EUROPEAN UNION ENLARGEMENT

Chair: Laurence A. Whitehead
Presenter: Philippe de Schoutheete
Commentators: Wolf Grabendorff, Geoffrey Martin

Whitehead

> Without more ado concerning the introduction, let me turn straight away to our first session. We are extremely fortunate to have a paper which is, by the way, available for distribution on the table on the way in. The paper is by Ambassador Philippe de Schoutheete, Special Advisor to the European Commission, former Permanent Representative of Belgium to the European Union, and is called *The Impact of Enlargement on European Institutions*.

de Schoutheete

> Thank you very much. The agenda you have indicates that I am going to talk about EU enlargement, but that is such a vast topic, the subject of massive technical dossiers varying from country to country, that I don't believe anyone could do it justice in a quarter of an hour. So what I'm going to talk about is the impact of enlargement on European institutions, and on the institutional debate which has been going on in the European Union and will, no doubt, go on for a number of years in future. Now, the impact of any enlargement on a body such as the European Union is a question of numbers, and numbers, of course, mean size, and in turn a greater size in a body means that decision making is made more difficult.
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> In addition, just as it's true in corporate governance so it is in public bodies that there is always the problem of increasing diversity, because the more countries you take into such a body, the wider the range of differences. For instance, the last enlargement of the European Union, which brought in Sweden, Finland, and Austria, obviously had an impact on matters such as common foreign and

security policies, because free standing or non-aligned states had been included in the body, such as neutral Austria and Ireland. So every enlargement has an impact on size and on diversity. The forthcoming enlargement is massively greater, both in size and in diversity, than all the ones previously undertaken, because we're talking about ten, twelve, or thirteen states, whereas all previous enlargements dealt with one, two, or three states. And moreover, a greater diversity is evident because the states concerned have, over the past half century, followed a completely different historical development.

So that is the first point I want to make. And it is obviously difficult to estimate its impact. In order to do so, you first have to agree on what exactly have been the essential characteristics of the European Union. I tend to argue, as I have argued in a book, that the central characteristics of the European Union, as we now call it, are that it is action-oriented and goal-oriented. It is action-oriented in the sense that it wants to move forward and to take decisions, to be defining and implementing policies, and not simply to discuss and debate. That is the major difference between the European Union and the Council of Europe as it stands now and since 1948, which is basically a place where European states debate, discuss, and exchange views, whereas the Union is a place where people try to define and to implement policies. So, it is action-oriented. It is also goal-oriented in the sense that the way it defines itself is by setting itself goals, giving itself more or less ambitious goals, and then successive goals. The first one was creating a Customs Union in the late '50s, followed by the idea of developing different policies, including the common agricultural policy, then the single market, more recently the Monetary Union, and now common foreign and security for justice and foreign affairs. This temporal succession in terms of successive goals is what I believe is meant by the calls for 'ever closer union'.

Now, anybody who is action-oriented is of course bent on efficiency, while in terms of being goal-oriented it is highly important to have agreement on short and medium-term policies. Those two elements, agreement on short and medium-term policies and efficient decision making, are two of the major elements in the discussion on European institutions. And developments in the past decade or so have complemented these two basic preoccupations with a certain number of new concerns. One has been the issue whether efficient decision making does not also encompass a concern about the democratic character of that decision making process. I will return to this point.

There is also the question of where this is to stop. Where is this succession of goals leading us to? When should we

say: 'well, that's enough, now we have a Union which has come to its mature form.' No clear answer is possible on this point, but it is a preoccupation which has been troubling governments and public opinion for some time.

There have been a certain number of alarm signals. The first and most notable was the tension over the ratification of Maastricht in 1992. There has been another one quite recently with the Irish referendum, which indicated a split between public opinion and political opinion - between the political elite and the way people vote. And the important thing to remember about the Danish referendum - the first Danish referendum - was not that it was a "no", but that it was a "no" given by the people after the Parliament had approved the treaty by an 80% vote.

Finally, where is the border of the EU? For many years the European Union developed within a natural border, and that natural border was the Iron Curtain. We knew what was western, what was European. But there is no natural border any more, so where does the EU extend to? What is its border? What is European identity? What is it to be European? All of these questions enter the debate, and the answers are far from obvious.

A major point I want to make is that all these problems would have been on the agenda of the European Union *irrespective of enlargement.* All these are issues which are a natural consequence of the development of the European Union over 50 years.

Enlargement makes these questions rather more keenly felt, sometimes renders the answers more complex, and certainly brings the issues forward on the agenda. So my first conclusion would be that enlargement, in fact, doesn't by itself create new problems but only makes the existing problems more acute, more pressing.

Having made my introduction, I'd like to turn to the problems of efficiency and diversity, and later I will talk a little about policies.

I think it is a matter of experience and common sense that if you want to keep the same level of efficient decision making in a group that is getting larger, you must find a more fluid way of making decisions and in some way strengthen central authority. You may also want to give some members the possibility of opting out, of not being bound by the rules which the others accept, which is an element of diversity.

These two elements, diversity and efficiency, were the essential ingredients of the negotiations that led to the Amsterdam treaty in 1997. Though some people tend to disparage the Amsterdam Treaty, in fact some progress was made at the time, both in the direction of more majority voting

as a way to increase efficiency as well as in the field of closer cooperation, which is a way of putting diversity in the system.

Yet because the accomplishments were felt not to be enough, a new treaty was envisioned, a new inter-governmental conference met, and the result was the Nice Treaty. Since that was also perceived as unsatisfactory, a new process is now being initiated, with a Convention starting later this year. What we see in this sequence is an element of permanent dissatisfaction over the way institutional problems are being settled. And the question which has been put to us now is whether these successive negotiations, in fact, leave or will leave the EU with a structure which is sufficiently efficient to accommodate a greater number of participants. That is in fact what Amsterdam, Nice, and the present process are forcing us to consider. I must confess that I have my doubts, for a variety of reasons. I think the climate in government circles at the moment is not favourable to further transfers of decision making power.

I think that the executive branch of the Union—that is the Commission and the Council of Ministers—are working less well than they were ten or fifteen years ago. And I think that the European Council - that is the meeting of heads of government—which over the years has become a central element of decision making in the European Union, has today reached the limit of its capacity. You will recall Tony Blair's statement after Nice, following four nights of negotiations. He came to the press conference and said: "We can't go on working like this." I think he was extremely courageous, and that he expressed a view which is partially shared by his colleagues. My conclusion on this point for the moment, however, is that there will be no substantial change before the enlargement, and that therefore there is a risk that the enlarged Union will be a rather unwieldy body with difficult decision making mechanisms and a relatively weak executive. I will make the further point that this is probably more to the disadvantage of the newer member states than it is to the older, because weaker central decision making processes will probably weaken the policies in which the new member states have the greatest interest.

Now as regards policies and objectives, I have said that the capacity to define and to implement common policies is best coordinated through two mechanisms. The first is generally known as the community approach. It has been largely and characteristically used in fields like agriculture, fisheries, regional development, research, environment, etc. The second approach is the classical intergovernmental method, which has been used to deal with some aspects of the budget and some aspects of foreign policy. The tendency in recent

years has been to move away from the community method and towards the intergovernmental method. Most of the community-based policies are old policies, and most of the new policies are based on an intergovernmental approach.

Now, it's interesting to reflect as to why there has been this change in focus, this change in preference among the member states. And I think one element is clearly the cost. We can see a difference in approach coming from countries as they move from being net debtors to the common budget to becoming net creditors from the common budget. I think that this is human nature, and human nature plays a role in the conduct of states just as it does between human beings. Those who pay are somewhat more reluctant to go forward than those who receive.

Another element I would put to you would be a diminishing sense of solidarity between the states concerned. There are several reasons for this. One is the fading of the post-War trauma. A large element of solidarity in the '50s was due to the fact that the countries concerned had known and felt the negative results of nationalist policies in the thirties. This has diminished because generations pass, and the generations who have a memory, or even an indirect memory, of the war are gradually leaving the stage. In addition there is the disappearance of the Soviet threat. Undoubtedly the Soviet threat in the '60s was one of the major elements that brought Western European countries together and created a feeling of solidarity.

There remains, of course, a feeling of solidarity between European States. The point is that it's rather less strong today than it was some years ago, and that its existence and strength enabled the Union to devise and to implement policies which tilted the balance in favour of enlargement. Now, this raises the question of what could be done to increase the feeling of solidarity. I would argue that it's a question of the dynamics of the system—and that if you want to increase the system dynamics you have to develop more of a concept of where we're heading. One of the reasons why solidarity is diminishing is that there is no clear view among the general public as to where this is leading. And because people don't understand exactly where this is leading, they are less inclined to develop a common goal.

This then brings me to my final point, which focuses on public opinion and the problems of democracy, legitimacy, and identity. I belong to a minority school of thought that does not believe there is much of a democratic deficit in the European institutional process. I won't go into that. I have a feeling I might well be provoked on it a little later. I tend to believe that the problem is not democracy, but legitimacy - which is not exactly the same thing as democracy.

Legitimacy for an institutional system is based on both inputs and outputs. The inputs arise from the fact that the basic functioning of the system is based on elected politicians. The element of output legitimacy, however, is based on what people expect from their institutions. And here I'd like to refer to a marvellous author from the 18th century, Burke. Burke said, in his reflections on the French Revolution as long ago as 1790, that government is a contrivance of human wisdom to provide for human wants. Men have a right that these wants should be provided for by this wisdom. So indeed I think public opinion is right in expecting the institutional structure of states or any form of political association to provide for their human needs and desires, and I think that is where the deficit in the European Union exists. The deficit lies in the fact that people are not getting from the European institutions what they expect and want from that structure. There is therefore, in my view, a delivery deficit more than a democratic deficit. And I think part of our problem lies in this. I think it also explains why people have difficulty identifying with Europe. As you know this town, Brussels, is considered by vast stretches of Western Europe as being *they,* not *we.* Brussels should be considered as being *we*. And so I think a basic issue still to be faced is how to get from *they* to *we.*

Whitehead

Well, thank you very much indeed. That was a very concise and lucid overview, which sets a high standard for the debates that follow. As you correctly stated, it is really not possible to fulfil the mandate that was created … I now turn to our first commentator, Dr. Wolf Grabendorff, who is Senior Research Fellow at the German Institute for International and Security Affairs.

Grabendorff

Thank you. I hope you won't consider me an unreasonable sceptic, but my understanding of these issues at the moment is at the very least very negative. From the outset the European project was seen as a very cumbersome process of pooling resources and sovereignty by nation states, which reduces their capacity to international reaction and adaptation. I think what happened on the 11th of September has proved that point very clearly. In the candidate states I find recently that doses of realism are setting in to avoid the political backlash which could have been expected because of unfulfilled expectations.

All the recent discussions with regard to the process of admission lead in that direction, and we might find ourselves inside a European Union with quite different public opinions

in the accession states in the years to come, very different than we have expected. And inside, as the Ambassador has already eluded to, we find a great deal of disillusionment.

Why the disillusionment? Mainly because of the bargaining policies between national interests. I think there is a great deal of disappointment in the public as such about the activities of each of the member states. Internal advantages, what it is *getting out* of Brussels, seem to be more important to each member state than what it is *contributing* to the European project. That has not always been the case, but it has become the case in the recent years. And that's why there is a lack of solidarity, as well as a lack of subsidiary. There is not enough of a relationship between what has to be done on the ground in each country, and what has to be done in Brussels. I think that discussion will obviously be very important in the Convention once it convenes.

Now, why has European construction been not efficient enough? I think the policy formulation has been very efficient. There is a very good track record on how policies have been conceived in Europe, but their implementation has been either too slow, or it has been lagging behind expectations. I think the enlargement process itself constitutes the best proof for this argument. And also Europe has not been as much action-oriented as it should have been, nor, I would add, has it been sufficiently reaction-oriented. The track record of the European Union in terms of international action, international reaction, and of adaptation to the changes in the international arena is, in my opinion, rather dismal.

And how to improve the decision making, which is the crux of the matter? In the main it entails overcoming, or at least balancing, national interests versus common European interests. Such a process will obviously become much more important after enlargement, and that's why I think the process has to be done now, before enlargement. It is not that the Council and the Commission, in my opinion, have become weaker, but it seems that national interests have become much stronger and have come much more to the forefront of inter-European discussions.

Obviously what happened on the 11th of September has reinforced national views of the world as opposed to the European view of the world, and the states have reacted accordingly, especially with regard to security-related issues. Also, national interests have always been of increased importance during the successive enlargements of the European Union, which applies to both former enlargements as well as the future one. Why? Because there is less willingness to engage in a post-nationalist

political project now that the collective memory of the disasters of the Second World War disappears into history.

It seems to be so much more important now to stress national values than it was 20 years ago within the European Union. And in my opinion the idea being mentioned that a possible outcome of the European Union process could be the establishment of a free trade area would mean, in my opinion, the abdication of Europe as a political actor in the world. It would mean that the economy has overtaken politics as the guiding principle. It would also mean that the European Union which, beginning with the very intentions of its founding fathers, has always been driven by political intentions, has become only an economic integration format, even though economic integration was consistently seen previously as only an instrument, and not a goal in itself, of the European Union. Why are so many new policies mainly inter-governmental and not, as it used to be, communautaire?

I think it has a lot to do with the question of the control, or at least the influence, of the member states. Home affairs and foreign affairs are issues much closer to sovereignty. They involve issues, the regulation of which touches more on the sense of what a state can do and cannot do than the regulation of agriculture, products, or of open skies. And in that respect European action on these issues involves basically a loss of power of the nation state to regulate in its own interest. And that very loss of power will be even more difficult to accept for the new member states because they have just gained their own national identities. They have regained their identities only after the end of the socialism - the capacity to create nation states that are and want to remain in the position to determine their fate in their own way. It does not seem, at least to me, that their independence in economic terms is so important.

Europe still is one of the dominant areas of the world. But it is their capacity to control their own identities which is at stake in the member states. It is more important to be Spanish, or Polish, or British, than to be European. And I have the impression that the debate about the finality of the European process is already very much on the way, at least since the famous Berlin speech of the German Foreign Minister Fischer. What is going to be proposed to the Convention is not very clear at the moment. The Convention, in my opinion, should also try to assess the costs of the non-existence of a political Europe, as well as of the non-existence of the economic integration of Europe. Because only if those costs become clear to the member states might they be more willing to pool more of their sovereignty.

Let me conclude by saying it is not just the problem of less solidarity but of a "benefit" approach which has been so negative in recent European developments. Every country, every sector, is always asking, "How we are benefiting? Are we benefiting enough? Are other countries benefiting more than we are?" This has become the refrain of European discussions, and it seems to be one of the main problems which has to be confronted in the years to come. The feeling of togetherness, which had been inherited after the Second World War and was obviously enhanced by the Cold War, is disappearing, and therefore it seems that we need a new push, a new understanding. Just possibly it could come because of enlargement.

Whitehead

Thank you very much Wolf. Our second commentator is the Honourable Geoffrey Martin, Head of the European Commission Representation in the United Kingdom. Geoffrey.

Martin

Let me start by referring to Ambassador de Schoutheete's statement that in his view enlargement would have the effect of "forcing" change within the European Union. I have spent the last four days in Brussels in the corridors of the Institution called the European Commission, in which I feel a sense of introspection which ill befits the European Union at the beginning of a new century. I represent, as the Chairman has said, the interests of the European Commission in one of the most sceptical states, the United Kingdom, and from those two different perspectives I would like to draw attention to the following points. First of all, I believe that there is a sense of deepening divide on the parts of national governments - between those who are federal by instinct, and those who are hostile to the notion of ceding or pooling their national sovereignty.

And therefore I very much look forward to a debate which is about to open under the Chairmanship of Valery Giscard d'Estaign which is intended to confront the fact that an enlarged European Union, probably by ten members by the year 2005, will require the nation states to decide for the first time on a distinction between those things which must be dealt with and agreed upon at European level and those things which need not be dealt with and agreed upon at the European level, but which people will feel much more comfortable dealing with nationally and maybe even more effectively at the regional level.

There is a built-in conflict, therefore, which I hope, as a slightly idealistic person, will be resolved in the

confirmation that the Europe of tomorrow is a European Union of nation states, not a centralized federation.

My second point—the Ambassador eloquently and wisely highlighted the distinction in the public mind between *them* and *we*. In my opinion it has been the case since 1957 that the *they* and *we* distinction has been the most negative perception about the European Union within its member states. It has been used by governments as an excuse to their general publics for taking necessary decisions. It has become encapsulated, as the Ambassador wisely pointed out, in the word "Brussels". And the word "Brussels", or the process which is "Brussels", is more frequently seen to be a process which is distant rather than a process which is at hand. While at the same time the fact remains that the Brussels about which the media and public opinion inveighs is not Brussels which is something else, but it is our ministers sitting around the same table.

And therefore Mr. Ambassador I feel, and I push your point slightly and hope you agree with me, that unless and until the government ministers, who are the people with the power to decide, have the necessary courage to explain to their national populations in their national parliaments that Brussels is them, not someone else,—that until that is done and that is achieved in a national context there will continue to be a deep-seated and worrying gap between public opinion on the one hand, and what is being achieved at the European level on the other.

It was Henry Kissinger who a long time ago said, "It is impossible to know who to call when you want to call Europe." I think, very briefly speaking, that those countries in far flung parts of the world, and those countries maybe near a town like the Americans, do genuinely find it difficult to know what makes Europe tick. Whilst at the same time there is both the uneasy perception that Europe may be creeping up behind the Americans in terms of global influence, and at the same time that the Americans do need the Europeans because together they share important global responsibilities. Among the particularly prominent global responsibilities which are shared between the Europeans and the Americans at the moment, first place is occupied by the future of the new world trade round. Moreover, in terms of developmental assistance and the need to involve the developing countries, the Europeans, even though it is not claimed for them publicly, are in fact the most influential of the eight donors on a global basis of comparison. Thirdly, there is the challenge not yet entirely resolved between America and the Europeans concerning the global environment.

And then there is terror. The response to terror and the response to conflict has been something which was

initiated, in fact, by Tony Blair in 1998, together with the French President Jacques Chirac at an important meeting in NATO. This was widely discounted in the global media, but in effect it has been the Europeans who have forged the way ahead in terms of handling modern types of conflict by making a distinction between defence in the classic sense of the term—either in the classic sense of the term defined by NATO countries, or in the classic sense of the term defined by old Warsaw Pact countries—and in the sense of a new concept, which is a dual concept consisting of the processes necessary to achieve peacemaking, followed by the processes necessary to deliver peacekeeping once that peace has been made in the first case.

We can see examples of that most prominently displayed in the Western Balkans, where the European countries have deployed, in places like Bosnia, with peacekeeping forces following their peacemaking successes. These peacekeeping forces consist of community civilian forces like the ones in the strife-driven Northern Ireland. These efforts are being followed through today in the streets of Kabul, and these kinds of experiences emanate from internal European conflict in order to maintain peace, that peace having been made. And therefore when one looks globally one can see the necessary interdependence of the United States and the European Union, with the United States having the ability, the equipment, and the capacity to handle defence and to handle conflict, and with the Europeans, who do not have that capacity, delivering a new concept—the concept of peacemaking through diplomacy, and peacekeeping as I have described it.

My last point therefore is this: As globalisation is being increasingly talked about and experienced, it might be interesting to our American colleagues to look around the world and to notice, even though they have difficulty understanding the real European Union, how the actual European Union of today has built increasingly interesting global influences which have come about as a result of the older bilateral connections between some of the member states and other parts of the world. I'm thinking of the United Kingdom's relationships through the Commonwealth —not the British Commonwealth, but the Commonwealth. The inter-governmental relationship encompassing 55 countries amongst which are included not only a number of African, Caribbean, and Pacific territories, but also importantly for the Americans, two strong members of the CANZ groups, Canada, and Australia.

I also note the influence of France, widespread in Africa, in which interestingly the Euro has also been introduced for that reason and its historical relationships and friendships,

not only in the Middle East, but in parts of Central and Eastern Europe as well. I notice the recent arrangements forged by the European Union with most, if not all, of the countries in Central and South America led by the Spanish and the Portuguese. And therefore, Mr. Chairman, I force myself to conclude that the pressure of enlargement will be a wholly good pressure, compelling people in Europe to face up to the simple fact that in the world of tomorrow, in my personal view, the Americans and the Europeans are interdependent. My final statement is a local point. I am embarrassed, Mr. Ambassador, as I'm sure you would be if you knew, that our colleagues in the Commission have been unable to institutionally be present here today at this important meeting, and I hope that you will join with me together in drawing the attention of Commissioner Peter Verheugen to the fact that we here in Brussels are putting our feet on an important stepping stone leading to a constructive future.

Whitehead

Thank you very much for that wide-ranging set of comments, including your challenging last sentence. We mustn't however let the conference be hijacked by that last sentence. We must go back to the major and very broad points that have been discussed. Ambassador Nowak has kindly agreed to start off the discussion.

Nowak

Let me start by recalling that one of the most popular slogans of the democratic revolution of 1989 was the "return to Europe". It was an expression of desire to reunify two parts of Europe, of the continent, which had been divided after Yalta. This very general idea was based on the assumption of the existence of shared values, religion, culture, common destiny, common struggle for common values, etc. Let me say that this was very well expressed by Pope John Paul II, who spoke of two lungs within one body. Furthermore, it was also widely expected that Central and Eastern Europe would be able to contribute to a unified Europe its experience of the totalitarian system, its attachment to the idea of Europe, its fresh blood, and its challenge to the consumerism of Western Europe. In fact, the only possibility for this "return" was the current enlargement—a difficult and painful process, as well as a long process of application of 80,000 pages of *acquis communautaire.* It is a process resembling to a certain extent Germany's reunification.

There was a general consensus from the very beginning that the only option for the region was some sort of an imitation

and innovative application of a market economy *cum* political democratic system. Any thoughts of experiments, such as a third way between capitalism and communism, were rejected. Obviously I'm not talking about the third way of Anthony Giddens, which is a different thing. It was easier to start this integration process about 10–12 years ago, just after the systemic change in Central Europe, than it is to continue it now, because this imitation is not an easy process. But that does not mean that we are entering into an entirely unknown area, and here I'm talking about common values. We would expect that same solidarity which appeared in the beginning of 1980 when Spain, Portugal, and Greece were accepted to the Union. If enlargement were to fail it would result in dramatic reactions, particularly in Poland

The enlargement and integration of the EU will offer a necessary boost to the economies of the candidate states and will lower the existing economic inequalities between the Western and Eastern parts of the continent, together with increasing the exporting capabilities of the European Union as a whole.

In addition, the new situation after the enlargement will help create a more balanced competition among the EU, NAFTA, Japan, and China. The geo-strategic and geo-economic position of Europe will improve because of, among other things, better control of gas pipe lines and the emergence of new markets. The security of the continent is likely to be strengthened because the whole security area will be expanded 400 kilometers to the East. Stability will be an important result, and this will provide new opportunities for Europe to face the new challenges we are talking about here. A shift from the South-West Mediterranean to the North-East may occur, but I now believe, after my experience in Spain, that the concept of a centre of gravity in the EU is rather a myth.

Loss of coherence is another question. It should be prevented and fortunately the Laeken Declaration shows that there is a consciousness of this issue. And a third issue, the emergence of a "two speed" Europe, may be avoided by a more firm anchoring of the EU in the principles of solidarity and sustainable development. This was also mentioned in the Laeken Declaration, although it contains no really concrete program how to do it.

So, in conclusion, the advantages prevail over the disadvantages, but the risks require building up a decision making structure capable of coping with the challenge. The problem mentioned by Dr. Wolf Grabendorff, that is the problem of balancing the national interests and the communitarian approaches, is also of basic importance.

The regions of Central and Eastern Europe are extremely sensitive to this issue, but let me say that an understanding of common interests does exist. And one additional remark: One of the speakers stated that the economic concerns were less critical. But from our perspective, dealing with the problems of agriculture and with other problems, we are overpowered by the feeling that yes, economic concerns are important.

Turning to the transatlantic context, one of the terrorists' objectives was to undermine the transatlantic link. This goal has not been achieved. The integration of the Central European states, with their long traditions of good relations with the United States, will contribute to a strengthening of the relations between the European Union and the United States. For now the development of the CSDP and the CFSP has to be accelerated among the new members. These should be more effective due to the possibilities of using their potential in a constant dialogue with the United States and Russia. The recent improvement of Polish-Russian relations will help in this regard.

Some of the candidates to the EU, like Poland, have already become NATO member states. They are particularly interested in the overall strengthening of the Alliance and its constructive relations with the European Union with regard to the CSDP, with a fundamental goal of complementing each other's tasks and responsibilities. This can be seen with particular clarity in the Balkans. And the Polish decision to send a military contingent to Afghanistan, for example, contributes to the idea that Europe is abandoning its hesitations with respect to military actions.

Building a stronger transatlantic link calls for the speeding up of the EU enlargement. New members may be particularly useful in the settlement of the Balkan crisis.

Putting more emphasis on the security issues and raising them on the list of EU priorities has decreased the importance of the EU enlargement in some European Union capitals. This can be seen in the shifting priorities of the Spanish Presidency of the EU. At the beginning enlargement was its first priority, and then it was second, third, fourth etc. Now, it occupies sixth place on the priority list.

The struggle to eradicate terrorism has become, of course, a major organizing force in the Western Community. The overlap of internal and external security in some cases may limit interest in enlargement owing to a feeling, which we detect here and there, that a less diversified Union would be more manageable in coping with dramatic changes. We do not agree with this. We believe that enlargement would offer more opportunities.

It is not clear if enlargement may not also be affected by a new tendency to supplement existing alliances of international defence mechanisms by *ad hoc* coalitions and groups with close common interests set up to fight more effectively against terrorism and other plagues. This may be accompanied by the creation of more flexible mechanisms in the security domain reaching beyond military measures, intelligence, and exchange of information. In some cases this may hamper enlargement, but in some cases it may also accelerate it, so one has to look at this subject a little bit more closely. Enlargement may also be useful in settling relations between Russia and the West by adopting new principles and burying the old East-West divisions, helping Russia to depart from its centuries-long policy of domination of its Western neighbours.

In conclusion, enlargement may advance when an all-encompassing European approach prevails over a more particularized one. This requires clarity of vision and the resolve to put it into life.

Whitehead

Thank you very much. Your presentation has, as it were, widened our concerns with enlargement and has raised a number of issues that will come up not only in this session on European Institutions, but also in sessions concerning relations with the OSCE countries, NATO enlargement, and so on. In the few minutes which we still have available we could take one or more questions or comments from around the table, and I would like people to particularly bear in mind that the Ambassador in his presentation focused on the relationship between enlargement and its implications for reform and the debate over European institutions. And I would actually like to pull out one sentence from his paper, which for reasons of time he skipped over, but which I think we shouldn't skip over in our discussion. That is the following: "Whether a pioneer group or avant-garde system could be usefully implemented in that context is a separate and open question."

I think that the balance between that approach versus the conventional approach is something we ought to pause and consider. The next speaker is Ambassador Daniel Dultzin.

Dultzin

I represent the Mexican Economic Ministry for Europe, and I would love to ask a question. It strikes me, as a non-European being present here at a moment of a great, historic European success and achievement – and by that I mean the very swift introduction of a single currency – that the meaning of this is not taken up in all its implications.

So I would just like, in a very brief way, to see whether you see those implications, more or less, in the same way I do.

The fact that people are willing to convert their national currencies into another currency, while surrendering their very deeply rooted psychological identity to their national currencies, might mean that Europeans are ready to give much more importance to their real interests and attachments than to their daily life. Even if the single currency isn't as successful as it has been now, and it's taken years and years to achieve it, Europeans are ready, which is a great thing. You've done it all with the convergence policy, et cetera, over a period of years, while unfortunately Argentina tried to do it very quickly. This might mean that in Europe you're ready to let go of the nation state and go to a much more complex relationship between the regions and common policies.

de Schoutheete

In most of the ancient states of the European Union there is an increasing lack of legitimacy in politics. Governments proceed in the following way: they come to a Brussels conference, they decide immediately, and after taking some decisions as a group they go to the national mass media to play to the gallery and to report in different terms how they defended German, or let's say Italian interests. When faced with criticism, they say we have no part in this. This comes from Brussels. Everything is from Brussels. So, we have a problem with lack of legitimacy which is, in and of itself, destructive. Upon enlargement of the European community this problem will become more pronounced and will contribute to de-legitimizing the organizations of the community in Brussels.

Whitehead

Ambassador Magdalena Vášáryová will speak. She was formerly the Czechoslovakian Ambassador to Vienna and is now the Slovak Ambassador to Warsaw.

Vášáryová

There is a tendency not to speak about the internal political problems in Austria, but we are dealing with problems associated with the enlargement of the EU and of the problems with our nuclear power plants. And we discuss everything, but not the problems in Austria. This is not really good way to deal with the enlargement. If we are speaking about the costs, why is nobody speaking about the profits. After all, we opened our markets in 1990–1991. Should we have opened them later? Since the Europeans

are speaking about their costs, we are looking forward to hear about their benefits. If you speak privately with the members of the Austrian political elite they will agree with you, but not if they are speaking with their fellow-citizens.

We are not afraid of the loss of sovereignty. We want to be secure, we want to be part of Europe. I was twenty in 1968, when we tried to abolish the totalitarian regime, but nobody from the West helped us. I was in Vienna during the Balkan conflict, during the splitting-up of Yugoslavia. If we are speaking about the horrible situation there, there is a responsibility also of the Western European countries. And if you are speaking about peace*keeping*, should we not also speak about a peace *spreading* process, and not wait for another problem. In the paper we've received there is one sentence: "The iron curtain was the natural border of the European Union." Never. It was not a natural border of Europe - it was an artificial border in Europe.

Whitehead

Thank you very much. I would just like to follow-up the point that you're making where you give a specific example, Austria, by turning to a slightly more general issue; namely that enlargement is a process which requires the consent of all 15 existing member states as well as of the European Parliament. That of course raises some procedural difficulties. To give another example much discussed, the Greek government believes that it has gained consent that Cyprus should be one of the next countries to be admitted, and the Greeks have some very clear views about what political settlement there might be in Cyprus, views which are not entirely acceptable to all. And there's the Irish referendum which has also been referred to. And indeed in France there is evidence that public opinion will not necessarily be automatically on the side of enlargement there either.

So I would be grateful if the Ambassador could also say a word or two in his wrap-up remarks about how he sees this procedural dimension. The Ambassador has referred to the prospect of enlargement as a great pressure forcing reform on the candidate countries. But the prospect of enlargement also attracts resistance in existing member states, for they are not yet ready to undertake all those reforms and are possibly attracted to delaying tactics. Ambassador de Schouetheete, would you like to comment on all this.

de Schoutheete

In the first place I will withdraw the word "natural" from the phrase "natural border". I think the Ambassador has a

good point. I think it was an inescapable border in the given circumstances, but I accept that it was artificial. On the problem of enlargement, I deliberately avoided in my paper saying anything about costs and benefits, because I think that debate is now in the past. We are dealing, I think in this part of Europe at least, with the assumption that enlargement is a fact. I mean, if the enlargement becomes the sixth priority in the Spanish presidency that is largely because it is just assumed that it is going to happen.

Now of course there can be lots of difficulties and lots of discussions about, as you say, milk packaging and so on, but I think the whole political establishment certainly considers that it's going to happen. Now there is a problem, as Professor Whitehead says, of getting that to Parliament, and in addition I'm leaving Cyprus and Greece alone. That is a problem by itself. Nobody in the last 50 years has been able to settle the Cyprus problem, so I won't try.

But there remains the problem of public opinion, the problem of getting enlargement through Parliament, and there may be a internal debate problems in explaining the costs and the benefits, the political advantages, the historical implications, and so on. There will be those debates, but it's still going to happen. And so I think one of the reasons why I certainly didn't put anything about that in my paper, and one of the reasons why the Spanish presidency puts it, perhaps, on a slightly back burner, is that there is no longer a political debate about whether it will happen. That is one point I wanted to make.

The second is that I was rather struck by Dr. Grabendorff's comment that the result of the 11th of September was national—a return to national politics. I disagree. I think it is to the contrary, if I may say so. If you take the immediate aftermath of the 11th of September, one of the main problems was how to stabilize or at least to avoid total chaos on financial and securities markets, in monetary affairs, on stock markets. Look at what happened. It is quite obvious that the Federal Reserve in the United States and the European Central Bank in Frankfurt worked in very close cooperation. I cannot escape the impression that Greenspan and Duisenberg spent quite a lot of time on the telephone in the immediate aftermath of the 11th of September, coordinated their action, and indeed managed to limit, at least, the damage to the financial, securities, and money markets.

My information is that Colin Powell has been calling Javier Solana every day or two, practically every two days, since the 11th of September. Now, that is another case where you get the United States operating politically with institutional European bodies – with the European Central Bank in the case of

monetary affairs and with Solana in the case of diplomacy. My information is that the Belgian Foreign Minister chairing the Council was informed of the first US strike in Afghanistan by Solana, who had himself been informed by Powell two or three hours before it happened. It's very interesting to see how Colin Powell saw fit to inform Europe of what was happening. So, I think there is an element in American policy today which has accepted that some policies are dealt with in cooperation with European institutions. It is a partial answer to Kissinger's question about who to telephone. As an aside, Kissinger once told that me he had in fact never posed that question, but that he didn't want to deny it because he thought it did reflect his views.

There is, I think, another case, which is the European arrest warrant. My successor as Belgium Permanent Representative tells me that in his view his most considerable success was having gotten that European arrest warrant, which six months ago nobody thought was going to happen.

But the press concentrates on who went to Washington between the 11th and 20th of September, and in what order they were seen by George Bush. The press concentrates on who sits at dinner in Ghent, or in London when Tony Blair calls a dinner. That's very important for the press. It is totally irrelevant in other aspects. What is very important is who Colin Powell talks to, who Greenspan talks to.

On the Euro: I think I understood from your question that you felt that perhaps we were underestimating the importance or the significance of the Euro. You know, Europe is a continent of doubt, and we are perpetually questioning what we are doing; and I think that's one of our strengths. Because we are a continent of doubt, ten years ago we were doubting whether we would get the Euro. Now we have the Euro and we doubt whether it's as important as you may think. That is the way we handle these things. Perhaps it's a positive quality, perhaps a defect, but in any case that's the way it works. As regards the consequences, I think they are going to be very important in psychological terms.

Somebody, I think it was Dr. Grabendorff, said that we still feel more German, French etc. than we do European. That, of course, is true but the truth is that we feel both and that we are devising a system in which you have a plurality of attachments. I know a few Germans who feel more Bavarian than they feel German, and certainly I know a number of my compatriots who feel more Flemish than they do Belgian, and I know a number of Spaniards who are more Basques and Catalans than they are Spanish, and the list can go on. We are gradually developing a political system in which you can have this plurality of attachments.

Professor Pietschmann had a good point on legitimacy, and I think it is a point which is not sufficiently made. It is linked to democracy, and I was surprised to see that nobody questioned me on the democratic deficit. Perhaps we operate with double standards. When the European Parliament gets a turnout at its election of 40% of voters, indeed I believe Professor Whitehead underlined that this is a sign of a lack of democracy. When President Clinton is elected by 24% of the American electorate, nobody questions his legitimacy. And President Bush gets rather less than that, and in a way which is rather troublesome in some counties in Florida, and nobody says that George Bush is an illegitimate president. So there is the element of double standards. I think in that there is - at least in the Western world - a general diminishing legitimacy of political institutions in general. If that is the case, the legitimacy problem with the European Union is in my view is a reflection of similar problems in the nation states.

Just one more point on whether the Convention is going to be a success or not. I very much hope that it is going to be a success, but I have to say that I am a man of faith, so therefore I hope, and I believe, and I want to believe that the Convention will be able to surmount the internal contradictions which have made it so necessary.

Whitehead

Dr. Najder will speak.

Najder

I would like to get back to an issue raised by Ambassador de Schoutheete, which is, I'm afraid, too rarely raised - namely the issue of European solidarity. This issue is becoming pressing because of the coming enlargement. The Ambassador gave a list of the differences between the future enlargement and past enlargements, and I think this list could be expanded.

What makes us Europeans, and what makes *us* different from *them?*. Our Ukrainian neighbours know the problem very well. I travel to Kiev quite often and to Lvov even more often, and I'm often asked: What makes you *un*questionably European? What makes us *questionably* European? I mean, what are the criteria of being European which Poles apparently meet and Ukrainians are questioned about? Well here we come face to face with a tangible phenomenon of the lack of, even a crisis in, European identity and solidarity. And I think that the Ambassador was quite right in saying that unless we develop a stronger feeling of European identity, we cannot hope for an improvement in ever overcoming the deficit of solidarity.

How has this European identity developed historically? Let's compare it with the American identity. In the first place we don't have a constitution, and we don't have governmental and judicial institutions which form the grounds of American political, and cultural, and national identity. Our national identities are different. Our European identity is based on what? It is based on a shared culture. And how has this culture developed? Well, very slowly. When we think about the consciousness and awareness of being European some 3,000 years ago it was fairly limited. When we think about it 2,000 years ago, it was also fairly limited. It was limited to the educated classes. But how can that feeling, that awareness of European identity, expand now in the context of the present day mass media, which is given to anything but to the development of a cultural identity of any kind. That's the problem. There is no—and this was pointed out by Ambassador Schoutheete and by Dr. Grabendorff—there is no European caucus in European political life. There are national caucuses but no European caucus. Well, if we want an European cultural identity to re-establish itself in the public mind we have to create a caucus. Otherwise it won't come—it won't arise. It won't grow by itself. And we have to face the question that either we do it consciously or we have to say to each other frankly that it won't exist. That's it.

Whitehead

I now ask Allen Weinstein to come in.

Weinstein

Thank you, Mr. Chairman. The four most dangerous words in the English language are, as we know, "I will be brief". But I really will try to be brief. And I appreciate Dr. Najder's comments, because I am also going to speak to the issue of identity. But first I'd like to say that listening to Ambassador de Schoutheete and Professor Grabendorff debate in a genial way the question of whether the events of September 11th last year strengthened the forces of national identity, of European identity, or of regional identity, reminded me of an old story that some of you may know. It concerns two farmers with a land dispute who went before a judge. The judge heard the first farmer out about who owned this piece of land and when he finished the judge said "You're right." And the second farmer stood up and protested that his arguments had not been heard. So the Judge told him to go ahead and speak. And when the second farmer finished the judge turned to him and said "You're right". And a stranger sitting in the courtroom stood up and addressed the judge and said, "But Judge,

surely they can't both be right". And the Judge thought for a second, turned to the stranger, and said "You're right too, you know."

And so you are both right in different ways. National forces and national identities have been strengthened, while at the same time as you, Mr. Ambassador, and as Geoffrey Martin pointed out, the global implications of European identity have certainly come to the fore as a result in a variety of ways that we could all mention. I was particularly struck by and I would like to focus on and highlight for our colleagues a paragraph of your paper. I'll just go ahead and read it if you don't mind. I don't consider this plagiarism as I'm just supporting you here.

The paragraph appears on page three of your paper, where you say:

"Finally support can only be regained if people are able to identify with Europe. Europe/Brussels should be viewed as "we", not "they". But to that end Europe must have a clear identity. In cold war years that identity was defined negatively: Europe was not the United States and was not the Soviet Union. That negative definition is no longer possible, yet no positive definition has taken its place. This problem needs to be addressed: what makes us Europeans? Geography? Values? To where does Europe extend?"

Well, any American knows for example that we would never have referred to Washington D.C., at least not for the first 144 years of our existence between 1789 and 1933—not including the years of the Civil War—we would not have referred to Washington as "they", except perhaps in a geographic sense. Nor would we have likely referred to them as "we", because Americans didn't care about the Federal Government and didn't know we had much of one until the New Deal came along and changed all that, and we've been living with the changes ever since. But for Europeans Brussels was Brussels from day one in terms of its importance to the continued evolution of the European project. And so there is a fundamental distinction there, and it seems to me, and I'll just close on this point, that the European search for identity is basically the quest of our time.

We Americans have a great deal at stake in not only observing but, if I may say so, in participating in this European search for an identity. Because in the process of searching for a European identity fit for our times, we ourselves have to reinvent, if you will, our own American identity in a post-Cold War, post 9–11, post God-knows-what-comes-next situation. And that, of course, will involve a redefinition of the transatlantic identity.

Whitehead

Ambassador Stevens.

Stevens

Both Ambassador Nowak and Ambassador Vášáryová have insisted quite a lot on the benefits to present Europe of their countries' membership. But although I share all your views I think that public opinion in general is not so much convinced of these advantages. And I think a public relations effort is needed. There is a case for an action, a road show, to convince public opinion because eventually these additional agreements will have to be approved and ratified. There are fears over agriculture - that the European Union will not be able to continue financing the present agricultural subsidies which are granted.

There are fears also over immigration, and not only among the far right. In public opinion surveys there are fears about job security. Also I was talking recently to non-governmental organizations, and they are afraid that funds which are going at present, for instance, to Africa and to Latin America will be diverted to your regions. And it is true that the budget for Latin America is being blocked. Also, the arguments at the time when Spain, Portugal, and Greece entered the EC are not the same any more. When they entered we were very concerned that they should enter anchored in our democratic system, but that is not a problem with your countries. And also the security aspect is not an argument that the man in the street is very much concerned about. So I think it might be good that you go back to the basics, to public opinion, to explain it.

Whitehead

Dr. Brenner.

Brenner

It seems that we have three related principle themes in our discussion. One is the enlargement of the European Union itself. The second is what this enlargement implies for the ability of the Union to exercise influence on world affairs commensurate with its economic strength. And thirdly there is the issue of the terms of partnership between this European Union and the United States. We have really been engaged over the past 12 years, since 1989, in a rolling adjustment to the dramatic new conditions. The two primary organizational instruments of Western Cooperation, NATO and the European Union, have sort of together been reorganizing the political space of Europe. Considerable

success has been made on a number of counts, a number of problematic elements within the rainbow.

I think the most prominent and most important issue, to my mind, is what exactly are going to be the terms of collaboration, the terms of partnership, between the United States and the European Union as the European Union acquires the ability, or at least the potential, to operate beyond the economic domain. The events of September 11th offer us an opportunity to look at these issues from a fresh angle. Let me just make a number of brief remarks by way of preliminary conclusions to be drawn from the way in which both the United States and the Europeans together have handled the crisis.

I think the first lesson is that that sort of campaign has to be multi-lateral. It requires a thorough degree of collaboration between the other states and their European allies. Secondly, it cannot be episodic. It must be sustained. Thirdly, the record to date suggests that sustained cooperation outside of intelligence-sharing itself has yet to be achieved, and may indeed prove to be problematic. There are two reasons for this. On the American side there is evidence of an instinct to act unilaterally. Yes it wishes to consult with its allies, but perhaps only on a selective basis, and at times after the fact rather than before the fact. On the European side the embryonic institutions of European security and defence policy can serve as a sounding board to be used in formulating and executing a sort of coherent policy, and can provide Washington and the White House with that apocryphal telephone number that Henry Kissinger was reportedly searching for, as we've heard, 30 years ago.

Whitehead

As our discussion proceeds we're widening it out to the big themes which underlie the whole of this conference, and that's good and as it should be, but I presume that we must try to remember, as it were, the headings for each section. And so I therefore interpret the last question as primarily about the institutional prospects and changes within Europe that may or may not permit this — the strengthening of the transatlantic relationship. I think that's the part we should focus on now, and the other points that you've raised we will come back to in future sessions. Could I ask Miguel Mesquita da Cunha if he would like to follow-up?

Mesquita da Cunha

As so very often when I listen to Belgian diplomats I very much wish they were right, and I enjoy listening to them.

Yet everyone in Brussels and everyone in diplomatic circles seems to speak about enlargement as if it were a forgone conclusion. As if enlargement will certainly take place. Now, are we quite sure about that? I can see a number of scenarios which could derail, and not only delay, but indeed prevent enlargement.

In the EU proper, countries like France or the UK could perfectly well say "no" to the treaties, either in Parliament or especially in a referendum, for a number of reasons. The treaties may be seen as yet another imposition by the elites upon the people, or as too costly, or too complicated, or because they could endanger the EU as we know it today, or indeed because the treaties would entail very serious financial problems for the common agricultural policy funds or the regional funds.

And while I mentioned the UK and France because those are the two countries where public opinion seems to be most opposed to enlargement, I should not forget to say that in places like Spain or Italy, especially with their current governments, or indeed Austria for political reasons, I could very well see any of these countries also saying no. And I should like to remind us that if any one of the countries says no, legally and politically we would be in a deep mire. And on the other hand, while it is not of course for me to comment, I could also imagine that if the economic and political situation in Europe and the world continues to worsen, one or more of the applicant countries could itself also say no.

So while enlargement may be devoutly to be wished, it is not yet a certainty. Besides, is enlargement a sort of obligation thrown upon us by the mighty hand of history, or is it an objective? Now it tends to be presented - or rather not presented - to public opinion as a historic necessity. Even if you don't know much about history, trust us. We have to do it. And the people, or the peoples, are no longer willing to accept that any more as an ukaze by the cognoscenti. I think enlargement has to be presented not as an obligation, but as an objective. As something which we want to realize, not something we have to consent to. And of course, that brings us to costs. I'm not concerned whether the costs are too high or too low, I'm concerned that leaders in the EU are telling the people there will be almost no costs.

How rude of me even to mention that! I'm sorry, but there will be significant costs, both agriculturally and political. And if our leaders are not willing to articulate that, then they will simply give ammunition to the opponents of accession because they will be able to say to the people: "Look, you are again being mislead." There will be costs, and indeed the latest political pronouncements, most

notably the Berlin Summit, are an extraordinary exercise in smoke screens by pretending that no costs had to be budgeted in the EU provisional financial arrangements for enlargement. That's rubbish. Thirdly, even assuming enlargement takes place according to plan and according to schedule, there still remains the institutional front and we should not kid ourselves about that. We have neither the institutional framework, nor the legal framework, nor the political framework to make the Union work, even if at a worse level than it works at the moment.

If the number of members is to be almost doubled and simultaneously the complexity of membership is to be much expanded, we don't have the means to deal with it. And if the attempt at Nice, which probably was and probably will be seen as one of the worst failures of European diplomacy, is anything to go by, we are not near having the institutional means to work after enlargement. And in that case the questions we've raised about national action versus European action, and national legitimacy versus European legitimacy, would take on a completely different significance simply because Europe would be unable to act.

Aside from the institutional aspect, the same difficulty appears on the external side. One may optimistically imagine that Russia is more or less agreeable to the membership of Baltic countries, or even of all the ex-Soviet republics, provided compensations are granted. Fair enough. But Ambassador de Schoutheete mentioned Cyprus and of course if one mentions Cyprus one has to mention Turkey. Is the Union really going to accept Cyprus if it's still divided? Will the Cyprus issue be resolved in time? And not only as a political declaration of goodwill, but as a binding constitutional document and as a reliable political practice in time for the enlargement of 2004. I would doubt it. Cyprus could indeed provide one more pretext for not ratifying or not ratifying at present the accession treaties. And even if Cyprus is accepted as a reunited country, that of course would singularly enhance the Turkish case for a fairly rapid accession, which in turn would raise extreme fears in our electorate.

And if enlargement doesn't take place, or doesn't take place according to plans, where are the contingency plans? Where are the contingency plans in diplomatic terms, in institutional terms, and indeed in intellectual terms? We are following blindly the idea it will take place without great hitches and it will take place soon. Fair enough. But suppose this lone Commission official happens to be right, what then? I'm very preoccupied by the absence of ideas about how to accommodate various scenarios which could lead to a non-accession. This is a very important point and

one that leads us to the issue of identity. The EU, to which I'm passionately devoted, is not Europe. The EU is not Europe. So, if the enlargement of the EU does not take place, where does it leave the EU, and what does it do to the European continent?

The way it is presented until now is that accession is by and large business as usual. One more step in our glorious, historic, and diplomatic progression. I don't think that is correct. I think that what we are now living through is one of those few historic determining moments in our continent. Not unlike the great upheavals of the wars after the French Revolution up to the Congress of Vienna. Not unlike the treaties of Versailles, Trianon and so on after World War I, or indeed of the great reorganizations after World War II. This is not an incremental step, this is a defining step. And that's why I don't like the notion of "enlargement" at all. I'm sorry. If I happen to be a Pole, a Slovak, a Cypriot, or whatever, I wouldn't like these prosperous, smug, rich, Western Europeans to benignly enlarge onto my territory. No, this is not a matter of enlargement, it's a matter of *accession,* which is totally different.

The idea is not so much that the Union will enlarge. It is rather that states, countries, politicians, and people will freely and consciously accede not only to a body of law, the treaties or acquis, but indeed to a project. And that's why I said that the EU and Europe are not the same at all. And that has to be taken into consideration. Professor Weinstein, and others, raised the question, again and again, and so did you, what makes us European?, and what makes others non-European?, and so on, as if that were one of the conditions for the process of enlargement or accession. I don't think it is.

Being in the Union means to accept a project, an idea, an adventure, which does not imply that those who do not participate in that project are any less European. On the contrary, and here I entirely go along with Professor Weinstein, the way the EU thinks of itself and defines itself is a turning point in history and in the history of ideas and indeed reflects upon what Europe is at all, in general. So, a word of caution and at the same time a word of hope, provided we accept that this is a historic challenge which cannot be made with other people.

And that is why I happen to disagree with Ambassador Stevens. No, it's not for the applicant countries to come and make road shows and demonstrations about costs and benefits. It's for our leaders - our political and intellectual leaders - to put the issue at its proper level. If we are not able to tell our peoples why it is so important and what's at

stake, they will certainly not accept the interested applicants coming and telling them.

Whitehead

This is a good moment to turn to Ambassador de Schoutheete and his response.

de Schoutheete

We are turning around the problems of identity in various ways, and we're coming to it through various channels. And I suppose one does need to address that, however difficult that is. The first point I would like to make is that in this part of the world we have become a people with multiple identities which we didn't use to have. Europe traditionally was a part of the world where people mostly had one identity, and mostly a national one, more or less since the Treaty of Westphalia. Of course there were exceptions. Belgium was an exception. But in most other cases the identity of the nation was the dominant identity for the citizen's concern.

Now, that has changed. I think we're moving more and more toward a situation, which possibly Americans understand better, of various or multiple identities. And this involves not only the European Union but more accentuated regional identities as well. In countries like mine, in countries like Spain, in countries like Germany or Italy, in many ways even in countries highly centralized such as France and Britain you find an element of regional identity, an element of national identity, and possibly an element of European identity.

What is the basis of that European identity? And here I accept the point which Mr. Mesquita da Cunha made, the fact that Europe is not the European Union, as true.

Although the distinction is becoming less clear as the European Union expands, it is clear that Switzerland is European even though Switzerland is not in the European Union. The same goes for Norway. But nevertheless there is an element of European identity which we need to define, because the treaty says that only European countries can accede to the Union, so we need to know what is a European country. And secondly, you have indeed a project for Europeans which is the European Union. This identity is I think highly difficult to define. It certainly has to do with values. It is, in fact, much easier to define when you are sitting in Peking or Tokyo. There you feel quite clearly what is European. It is more difficult to define when you sit in Brussels. But I think there is something specific in values, including, I think, a certain form of social

organization. It is possibly slightly different from the United States, but certainly on other aspects, including democratic values, the values are the same.

The European Union is indeed a project, as it has been from the very beginning. But over time that project has tended to become a process, and I think that as much as the European Union was clearly a project in the 1950s and 1960s, in the 1990s it has become a sort of process of permanent negotiations. Possibly one of the points we need to address now, which I think is implicit in the paper I put forward, is that we need to come back somehow to the idea of a project. To say what it is we collectively want to do in the European Union. What are our shared ambitions in the internal field, in the external fields? Do we have a social model which is, perhaps, different from that of the United States? Do we want, as Professor Brenner indicated, to exert a certain level of influence on world affairs and to enter into a more balanced transatlantic dialogue? I'll not address this issue at length now because that will come later on, but I cannot resist the temptation of recalling that one of the basic rules of modern diplomacy, which people tend to forget, is that it takes two to tango.

The problem of identity is very difficult to address, but it is very important that it should be addressed. It is probably not the sort of problem to which you can give a clear, short, and unequivocal answer. Nevertheless, I think there are elements of definition of a European project, and of a European identity, and I think at least an effort should be made to define it. And I agree with Mr. da Cunha that we do need to explain better to Western Europeans why it is we need to have accession from Eastern European states. I disagree with you on whether it is an obligation. It is in my view, both an obligation and an objective.

And I think the arguments are very easy to put forward, but the fact is that they have not been presented to public opinion, as they should have been since 1993 when in Copenhagen the heads of government decided that this was going to be happen. And I think that there is a lack of debate, although I don't believe it's likely to derail the process. I don't share your pessimism on that point. But while I don't think it's liable to derail the process, I do believe that the leadership in Western Europe should be much more explicit, much more articulate on the advantages of enlargement.

May I just say a word about reinforced cooperation, about which the Chairman questioned me in a former session. I believe reinforced cooperation is a very important element in an enlarged community, because the more diverse you are, the more you will need that sort of thing. I think it is

going to happen anyhow, and in fact has been happening anyhow. Shengen was an example, dealing with diversity initially between five member states and now including many more; initially outside the treaty and then inside the treaty. It's an example of the need to have a functioning system within the treaty to deal with those sorts of aspirations of a certain number of member states, to go a little further, to do a little more, and to allow them to do it without the rest. If you don't have that in the treaty, it's going to happen outside the treaty. This was the basic reasoning which led us in the negotiations in Amsterdam, against considerable doubts, both in national administrations and in the community institutions, about the wisdom of going down that road. I think that argument was won in Amsterdam. It was only slightly developed further in Nice, and you will find it appearing again in the debate in the Convention. There is a very strong case to be made to try and find a structure so that it doesn't happen outside of the framework of the treaties, accompanied by all sorts of potentially frustrating and disruptive elements.

Whitehead

Ambassador Muñoz Ledo.

Muñoz Ledo

Allow me to say some words from - I do not wish to say an outsider of Europe - but an associate country. We tend to see these phenomena of enlargement and building Europe as a long-term process. Of course, there will be many difficulties in the short term. The next enlargement has risks, and the institutional view will change constantly. The European Union has to adapt itself to the enlargement. I do not see this as a grave problem of identity or diversity, because if you observe Latin Americans, you see that we are at the opposite pole. We have almost full identity from the start. We speak the same language, we are the same — I feel myself not as a Mexican, but as Latin American. And yet we have no unity. And you have unity, although you have no national identity. The problem is that we are thinking in terms of the national state, while globalisation means that little by little we have to abandon the classical framework of the national state.

Globalisation started at the end of the 15th century with Christopher Columbus, and national states started at the end of the 15th century with the consolidation of the European markets. So the two processes are exactly parallel in history. And now globalisation has become a most attractive phenomena. And globalisation is not only about free trade, a universal financial system, or media. Globalisation means a

very profound revolution in culture and political approach. Ambassador Willy Stevens knows the key problem in the relations between Latin America and Europe is the juridical personality of Latin America. The European Parliament has already voted and formalized an initiative in the sense that European Union has to develop a series of original grievances starting with one association agreement with the whole of Latin America. The process of integration of Latin America is parallel to the process of enlargement of Europe. And both are part of the new world scenario, which will be the scenario of regions. That is our perception, and we think that invariably things will go in that direction.

Whitehead

May I now turn to Dr. Andrzej Olechowski, please.

Olechowski

Thank you, Mr. Chairman. I know it's not fair for somebody who didn't manage to hear the whole debate to intervene, but I found Mr. Mesquita da Cunha's remarks so engaging that I would like to make a few very brief points. The first is that what we are enlarging is the community of nations, so I don't feel at all concerned that my identity is endangered. New nations will join the current community and the United Europe project will become their project in the making, an unfinished business as it is today that it will be also up to us to finish.

Why we are enlarging? Because it makes a lot of sense. Not because it is an imperative of history, but because numerous studies prove that the GDP will be larger, both in the current member countries and in the candidate countries, and we will draw significant political gains in terms of stability, peace, cooperation, and so on, from that. We are doing this exercise at a relatively low cost. I was surprised by what you said about significant costs. All the studies I've seen talk about basically a fraction of percent of GDP. And compared with other public goods and services delivered by states that cost strikes me as trivial, particularly when compared to the gains we shall obtain.

Why don't we have contingency plans? Because it is not wise to have contingency plans for programs, projects, and targets that are considered of utmost importance. We didn't have a contingency or an alternative for the euro. If the euro collapsed, we wouldn't know what to do. Alternatives encourage dissent. They encourage people who want to fight our plan, because there is a plan B.

What I fully agree with you on is that we need much more involvement of people. It is a large disappointment for me to

see that only in Germany, Austria, and in the Nordic countries are politicians talking to their people about enlargement. In other countries they do it rarely, and then only those who are involved in international politics. We need the involvement of people to ensure the approval of enlargement in the European Parliaments. We definitely need this, because enlargement is—and this is my final point—a window of opportunity. And that window may close very abruptly on us. It may close either by an unwise decision of one of the Parliaments, or by a negative vote in a referendum in one of the candidate countries.

Whitehead

I will now turn to Ambassador de Schoutheete to finish this session.

de Schoutheete

I do want my lunch, so I will be very short. I was very struck by the Mexican Ambassador's comparison saying that Latin America has identity but no unity, and that we have unity but no identity. I hadn't thought of that before. I will certainly bring that back with me and consider it. I am less certain that globalisation necessarily means the disappearance of the nation state, but I think that is a problem of degree. Regarding Minister Olechowski, I simply have to say that I agree with his arguments and with his presentation. May I just say one thing? The main argument, I think it was Dr. Grabendorff who made the point, the main argument for the European Union as a project and a process is when you consider the costs of non-Europe. And the main argument in favour of enlargement is to consider the cost of non-enlargement, both for the Western part of the continent, and for the Eastern part of the continent. And if you look at it that way I think it becomes very convincing.