

Graham Avery

Reunifying Europe

IT IS A REMARKABLE COMPLIMENT to the magnetism of the European Union (EU) – often overlooked by those who are already inside – that so many countries wish to join. In fact, for most of its life, the Union – previously the European Community and originally the European Economic Community – has been negotiating with those wanting to be admitted.

It is no coincidence that, as the Union prepares to enlarge, its members are once again discussing the basic questions: what do we want to do together – the EU's 'finality'; how should we do it? – its constitution and its institutions; and where will enlargement end? – its ultimate geographic configuration.

But the enlargement process has also presented an unexpected shock, with the 'no' in the June Irish referendum on ratification of the Nice Treaty, which adapts EU institutions for enlargement. Although Ireland is the only member using a referendum – the others expect to ratify with parliamentary procedures – the fact remains that unless all members ratify, the treaty will not come into force, and this puts a question-mark over new members.

However, it seems that the Irish 'no' was not related to enlargement, but to other questions such as the implications for Irish neutrality of EU action in security and defence. The Irish government is now reflecting on how to proceed, in the hope that ratification of Nice can still be completed.

TELLING PEOPLE

What the Irish result showed most clearly was a widening of the gap between the decisions of Europe's political élites and the views of its peoples. This conveys the urgent message that the Union must make itself better understood by its own citizens, if they are to consent to its future development. It conveys a specific message, too, about the need to inform them of the consequences of enlargement, so that they do not feel that important decisions are taken behind their backs. This will be all the more necessary in the countries wishing to join, where there will be



The enlargement of the European Union, which will almost double its membership of fifteen countries, is its most important project. The other tasks which the Union has in hand at the beginning of this century – the single currency, and the development of Europe's role in foreign policy, security and defence – are of crucial importance, touching as they do on key areas of economic and political activity. But enlargement is an existential project. Bringing in the countries of central and eastern Europe, with more than 100 million people, will literally change the shape and dimension of the Union.

referenda on membership once negotiations have concluded.

Where does the enlargement process stand now? It is already three years since negotiations for membership began in 1998, and eight since the Union's promise in Copenhagen in 1993 that 'the countries in Central and Eastern Europe that so desire shall become members of the Union as soon as they are able to assume the obligations of membership by satisfying the economic and political conditions'. How near are we to seeing the first new countries join?

Thirteen applications are on the table. In geographical order, they are from

Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Hungary, Slovenia, Romania, Bulgaria, Malta, Cyprus, and Turkey. Negotiations are under way with the first twelve. Turkey is not yet considered to fulfil the political criteria for membership – human rights, democracy, and so on – which are a precondition for opening negotiations.

BACK TO THE FAMILY

Why do they want to join? The first motivation of the nations of central and eastern Europe, when they escaped from Soviet influence, was to turn to the



European Union for confirmation of their re-admission to the European family. It was also to make their return to pluralist democracies and market economies irreversible.

Security is a second motivation: having left the Warsaw Pact, they wanted to secure their independence by joining a western alliance. For hard security they wished to become part of NATO, and in 1999 three of them – Poland, Hungary, the Czech Republic – succeeded in doing so. But for soft security they also value the EU, whose mechanisms of integration – common rules, common policies, common institutions – bind its members so closely together.

Last, but not least, the applicant countries want full access to the Union's market, and to the economic benefits of its common policies and common budget.

The present members also stand to gain from enlargement. In political terms, they will benefit from increased security and stability in central and eastern Europe. Enlargement will give an enhanced role to the EU in world affairs and in

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relations with its neighbours on the European continent, such as Russia. Economically, they will gain from adding more than 100 million consumers, in rapidly growing economies, to the 370 million presently in the Union's Single Market.

SO DIFFERENT

If enlargement is not a new experience, and the Union has extended successfully from six to nine to twelve to fifteen members, why is the present round so different, and so important? In the first place, there are more candidates than ever before; previously the Union negotiated with only three or four prospective members, now it is talking to twelve.

In terms of demography and geography, this enlargement is not much more important, in relative terms, than previous ones. The addition of the twelve countries would increase its population by twenty-nine percent, and its land area by a third. By comparison, the first enlargement in 1973 increased the European Community's population by thirty-two percent.

But the economic dimension of the present round is quite different. The twelve countries would add only about six percent to the Union's economic product. This one

statistic tells us an important fact. Most of the applicant countries have a level of economic development well below the present members – the gross domestic product per head of most of them is less than half of the present EU average.

However, they enjoy rapid economic growth – currently, the central and east European countries are growing twice as fast as the EU. So by the time they join – and they will not all join at once – their economies will be larger. Some of them already are not far behind the economic level, in relative terms, of Greece, Portugal and Spain when they applied for membership.

Nevertheless, the degree of economic divergence between member states, and between regions, in the enlarged Europe will be much greater than at present, and this will pose serious questions for the EU's policies of economic convergence, and for its overall political and economic cohesion.

PREPARING WELL

Moreover, together with the low level of economic development of many of these countries goes weak administrative capacity, inherited from the socialist period. This puts in question their ability to apply effectively the EU's rules and policies, known in Euro-jargon as the 'acquis'. This is not a small problem: unless the countries can effectively implement the rules, at least of the main policies such as the Single Market, it is not evident that existing members could, or should, offer them voting rights on those policies as full members of the EU.

Therefore, the Union believes that completion of the accession negotiations must be conditional on an assessment of a country's ability to honour the obligations of membership which they will contract in a Treaty of Accession. This 'confidence factor' is another element that distinguishes the present enlargement round from its predecessors.

These conditions are onerous, and the conditionality or 'leverage' that the EU has applied in the last decade is unprecedented. But in the light of history, insistence on good preparation – even long preparation – will prove to be justified, if the new members are able to join in a way that allows them to avoid unnecessary disruption.

ROAD-MAP

Now, after more than ten years of economic reform, driven as much by the imperatives of transition to a modern

economy as by the requirements of EU membership, the applicant countries expect finally to be accepted. In general, their populations are still positive about the prospect of membership, although in some cases there has been a decline in support. To keep them waiting much longer would risk a reaction of disappointment that could rebound on the EU itself.

This is now well understood by policy-makers in Brussels and EU capitals. After long reluctance to set a calendar for accession, for fear that it would relax the pressure for applicant countries to prepare for membership. A timetable to complete the process is now emerging.

In autumn last year, the European Parliament was the first to inject a date into the process, when it expressed the hope that new member states would participate in the next round of elections to the Parliament, due in June 2004. Soon afterwards, the European Commission tabled a 'road-map' for the accession negotiations. It proposed that the Union should progressively fix its position on all the chapters in the negotiations, during each six-month period of the EU's rotating Presidency up to mid-2002. At the December meeting of the European Council – the EU's highest body – in Nice, the road-map was approved, along with institutional reforms for enlargement, thus launching the Treaty of Nice on the path of ratification.

With these decisions, the Union cleared the way for the end-game of enlargement, and declared that it would be ready to welcome new members from the end of 2002, provided that they fulfil all the conditions.

In the past six months, with Sweden in the Presidency, significant progress was made. The timetable was respected as common positions were adopted by the EU side on a number of key dossiers, including the contentious issues of the free movement of workers and capital. On the side of the applicants, several countries were able to agree on the terms proposed by the EU, with clarifications and improvements. Some succeeded in closing – at least, provisionally – more than two-thirds of the thirty-one negotiation chapters.

This rapid progress must be tempered by a note of caution. Many of the most difficult chapters remain to be negotiated, including those which touch on financial questions – agricultural policy, receipts from the Structural Funds, contributions to the EU budget. Already discussions on the EU side of the Commission's proposal for a flexible seven-year transitional period for the free movement of workers, to avoid

disturbance of the employment markets of existing member states, saw a marked rise in the political temperature. The solution demanded by Germany and Austria was initially resisted by Spain, until there was agreement that Spain's preoccupation – the future of its receipts from the Structural Funds – would be handled in the appropriate context.

IRREVERSIBLE

But enlargement is now well under way. At the European Council in Göteborg in June, agreement was reached on language that reinforced it. Describing the process as irreversible, leaders affirmed that the road-map should make it possible by the end of 2002 to complete negotiations with those countries that are ready to join. The

objective is for them to take part as members in the European Parliament's 2004 elections.

In the coming months, with Belgium having the Presidency in the second half of this year, and Spain in the first half of next, we can expect the process to continue with undiminished vigour.

In 1963, Robert Schuman said 'we must build the United Europe not only in the interest of the free peoples, but also in order to be able to welcome in it the peoples of Eastern Europe who, freed from the repression under which they live, will want to join and seek our moral support'. In that light, the next enlargement will be seen as a culmination of the process of European integration, leading not just to an extension of the European Union, but to the reunification of our continent. **WT**

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