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Libya Overshadows $775M in Danish Deals

By Howard Amos

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Prime Minister Vladimir Putin oversaw the signing of $775 million worth of deals in Copenhagen on Tuesday as he led a heavyweight business delegation on the first stop of a two-day tour of the region.

But Putin also used the visit to Denmark, home of NATO Secretary-General Anders Fogh Rasmussen, to attack the Western coalition enforcing a no-fly zone over Libya.

"They said they didn't want to kill [Libyan leader Moammar] Gadhafi. Now some officials say, yes, we are trying to kill Gadhafi," Putin said, referring to recent air strikes against the Libyan leader's residence in Tripoli.

"Who permitted this, was there any trial? Who took on the right to execute this man?" Putin told reporters.

Putin had previously likened the military action in Libya to a "crusade" — a comment that met with harsh criticism from President Dmitry Medvedev.

Danish planes have attacked Libya as part of a strike force made up of seven of the 28 NATO member states, which began flying missions on March 19.

Putin also pointed to Libya's oil resources that, he said, were the biggest in Africa, Bloomberg reported. "This begs the question of whether they are the main object of interest for those operating there today," Putin said.

Libya urged Russia to call an emergency meeting of the United Nations Security Council on Tuesday to discuss Western aggression, Reuters reported, citing Libyan state news agency Jana.

Although Putin's criticisms of NATO will echo most widely, his presence in Denmark also cements a growing normalization of ties between the two countries that one analyst characterized as part of a Kremlin shift toward an "every little country matters" policy in Europe.

Business agreements were signed by Agriculture Minister Yelena Skrynnik, Transportation Minister Igor Levitin and Federal Migration Service head Konstantin Romodanovsky. Gazprom CEO Alexei Miller and Russia's richest man, steel tycoon Vladimir Lisin, were also in attendance.

Russia's PhosAgro holding, the St. Petersburg State Mining Institute and the Danish engineering firm FLSmidth signed an agreement to upgrade the Pikalyovskaya Industrial complex in a project worth 200 million euros, Interfax reported.

Gazprom concluded a deal on gas-fired energy cooperation with Danish state-owned DONG Energy.

DONG Energy has a contract with Gazprom to buy 2 billion cubic meters of gas from the Nord Stream gas pipeline between 2011 and 2030.

Putin was received by Queen Margrethe II in Copenhagen — who will visit Moscow in September — and then held talks with Danish Prime Minister Lars Rasmussen.

The prime minister also had a tour of the offices of A.P. Moeller Maersk, Denmark's biggest company, which, in a March 2010 ceremony attended by Putin and Rasmussen, opened a new shipping line linking Russia with Latin America.

A.P. Moller Maersk is considering spending more than $3.5 billion on building a new port in Baltiisk, Russia, which would be able to handle 6 million 6-meter containers a year, Bloomberg reported Tuesday.

Putin also discussed cooperation in the Arctic region — which is considered a contested sphere by Russia, Norway, Denmark, the United States, Canada and Iceland — with Danish companies.

"What do we mean by this?" Putin asked. "It's the use of Danish companies to build necessary

facilities, ports and terminals for the transportation from the extraction point to the shore — and pipeline systems," Interfax reported.

Russia was also considering using Danish companies in the rebuilding of port facilities in Kaliningrad, on the Black Sea and in the Far East.

Denmark, whose annual trade with Russia is worth about $3.3 billion, has about 140 companies with an office or a subsidiary in Russia operating in 25 different regions, according to a transcript of Putin's meeting with Rasmussen published on the government's web site.

Although this is Putin's first official visit to the country, he has met with Prime Minister Rasmussen four times in the last 18 months.

Denmark, which occupied first place in Transparency International's 2010 Corruption Index, compared with Russia's 154th, has not, however, always been Moscow's best friend.

Relations reached a post-Soviet low in 2002, when, despite Russian requests, Denmark refused to extradite Akhmed Zakayev — one of Chechen rebel leader Aslan Maskhadov's closest associates — and ignored Russian protests about an international conference on Chechnya held in Copenhagen, which the Russian Foreign Ministry described as being "financed by Chechen terrorists, accomplices and patrons from al-Qaida."

In response to Danish intransigence, then-President Putin canceled an official visit to the country in October 2002. An EU-Russia summit was also moved from Denmark to Brussels.

Danish support for the accession of Baltic states to NATO was another irritant for the Kremlin, exacerbated when Danish Prime Minister Anders Fogh Rasmussen, who had presided over the international falling-out, became Secretary General of the NATO military alliance.

But a thaw in relations was signaled in September 2006 as Empress Maria Fyodorovna, mother of Tsar Nicholas II, was reinterred from Copenhagen's Russian Orthodox Church to the SS. Peter and Paul Fortress in St. Petersburg, 78 years after her death.

In 2009, Denmark became the first country to give approval to Gazprom's Nord Stream gas pipeline, which will run under 137 kilometers of Danish waters.

"There's an obvious normalization in the Russian-Danish relationship," said Arkady Moshes, Russian Studies director at the Finnish Institute of International Affairs. "Up until the crisis, Moscow had a condescending attitude [toward Europe] according to which it was sufficient to have good relations with the big numbers like Germany, France and Italy — [considered] capable of lobbying to push through any position which would be good for Russia."

But now, he added, "Russia has realized that it's better to have more friends inside the European Union."

The growing warmth in Russia's relationship with countries bordering the Baltic Sea — including Poland — said Kadri Liik, director of the Tallinn-based, International Center for Defense Studies, stemmed from increasing domestic stability within Russia, economic insecurity following the 2009 financial crisis and the emergence of shale gas technology, which posed a threat to Gazprom's monopolistic position as a European supplier.

Putin will visit Sweden on Wednesday where he will meet with the country's prime minister and king. All eyes will be on Viktor Vekselberg, head of the Skolkovo project, who is leading the Russian business delegation and targeting potential high-tech deals with Swedish companies like telecoms giant Ericsson.

But Russian relations with Sweden have not thawed to the same extent as those with Denmark. Although Sweden has permitted Gazprom's Nord Stream pipeline to pass under its waters, Medvedev said in March 2010 that the country was harboring suspected militants, whom he referred to as "bandits."

A letter released Monday by Human Rights Watch and signed by civil rights groups in Russia and Sweden urged Swedish Prime Minister Fredrik Reinfeldt to discuss with Putin the "persisting hostility that continues to characterize the human rights climate in Russia."

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