identities is necessarily collective.

## Nationalism and the Economy

A shared national identity makes a society more willing to bear the economic costs of pursuing the long-term goals that compose its identity. Nationalism thus engenders sacrifices and lengthens the time horizons of a national community. These were central insights of Friedrich List, the preeminent economic nationalist and theorist of the Nationalist tradition. List, therefore, is not the quintessential statist or neomercantilist.

A shared national identity, in List's framework, creates a national community-a nation. The nation means much more than the collection of individual citizens of a state. The interests of the nation are "infinitely different" from the interests of individuals, if "each individual is to be regarded as existing for himself alone, and not in the character of the national community." Liberal political economy, and its cosmopolitanism—against which List was writing—made the mistake of assuming that individuals were "mere producers and consumers" who "do not concern themselves for the prosperity of future generations." The Liberals, List argued, assumed that individuals were forward looking, but only for themselves, not for the nation. The individuals who populate the theories of Adam Smith are decadent and selfish; "they trouble themselves little about the power, the honor, or the glory of the nation." But, according to List, members of a nation do not think it foolish to make present sacrifices for the benefit of future members. Finally, the state's role in the economy is to change it from a mere "economy of the people" to a "national economy," to give the statewide economy national meaning.6 The state, for List and other Nationalists, acts on behalf of the nation, not on behalf of itself.

In sum, a distinctively Nationalist perspective on IPE is composed of a few necessary arguments: national identities are socially constructed and vary in their content and contestation; the content of national identities specifies a

<sup>4.</sup> On the importance of the content of national identities, see Szporluk (1988, 164, chap. 6) and D'Anieri (1997a).

<sup>5.</sup> See especially Haas (1997, 45).

<sup>6.</sup> Quotes from List ([1841] 1966, 172-73, 195, 167, 199).

direction for, and the fundamental social purposes of, economic policy; and shared national identities lengthen the time horizons of a society and create the political will necessary for economic sacrifice. Contested and fragmented national identities do the opposite: limit sacrifice, separate economic activity from national purpose, and shorten time horizons. *Economic nationalism* is a set of policies that results from a shared national identity and therefore bears its characteristics. Thus, economic nationalism is economic policy that follows the national purpose and direction. It is a result of nationalism, not of statism. National purposes vary, moreover, and so must economic nationalisms. This approach is, as Eric Helleiner notes (2002, 326), "best defined by its nationalist ontology instead of its specific policy prescriptions."

#### Reinterpreting Economic Nationalism and the Nationalist Perspective

Realist scholars have assumed that their tradition subsumes the Nationalist tradition. Such an interpretation assumes that nationalism's effects on economic relations are best understood as reasons of state, rather than reasons of nation. Gilpin, in the most important and influential example of this, suggests that the Nationalist and Realist traditions of IPE are essentially identical. Economic nationalism, Gilpin argues (1987, 31), is conceptually equivalent to "mercantilism, statism, protectionism, the German Historical School, and, recently, New Protectionism." The "central idea" of economic nationalism is "that economic activities are and should be subordinate to the goals of state building and the interests of the state." However, this is a description of the statism that informs Realist theories of IPE. Gilpin concludes, "economic nationalism is based on the Realist doctrine of international relations" (42). Together these arguments composed what Gilpin labels the "Nationalist perspective" on IPE.<sup>8</sup>

Nationalism, however, is not the same as statism. In IPE, nationalism and statism must be distinct concepts: in economic statism, and the Realist tradition of IPE, there is no constituting "other" defined by identity; there is no domestic societal politics, only state building; no social purpose, only state power; and no historical memory—all that is the stuff of nationalism. Therefore, as E. H. Carr suggested (1945, 5–6, 22–23), economic nationalism and mercantilism are different: economic nationalism is social, while mercantilism is statist. Statist self-interest results in policies that are different from those motivated by national purpose. Therefore, I distinguish the Nationalist from the Realist tradition.

There are several important differences between the Realist and Nationalist perspectives on IPE. First, the basic assumptions are different. The central tenet of statism in Realist theories is that the state is a distinct actor with its own interests, which are distinct from the interests of society or various societal actors (Kirshner 1999). Realist political economy is thus fundamentally materialist and rationalist. In contrast, a Nationalist perspective is necessarily constructivist, for the simple reason that national identities are social constructions. <sup>10</sup>

The Nationalist and Realist perspectives understand the internal goals of state authority differently. Realist theories of political economy tend to assume that states are concerned principally with state building and the extraction of revenue from domestic society. In contrast, because nationalisms define membership in the nation, they privilege the economic status of members, thereby politicizing the distribution of income and wealth, patterns of employment, and the ownership of capital (Golay et al. 1969).

Third, Nationalist and Realist political economy predict different patterns of international economic relations. States, according to Realist theories, worry about the relative distribution of power and wealth in the international system. States guard their autonomy jealously and are loath to engage in cooperation that increases their dependence, particularly on strategic goods or strategically important states (Waltz 1979, 104–7; Grieco 1997, 168). Nationalist, like Realist, political economy assumes that governments pursue both relative development and autonomy. But relative development compared to whom; and autonomy from which states? The content of national identity—not the distribution of power—gives these concerns about development, dependence, and autonomy a direction, since nationalisms discriminate between other states, which are understood to be threats to national identity and security, not just because of their power, but also because of how the identities of the two populations have interrelated politically and historically.

### Disintegration and Reintegration in the Eurasian Regional Economy

Only a Nationalist perspective on IPE can make sense of the economic relations among post-Soviet states. There was no regionwide economic cooperation among post-Soviet states during the 1990s. These fifteen states composed the most economically interdependent region in the world, and so collaboration seemed an obvious necessity. But their currency union fell

<sup>7.</sup> See especially Crane (1998), Shulman (2000), and Goff (2000).

<sup>8.</sup> More generally, see Gilpin (1987, 31-34, 41-54).

g. I offer further elaboration of the Nationalist perspective in Abdelal (2001, chap. 2). Realism and liberalism are broad traditions within which diverse theories have developed. Here I focus on their basic assumptions.

<sup>10.</sup> See especially Katzenstein (1996a) and Jepperson, Wendt, and Katzenstein (1996).

<sup>11.</sup> On relative development, see Hayes (1931, chap. 7, esp. 232). Also see Greenfeld (1995, 2001a) and Gerschenkron (1962, esp. 24-25). For an application to East Asian development, see Woo-Cumings's chapter in this volume. On autonomy, see Itagaki (1971).

apart, and monetary relations were disorganized and chaotic. Trade relations were discordant, and by 1996 trade volume among post-Soviet states had declined by more than 50 percent. Part of the collapse of regional trade resulted from economic transition. But leaders, societies, and organized economic actors throughout the former Soviet Union blamed political dissolution more than any other cause and put the region's failed cooperation at the center of foreign economic policy debates.

Most striking about the political economy of post-Soviet international relations was its variety. Some post-Soviet governments sought to redress the failure with regional economic reintegration. Russia, Armenia, Belarus, Kazakhstan, Kyrgyzstan, and Tajikistan all promoted cooperation and the development of regional institutions; they signed bilateral and multilateral agreements to reorganize their currencies and coordinate their trade policies. Another group of post-Soviet governments was much more ambivalent about the desirability and prospects of economic reintegration. Ukraine, Moldova, Turkmenistan, Georgia, Azerbaijan, and Uzbekistan recognized the need to cooperate in money and trade. However, their governments rejected multilateral reintegration, primarily because they feared that the formal institutionalization of cooperation would strengthen Russia's regional hegemony. The three Baltic states, Lithuania, Latvia, and Estonia, composed a third group of post-Soviet governments that unambiguously rejected both economic reintegration and regional cooperation, as well as membership in the Commonwealth of Independent States (CIS). Therefore, the regional economy was characterized by a complex mix of disintegration, reintegration, and the mere persistence of long-standing economic dependences.

During the 1990s, the Lithuanian government consistently interpreted economic dependence on Russia as a threat to state security and, as a result, strategically reoriented its economy toward the West. Lithuania sought to reduce its dependence on Russia by diversifying its trade links, integrating into the EU, and creating an independent currency tied closely to the West. Meanwhile, the Lithuanian constitution expressly prohibits the government from joining any political or economic unions on the territory of the former Soviet Union; CIS membership was simply out of the question. The Lithuanian government negotiated a free-trade agreement with the EU in 1994, but rejected free trade with Russia or the CIS. Economic relations with Russia were severely strained by Lithuania's Western foreign policy priorities. Until 1995 Lithuania was one of only four countries in the world, including the two other Baltic states, not to have received most-favored-nation

trade status from Russia. In addition, Lithuania was, in October 1992, one of the first republics to leave the region's monetary union after the collapse of Soviet authority. The government pegged its new currency, the litas, to the dollar. The Bank of Lithuania planned to switch to a euro peg in 2001 and ultimately to join European monetary union.<sup>14</sup>

Belarus did essentially the opposite. The Belarusian government interpreted economic dependence on Russia as mutually beneficial exchange, a reason for closer cooperation with Russia and the multilateral reintegration of the post-Soviet economic area. Belarus therefore did not reorient its economy away from Russia and toward the West. Belarus's orientation toward Russia was also strong enough to produce a string of agreements that symbolically united the Belarusian with the Russian state in 1997, 1998, and 1999. Free-trade and customs-union agreements continued to tighten the economic links between the two countries. Belarusian acquiescence paid handsome rewards, since Russia consistently subsidized Belarus's energy imports and forgave its enormous energy debts.

Ukraine's foreign policy orientation was a middle course between Russia and the West. Although the Ukrainian government sought close relationships with NATO and the EU, it did not apply for membership during the 1990s and is not likely to do so in the near future. However, the Ukrainian government did, like Lithuania's, interpret economic dependence on Russia as a security threat, even if it did much less to achieve economic autonomy and reorient its economy Westward. The Ukrainian government decided that close cooperation with Russia was necessary, but, unlike the Belarusian authorities, it ruled out the possibility of multilateral reintegration of the former Soviet economy. The Ukrainian currency is tied to the dollar, though not as tightly as is the Lithuanian currency, and there are no plans for monetary unification with either Europe or with Russia. Ukrainian foreign economic policy during the 1990s was ambivalent.

## **Competing Explanations**

Material variables drawn from domestic and regional politics and economics cannot explain the differences between Lithuanian, Ukrainian, and

<sup>12.</sup> Ministry of Foreign Affairs of Lithuania, interviews by author, Vilnius, July-August 1998; administration of the president of Lithuania, interview by author, Vilnius, July 1998. See also Nekrasas (1998) and Vilpisaukas (1997).

<sup>13.</sup> See Lithuania Government (1997) and Lithuania Ministry (1997); also Bank of Lithuania, interview by author, Vilnius, July 1998.

<sup>14.</sup> Bank of Lithuania, interview. See also Bank of Lithuania (1997).

<sup>15.</sup> See Dawisha (1997). For particularly clear expressions of these interpretations and goals, see *Sovetskaia Belorussia* 11 (February 1993) and *Narodnaia gazeta*, June 6, 1995.

<sup>16.</sup> Ministry of Foreign Affairs of Ukraine, interview by author, Kyiv, June 1998; administration of the president of Ukraine, interview by author, Kyiv, June 1998. See also *Nezavisimaia gazeta*, October 21, 1993; *Pravda Ukrainy*, January 29, 1993. For the best overview, see D'Anieri (1999).

<sup>17.</sup> National Bank of Ukraine, interview.

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Table 1.1. Energy dependence on Russia (as percentage of total consumption)

	Oil	Gas
Lithuania	94	100
Ukraine	89	56
Belarus	91	100

Source: Adapted from Dawisha and Parrot 1994.

Belarusian foreign economic policies. These three states, the western borderlands of the Soviet Union, shared a number of meaningful similarities. In each, the titular ethnic group was the overwhelming majority, representing at least 73 percent of the total population. Each of these states was highly dependent economically on Russia, especially Russian oil and gas imports (see table 1.1). Meanwhile, economic links with the West were minimal—in 1990, 90 percent of Lithuania's total commerce was intraregional, as was 87 percent of Belarus's and 82 percent of Ukraine's (Michalopoulos and Tarr 1992). All three also had very similar economic structures (see table 1.2). They were among the most economically advanced republics of the Soviet Union and, therefore, best prepared to make the economic transition to independent statehood. None of the three faced serious secessionist threats or violent ethnic conflict.

Finally, and most interesting and significant politically, each of these states was ruled by formerly Communist elites for most of the 1990s. In 1992, Lithuania was the first state in the region to return its former Communists to power, and it elected an important Party leader as president. Ukrainian and Belarusian governments and presidents also were drawn from the ranks of former Communists.

## Liberal Approaches

Two variants of Liberal IR theory apply to the political economy of post-Soviet international relations; both focus on material incentives. The first,

Table 1.2. Share of economy by sector, 1990

	Agriculture	Industry	Construction	Transport	Other
Lithuania	33.4	34.1	13.4	5.9	13.3
Ukraine	30.3	41.3	9.7	6.0	19.4
Belarus	29.3	44.0	11.8	5.1	9.8

Source: Adapted from World Bank 1992.

neoliberal institutionalism, emphasizes that international institutions make cooperation easier to achieve by reducing transaction costs. The second, more traditional version of Liberal political economy argues that domestic economic actors with different material interests shape foreign economic policies. Both variants of Liberal political economy suggested that, in the short and medium term, material interests would push post-Soviet states toward economic cooperation and even, possibly, reintegration.

Both Liberal theories seem to fit the Belarusian case. However, Liberal theories cannot explain why other post-Soviet states politicized regional cooperation with concerns about autonomy and security from Russia. This politicization led to a failure of CIS reintegration and multilateral economic cooperation in general. For its part, neoliberal theory cannot explain why all of this occurred in one of the most densely institutionalized and interdependent regional systems in the world.

Moreover, economic interests did not pull all the post-Soviet states back to Russia. 18 Contrary to traditional Liberal political economy, nearly all organized economic actors, and especially the powerful industrial lobbies, throughout the former Soviet Union preferred regional cooperation and reintegration. And yet in many post-Soviet states their preferences were trumped by the strategic concerns of governments, concerns defined by nationalism. 19 To be sure, there were raw materials and metals suppliers that preferred to sell their goods on world markets for higher prices. But no organized economic actors preferred a rapid and drastic reorientation of trade to the West and the disintegration of the post-Soviet regional economy. Moreover, at the time that Lithuania, Ukraine, and Belarus chose their economic strategies, Russia was still giving them enormous energy and raw materials subsidies, some 60 to 70 percent below world prices. So, as Matthew Evangelista concludes (1996b, 183-84), "it is hard to argue that the policies of the republics in trying to break away from Moscow were driven strictly by pursuit of economic utility. Virtually all of them stood to lose."20

<sup>18.</sup> On problems of applying sectoral and coalitional approaches to post-Soviet political economy, see Evangelista (1996a, 1996b).

<sup>19.</sup> On the preferences for reintegration of the organized economic actors and lobbies in each post-Soviet state, see Delovoi mir, January 28, 1994, and the publication of the International Congress of Industrialists and Entrepreneurs, Vestnik delovoi zhizni, no. 13, August 1997. On the preferences of these lobbies in Lithuania, Ukraine, and Belarus, see Baltic News Service, September 12, 1996; October 9, 1997; Nezavisimaia gazeta, November 20, 1993; Delovaia Ukraina, October 6, 1992; Krasnaia zvezda, January 12, 1993; Izvestiia, October 21, 1992; Kommersant-Daily, October 21, 1992; Sovetskaia Belorussia, March 20 and 30, 1993; Kuranty, April 16, 1994; Nezavisimaia gazeta, October 9, 1992.

<sup>20.</sup> See also Evangelista (1996a, 175-85).

#### Realist Approaches

There are also two possible ways to apply Realist political economy to the former Soviet Union, and like the two Liberal variants, they share a common weakness, although a different one: both are indeterminate. The most general Realist expectation for the post-Soviet regional economy was that some post-Soviet states would, at a minimum, seek economic autonomy from Russia. This pursuit of autonomy would then lead to the following outcomes: cooperation would be difficult; regional reintegration would be impossible; and some post-Soviet states, alone or in concert, would balance against Russian power. On the surface, these Realist expectations seem to have been correct, since autonomy and security have been such prominent features of post-Soviet foreign economic policymaking. Russia is, by far, the strongest state in the region. Furthermore, Russia aggressively, and openly, sought to dominate politics in the former Soviet Union; its intentions to influence all other states in the region were clear.21 In this Realist account, post-Soviet states should have interpreted economic dependence on Russia as a security threat and have acted accordingly.

However, each post-Soviet government did not interpret economic dependence on Russia as a security threat. Some did, but others did not. This observation leads to the second Realist expectation: instead of balancing against Russian hegemony and seeking autonomy, those post-Soviet states that either lacked available allies or sought to change the status quo might choose to bandwagon with Russia—in other words, to ally with Russia and acquiesce in its regional dominance (Walt 1987). Perhaps, this Realist logic suggests, Belarus allied closely with Russia because it lacked alternatives or was unsatisfied with the post–Cold War settlement in Eurasia. In general, then, Realist theories can accommodate a diverse set of foreign policy patterns, including some of those found in the former Soviet Union.

But the indeterminacy of Realist approaches to post-Soviet political economy is demonstrated by comparing Belarus to Lithuania. Material variables cannot account for the differences between their strategies. Clearly, Lithuania sought economic autonomy from Russia, but Belarus did not. These two small, weak states pursued radically different policies toward Russia, the CIS, and the West. And it is not merely that material variables cannot account for this striking difference; theories that rely on these variables projected completely different patterns of international relations. In late 1991, as both states emerged from the collapsed USSR, Belarus was much larger, richer, and stronger militarily. It even had nuclear weapons. 22 Yet Belarus

turned out to be much more acquiescent than Lithuania. The Belarusian government never considered autonomy from Russia a legitimate goal.

The availability of allies and trade partners did not determine these governments' foreign policy choices. By the end of the 1990s, the choices that Lithuanian and Belarusian leaders made in 1991 foreclosed options that were once available to them. Belarus alienated the West, Lithuania alienated the East, and the results now appear inevitable. But they were not. The West's reaction to these two new states was a result of Lithuanian and Belarusian policies, not their cause. Indeed, Western support can hardly have caused Lithuania's reorientation, because it was not at all substantial. Lithuania did not become a member of the EU or NATO, and, formally, all it has to show for its efforts to cultivate economic ties with the West is a free-trade agreement with the EU. There are no Western security guarantees that keep Lithuania outside Russia's sphere of influence, only its own efforts.

Realist theories have an even greater problem with Ukraine, because Ukraine is the regional power whose behavior should have conformed most to the expectations of Realist theory. It is, for realism, the crucial case. Ukraine, a large state with significant military capabilities and economic potential, is second only to Russia in material indicators of power in the region. Yet Ukraine did not balance against Russia. This fact means that, in the 1990s, no regional balance to Russian power emerged. Ukraine's government, unlike Belarus's, did interpret Russia, and its economic dependence, as a security threat.

Ukraine attempted to achieve autonomy, yet it also maintained close bilateral economic cooperation with Russia. Ukraine's preferences about this cooperation were very specific, however, because the possibility of multilateral economic integration in the CIS was rejected outright. This grudging acceptance of close cooperation with Russia, resulting from a significant reversal of Ukraine's foreign economic policy in 1992–93, was caused by regional divisions in Ukraine's economy and population. Like Lithuania, Ukraine initially pursued a policy of radical economic autonomy from Russia—what Realist theories would have expected. But the Ukrainian government did not sustain its attempt to reorient the economy Westward (D'Anieri 1997b, 21–22). Ukraine's nationalists wanted to continue the autonomy policies, but the rest of Ukraine's society did not. In the Realist logic, states do not have to respond to domestic divisions and societal demands, but the Ukrainian government did. According to the independent variables that inform Realist theory, France-sized Ukraine, not West Virginia—sized

<sup>21.</sup> For an interpretation of Russia's policies toward the region, see Tsygankov's chapter in this volume.

<sup>22.</sup> In 1992 Lithuania had a population of 3.7 million, GDP per capita of \$3,700, and armed forces of 8,900. Belarus had a population of 10.5 million, GDP per capita of \$6,800, and

armed forces of 92,500. In 1992, Ukraine's population was 52.2 million, its GDP per capita was \$5,000, and its armed forces consisted of 517,000 troops (International Institute of Strategic Studies 1994).

Lithuania, should have balanced against Russian power most forcefully; even Belarus was in a better position to do so than was Lithuania.

In sum, both Liberal approaches to post-Soviet political economy expected regional cooperation—organized by regional institutions and sought by domestic economic actors—in the short and medium term. However, neither Liberal approach can explain the variation in post-Soviet economic strategies and the collapse of regional cooperation. Various Realist approaches expected at least some states to seek autonomy from Russia, while others might bandwagon for profit or out of fear. But Realist political economy is indeterminate: it cannot make sense of which governments chose which strategy, or why Ukraine, the only post-Soviet state crucial for Realist theory, chose neither. Lithuania's policy of economic autonomy from Russia seemed to follow some Realist expectations; Belarus's policy of economic reintegration with Russia seemed to follow all Liberal expectations; and Ukraine's incoherent middle course was an anomaly for both theoretical perspectives. An alternate approach must explain why post-Soviet governments interpreted objectively similar economic circumstances and prospects in such different ways.

#### National Identity as the Explanation

If Lithuanian, Ukrainian, and Belarusian nationalists had their way, their states' foreign economic strategies during the 1990s would have been nearly identical. During the first post-Soviet decade, the mainstream nationalists in these countries had essentially identical ideologies and foreign policy goals.<sup>23</sup> That is, their nationalists strove to define the content of their societies' identities in very similar ways. Lithuanian, Ukrainian, and Belarusian nationalist ideologies had three fundamental ideas in common.

The first was their interpretation of the history and purpose of their state-hood. Lithuanian, Ukrainian, and Belarusian nationalists all argued that their statehood, having been lost to Russian influence at various moments in history, had now been restored. Thus, for all three groups of nationalists, Russia is the most significant "other," and the state from which statehood must be defended most of all. And a strong, unified state is necessary to protect and cultivate the nation.<sup>24</sup> Lithuanian, Ukrainian, and Belarusian na-

tionalisms, which began as anti-Soviet, became anti-Russian (Beissinger 1996).

Second, Lithuanian, Ukrainian, and Belarusian nationalists all argued that economic dependence on Russia is a security threat.<sup>25</sup> Indeed, the Belarusian Popular Front calls economic dependence on Russia "the main problem of the security of the Belarusian state."<sup>26</sup> Nationalists in these states do not believe that Russian troops are likely to cross their borders to take over the country. But they do fear that economic dependence will drastically limit their governments' ability to act autonomously, or even to perceive the country's true national interests. Therefore, they rejected close economic cooperation or reintegration with Russia, whatever the costs of autonomy. The nationalists argue that economic sacrifice will not be permanent, since they will reorient their countries' commerce. In the long run they, and future generations of the nation, will be European and rich.

Finally, their states' "return to Europe" is the third fundamental idea that these national ideologies have in common. These three nationalisms are not just anti-Russian; they are also powerfully pro-European and pro-NATO. Their definition of Europe reflects this stance, moreover, since they do not consider Russia to be a part. A Lithuanian member of parliament, for example, when asked to define Europe responded, "Europe is . . . not-Russia!" (Ash 1994). Therefore, Lithuania is "seeking to regain what it thought was its proper place, after being torn away from the Western world and incorporated into the Eastern world" (Nekrasas 1998, 19). Lithuania's anti-Soviet nationalists, Joan Lofgren concludes, "are now among the prime advocates of EU membership" (Lofgren 1997, 47).27 As Andrew Wilson shows, Ukrainian nationalists' external agenda "is clear and can be neatly summarized as anti-Russian and pro-European." For these nationally conscious Ukrainians, therefore, Europe symbolizes a cultural space that Ukraine shared before Soviet Communism, and, for some parts of Ukraine, before the tsar's authority. And a European state is "democratic," "civilized," and rich, unlike "uncivilized" Russia (Wilson 1997, 113, 179-80; Prizel 1998, 367). For Belarusian nationalists, too, the directions of their proposed policy—anti-Russian, anti-CIS, and pro-European—are equivalent.<sup>28</sup>

In sum, Lithuanian, Ukrainian, and Belarusian nationalists had remarkably similar ideologies. They wanted the purposive content of their societies' identities to be essentially the same. And they wanted similar foreign

<sup>23.</sup> Leaders of the most important Lithuanian, Ukrainian, and Belarusian nationalist parties (respectively, Homeland Union, Rukh, and the Belarusian Popular Front [BPF]) agreed with this observation. Homeland Union, interviews by author, Vilnius, July 1998; Rukh, interview by author, Kyiv, July 1998; Belarusian Popular Front, interviews by author, Minsk, July 1998. Also see Chervonnaia (1993); Lozowy (1994); Rukh ([1989] 1990); Sajudis (1989); TsIMO (1991).

<sup>24.</sup> Homeland Union, interview by author; Rukh, interview; Belarusian Popular Front, interview.

<sup>25.</sup> Ibid.

<sup>26.</sup> Belarusian Popular Front, interview. See Zaprudnik and Urban (1997, 286-88, 297-98).

<sup>27.</sup> Also Homeland Union, interview.

<sup>28.</sup> Belarusian Popular Front, interview. See also Belarusian Popular Front, "Belarus—To Europe! A Strategy of Defense of Independence," in *Documents of the Fifth Congress of the Belarusian Popular Front* (Minsk, June 20–21, 1997); and *Narodnaia gazeta*, October 23–30, 1990.

policies: economic reorientation away from Russia and toward Europe, despite the costs. If Lithuanian, Ukrainian, and Belarusian nationalists had been in charge of their respective governments for the past decade, their states' foreign economic policies would have been virtually identical. However, none of them was in charge, not for the entire decade.

Instead of making policy themselves, Lithuanian, Ukrainian, and Belarusian nationalists had to try to convince the former Communists who were running the government to accept their arguments and goals as their own. Therefore, the central political question was whether the former Communists accepted or contested the goals that the nationalists proposed.

#### Lithuania: Contestation of National Identity

The arguments of nationalists matter most when the rest of society agrees with them. In Lithuania the rest of society agreed. The vast majority of Lithuanians, and of Lithuanian political parties, accepted the nationalists' arguments for reorientation. There were no influential political parties that contested them. Thus, the content of Lithuanian national identity was widely shared (Senn 1995; Jurgatiene and Waever 1996). In the late 1980s and early 1990s, the coherence of national identity was reflected in the popularity of the nationalists themselves. In the 1990 elections to the Lithuanian Supreme Soviet, nationalist candidates won nearly 80 percent of the seats.

The coherence and consensus of national identity was even more powerfully illustrated when the nationalists lost parliamentary and presidential elections to former Communists. The victorious Lithuanian Democratic Labor Party (LDDP), the successor to the Communist Party, did not dispute the fundamental purposes of Lithuanian statehood or the foreign policy objectives of the nationalists. In fact, the foreign policy goals of the LDDP in 1992 were very similar to those of Sajudis, Lithuania's nationalist movement. <sup>29</sup> Although Algirdas Brazauskas, a former Communist, emphasized the necessity of normalized relations with Russia in his 1993 successful presidential bid, the former Communists and nationalists shared the goal of reorienting Lithuania's politics and trade toward the West and integrating into Western institutions.

Moreover, the LDDP, like the nationalist Homeland Union, connected the symbol of the Lithuanian nation to the goals of reorientation. They, too, proclaimed the goals of the nationalists as their own. The subtle differences in their policy programs reflected the LDDP's greater willingness to maintain normal, less hostile relations with Russia, so as not to alienate Russian leaders while Lithuania integrated with multilateral institutions in Europe and rejected them in Eurasia. LDDP leaders insisted that theirs was a wiser policy that achieved the same goal of reorientation. Their goal, the former Communists assert, was identical to Homeland Union's, but the LDDP was, and will be, better at achieving it. As an LDDP leader asserted, "the Communists are more nationalist than the nationalists." 30

Furthermore, all five of Lithuania's major political parties shared the same foreign policy objectives. That is, all five—Homeland Union, the Lithuanian Christian Democratic Party, the LDDP, the Center Union, and the Lithuanian Social Democratic Party—legitimated these goals of reorientation with the symbol of the nation. These five accounted for over 90 percent of parliamentary seats throughout the decade. When the Lithuanian parliament ratified the Europe Agreement in June 1996, only one member of parliament voted against Lithuania's membership.

In sum, Lithuanians have a clear national identity. They agreed on the fundamental purposes of their statehood, purposes that are derived from their shared historical memory. This clarity caused Lithuania's post-Soviet foreign economic policy to be coherent, purposive, and single-minded. Lithuanian national identity framed the society's political and economic debates. Economic reintegration with the East was an illegitimate option. Lithuanians believed that reorienting their economy toward Europe was the best path to wealth, even if only in the long run. The widely shared content of national identity gave both government and society the political will to endure the economic sacrifice of reorienting toward Europe. The central theme of Lithuania's economic policies was the victory of the long view over the short. 32 And Lithuania's policies clearly were not economic statism: they were motivated by fundamental national purpose, not statist self-interest, and they followed the direction of Lithuanian nationalism, both toward Europe and against Russia. This was economic nationalism, but a national purpose defined as liberal toward the West.

<sup>29.</sup> See, for example, LDDP, "The Platform of the Lithuanian Democratic Labor Party for the Parliamentary Elections," reprinted in *Tiesa*, October 7, 1992, in FBIS-USR-92-149, 20 November 1992, pp. 96–103.

<sup>30.</sup> LDDP, Vilnius, August 1998.

<sup>31.</sup> See, for example, their party platforms for the 1996 parliamentary elections: Lithuania's Success (Homeland Union); With Work, Concord, and Morality into the Twenty-First Century (Lithuanian Democratic Labor Party); To Serve for Lithuania (Lithuanian Christian Democratic Party); The New Lithuania (Lithuanian Center Union); Labor, Truth, and Justice (Lithuanian Social Democratic Party).

<sup>32.</sup> For more on the association of economic hardship with political independence and European reorientation, see Girnius (1997). Also Homeland Union, interviews; LDDP, interview.

Ukraine: Contestation of National Identity

Those same nationalist ideas received a cooler welcome in Ukraine. The ideas and goals of the nationalists were not widely accepted among Ukrainians, even if they were strongly held by the nationalists themselves. It is not the "weakness" of Ukrainian national identity that prevented the country from having a foreign policy of reorientation. Rather, the way that east and south Ukrainians contested the content of Ukrainian national identity tempered Ukraine's pursuit of autonomy. Ukrainian national identity was contested regionally, Ilya Prizel argues (1998, 371), "leading to different 'national' agendas advocated by different regions." Although political parties throughout Ukraine and across the political spectrum agreed that Ukraine should have its own state, there was "little agreement as to the purpose of that statehood." The collection of ideas and projects linked to the nation were widely debated. As Paul Kubicek argues (1996a, 39), "different versions of the nation tend[ed] to compete with each other."

Nationalist political parties enjoyed electoral success in the western and central regions of Ukraine, but generally received a minority of Ukraine's parliamentary votes. This was a common pattern in post-Soviet states; in no state were nationalist political parties strong enough to implement their political programs without help from other parties. Few other parties agreed with their program.

The Communist, Socialist, and Peasant Parties, all anti-reform, anti-Western, and pro-CIS, were highly popular in eastern and southern Ukraine, but deeply unpopular in western Ukraine (Prizel 1998, 367–68). The Ukrainian political spectrum therefore was polarized with regard to the foreign policy choices available to the government. Throughout the 1990s approximately 35 percent of members of parliament were in favor of an exclusively Eastern foreign policy orientation, while roughly 20 percent of members of parliament urged an exclusively Western foreign policy orientation. <sup>33</sup>

Rather than a distinctively and exclusively Ukrainian national identity, east and south Ukrainians tended to have multiple and overlapping identities, which included Pan-Slavic, residual Soviet, and regional identities. This caused east and south Ukrainians to question the anti-Russian content of nationalist ideologies formulated in western Ukraine (Kuzio 1998b, chap. 7). Any characterization of east Ukrainians as pro-Russian is therefore misleading. More accurately, most east and south Ukrainians are not anti-Russian. The attempt of nationalists to define Russia as Ukraine's most significant "other" was therefore problematic, because east and south Ukrainians sim-

ply did not interpret Ukrainian and Russian identities to be mutually exclusive. They simply had a different idea of what it means to be Ukrainian (Kuzio 1996, 599).

These contrasting and ambivalent interpretations of the nation had consequences for foreign economic policy. Harinians' views on economic union with Russia were indicators of their interpretation of Ukrainian national identity, rather than of their analyses of the state of the economy. East and south Ukrainians were "less likely to worry about what a close integration with Russia would do to their identity, since they already identif[ied] at least as much with Russian culture as with Ukrainian culture" (Arel 1995, 179). Just as in Belarus, pro-Eurasianism was an economic argument, for living better and cooperating more with the East. As Taras Kuzio summarizes (1998b, 85), "In western Ukraine the drop in living standards has been offset by the strength of the national idea." In marked contrast, east Ukrainians preferred wealth to autonomy, and the "drop in living standards [was] blamed largely on the disintegration of the former USSR or the breakdown in economic ties with Russia caused by the former 'nationalist' President Kravchuk."

Ukraine could not choose a singular path. Its national identity was too contested and fragmented regionally for the government to make a decisive break from the CIS and toward Europe, as did the Baltics. At the same time, Ukraine's nationalism was too well developed to be marginalized; the government could not sell political autonomy for economic gain, as did Belarus. Neither a purely pro-Western nor a purely pro-Eastern foreign policy was possible, because either one would have divided the country. The former entailed economic costs that east Ukrainians were unwilling to bear. The latter was unacceptable to west Ukrainians for reasons of identity. Domestic politics undermined Ukraine's economic nationalism.

Unlike in Lithuania, most of Ukraine's former Communists did not become nationalists. However, many of them adopted important elements of the nationalist program both to maintain their power and to mediate Ukraine's regional divides (Kubicek 1996a, 40–41; Bilyi and Bystrytsky 1996). This group of former Communists formulated Ukrainian foreign policy during the 1990s. Thus, Ukrainian nationalists succeeded in framing Ukraine's foreign economic policy debate, convincing some former Communists of the importance of state building, and ruling out the Belarusian option for Ukraine. But they did not fully convince the east and south Ukrainians, nor all the former Communists.

<sup>33.</sup> Pro-CIS and anti-West parties accounted for 118 of 338 seats (35 percent) in 1994, and 158 of 450 seats (35 percent) in 1998. Anti-CIS and pro-West parties accounted for 40 of 338 seats (12 percent) in 1994, and 95 of 450 seats (21 percent) in 1998.

<sup>34.</sup> See especially Shulman (2000).

<sup>35.</sup> Subtelny (1995, 194). See also Burant (1995).

Belarus: Contestation of National Identity

Belarusian nationalists failed completely in their attempt to define the content of Belarusian collective identity. Most of Belarusian society rejected their anti-Russian, pro-European program. Belarusian national identity is contested and ambiguous; it is an identity that does not specify clearly the fundamental purposes of the state and foreign policy (Furman and Bukhovets 1996; Marples 1999). Virtually none of Belarus's former Communists turned into nationalists. Indeed, nowhere in the former Soviet Union was there a larger gap between the beliefs of the nationalists and the beliefs of the former Communists about the political meaning of national identity: the nationalists supported reorientation away from Russia, while the former Communists supported ever closer ties. The ideas of Belarusian nationalists were unpopular among most Belarusians, and particularly among Belarusian political elites (Furman and Bukhovets 1996). In the parliamentary elections of 1990, the ones in which Lithuanian nationalist candidates won 80 percent of the seats, the Belarusian Popular Front won less than 8 percent of the seats. The 1995 elections were disastrous for the BPF, which did not win a single seat. Belarusian nationalism barked, but it clearly did not bite (Beissinger 1996, 122-24).

The politics and results of a May 1995 referendum also illustrated the ambiguity of the Belarusian national idea. The debate was clearly cast as between those politicians opposed to integration with Russia and those in favor. Although the nationalists exhorted Belarusians to support national revival and autonomy from Russia, Belarusian voters rejected both. Over 80 percent of Belarusian voters approved of the government's proposal to give the Russian language legal status equivalent to Belarusian and the president's attempt to integrate economically with Russia. Throughout the decade the BPF's stock continued to fall. Moreover, Belarusian nationalists are well aware of their unpopularity. Although the BPF insists that the government has manipulated referenda and elections, it admits that "few political parties" share the foreign policy goals of the party, and that their support is no more than 25 percent of the population. 37

In contrast to the BPF's pro-European and anti-Russian foreign policy stance, no major Belarusian political party opposed close economic integration and political cooperation with Russia (Bobkov, Kuznetsov, and Osmolovsky 1997; Bugrova and Naumova 1996). In the repertoire of Belarusian identities, pan-Slavic and residual Soviet identities were more widely shared than a distinctively Belarusian identity defined in opposition to Russia. Belarus—as an entire country or society—does not "lack" a national

36. Narodnaia gazeta, April 19 and May 16, 1995.

identity. More accurately, most Belarusians, like east Ukrainians, have mixed identities, combinations of multiethnic and multilingual identities that do not preclude a significant overlap between Belarusian and Russian identities. The meaning and content of Belarusian national identity is therefore ambiguous. Belarusian national identity is fragmented into conflicting interpretations of the nation.

Because Belarusian political elites and most of Belarusian society did not share the nationalists' interpretation of the content of Belarusian national identity, they did not see the point of allowing the post-Soviet regional economy to continue to disintegrate. Not only did pursuing economic reorientation seem irrational, the costs of independent statehood itself seemed excessively high. <sup>38</sup> Belarusians were not willing to bear the costs of economic autonomy from Russia because the goal was not widely shared. Therefore, without a coherent sense of national purpose or direction, the government attempted only to reap short-term economic benefits from the state's relationship with Russia.

Put most simply, Belarus's fragmented national identity allowed economics to influence the foreign policy orientation of the country directly, unmediated by higher national purpose. By the time of the controversial 1994 presidential election, in which Aleksandr Lukashenko was elected, Belarus had already institutionalized its choice to reintegrate with Russia economically under the leadership of Prime Minister Kebich. President Lukashenko therefore continued Kebich's popular pro-Russian policies through the rest of the 1990s (Markus 1996a, 1996b). And at every step of Belarus's primrose path to economic reintegration with Russia, Belarusian nationalists objected, always citing security and autonomy as their reasons. <sup>39</sup>

In this volume Maya Eichler addresses the distributional sources of the contestation of national identities in Ukraine and Russia, suggesting that some leaders in those two countries served their own material interests by instrumentally deploying alternate claims about the purposes of the nation. Here I stress, in contrast, the societal incentives leaders faced to make these claims in the first place. It is not useful for leaders to appeal to ideas of national purpose if those ideas do not resonate in society—if other actors without the same material stake in such definitions do not valorize those claims. The sociological analysis of the context in which leaders were embedded is, therefore, necessary to understand these politics of national identity. Indeed, the fact that the content of a national identity is collectively constituted means that an analysis of the cultural context of decision making can

<sup>37.</sup> Belarusian Popular Front, interview. Sce also Narodnaiagazeta, January 14, 1993; Sel'skaia zhizn', November 27, 1992.

<sup>38.</sup> For example, Sovetskaia Belorussia, March 27, 1993.

<sup>39.</sup> For example, Narodnaia gazeta, October 29, 1992; Vecherny Minsk, December 24, 1993; Interfax, October 15, 1993; Nezavisimaia gazeta, November 20, 1993; Segodnia, February 5, 1994; Segodnia, April 15, 1994; and Izvestiia, April 20, 1994.

accommodate a variety of behavioral assumptions about leaders. Because those cultural contexts vary, we can attribute variation in policies to variation in contexts, regardless of whether political elites were instrumental or true believers in national purposes defined by society.

The analysis in this chapter also has implications for IR theory and our understanding of the compatibility of economic nationalism and liberal policy. Realist and Liberal theories of IPE produced different expectations for the political economy of post-Soviet international relations. Lithuania followed some Realist expectations, Belarus followed all Liberal expectations, and Ukraine followed none. I argue that one advantage of an approach to IPE based on national identity is its ability to explain this variety.

There are several possible ways to interpret this variety, however. One is to suggest that if Lithuania fulfilled Realist predictions about post-Soviet international relations, but other new states did not, then there must be something internal to all these states that explains whether or not they chose realpolitik. The national identities of post-Soviet societies determined whether their governments pursued autonomy from Russia, whether they acquiesced in Russian regional hegemony, or some combination of strategies. Therefore, it is possible that in the former Soviet Union a coherent national identity is the prerequisite for the politics that Realist theories predicted. After all, the issue is the interpretation of threats. Russia's attempts to dominate the region are obvious, and those governments that interpreted the Russian threat are the same governments that balanced, politically and economically, against Russia. This argument, that domestic society and not international anarchy is the source of post-Soviet realpolitik, by itself would be a significant challenge to a Realist explanation for the political-economic policies of the Baltic states.

I go further than that. Lithuania's policies were substantially different from what Realist theories of IPE would have predicted. Lithuania's policies were not economic statism, informed by *realpolitik*. Lithuania's policies were economic nationalism, and there is a difference. Two aspects of Lithuania's economic nationalism distinguish it from economic statism.

The first is motivation. Lithuania's economic reorientation has a purpose that is not captured by the concept of statism, in which the state behaves as though it were a self-interested, rational, and unified actor. Rather, Lithuanian nationalism determined the fundamental purposes of Lithuanian statehood. Those purposes, and the Russian threat to them, motivated Lithuania's economic strategy.

An important purpose embedded in Lithuanian national identity was the country's "return to Europe." Thus, the second crucial aspect of Lithuanian economic nationalism is its direction. It is true that Lithuania's national identity led to economic policy that emphasized autonomy from Russia. However, that same national identity led directly to economic policies that

promoted connectedness to the states of western and central Europe. Lithuanian economic nationalism was as strongly pro-European as it was anti-Russian. The Lithuanian government was not therefore concerned about economic autonomy from everyone. Although the government clearly interprets economic dependence on Russia as a security threat, a new economic dependence on the EU would not be a threat. In fact, not only would it not be a threat, it is a strategic goal of the Lithuanian government to become economically dependent on the EU.40 Thus, it is a foreign economic policy mix of cooperation and discord whose direction is determined by nationalism-cooperation with the West, but autonomy from the East. Almost all Lithuanian nationalists sought to pool their newly won sovereignty with other states in the European Union, but certainly not with Russia or the CIS. Joining Europe was much more than an escape from Russia; Europe itself was a fundamental goal, derived from Lithuanian identity. In sum, diverse aspects of Lithuania's economic nationalism—a specific "other" defined by national identity, domestic societal politics, social purpose, historical memory, and a powerful impetus toward Europe—distinguish it from economic statism. This was, therefore, what Helleiner describes as liberal economic nationalism (2002, 319-22).

40. Ministry of Foreign Affairs of Lithuania, interviews.