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EU enlargement under stress – the policy of consolidation, conditionality and communication

I am glad to address you here in Berlin today at a time when the EU's enlargement process is under considerable stress. I am glad too that you've had some lunch before my talk – following Berthold Brecht's dictum "Erst kommt das Fressen, dann kommt die Morale"!

I'd like to reflect today on how we move forward in enlargement policy at a moment of political uncertainty for the EU – and how we communicate better what is at stake, both as to the economic benefits and our strategic interests. The latter you may call the geopolitical or why not 'geo-cultural' dimension of enlargement.

After the French and Dutch referenda, some politicians were quick to call for a slowdown or even a stop to our enlargement process. Certainly we need to pace ourselves after last year's Big Bang, when ten new members joined the Union. But it would be irresponsible to disrupt a valuable process that is helping to build stable partners in the most unstable parts of Europe.

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¹ "First grub, then philosophy!" Threepenny Opera

Yesterday in Bosnia, I took part in the commemorative ceremony of the Srebrenica genocide. No European should ever forget those atrocities. We have a duty to remember, so that we see no more Srebrenicas. That duty necessarily implies that we must stick to our commitment to the stability in the Western Balkans. If the EU went wobbly about the Western Balkans' long-term prospect of membership, our beneficial influence would be seriously eroded just when the region is entering a very difficult period of talks on Kosovo's future status. The European perspective for the whole region is the goal that keeps it on a peaceful and stable track, and the key to finding a sustainable solution for Kosovo.

It is now up to every responsible politician to calm the overheated debate, since enlargement is one of our best security guarantees. It reflects the essence of the EU as a civilian power, extending the zone of peace and stability, liberty and democracy, across the continent. The EU has used its soft power to shape post-communist Central and Eastern Europe in its own image of liberal democracy and social market economy, ensuring stability during the difficult and potentially dangerous years after the fall of the Berlin Wall.

Enlargement is rather a process than an end in itself; in this process the perspective of EU membership works as a powerful anchor of democracy and incentive for political and economic reform. Look at Spain and Portugal in the last 20 years. Look at Poland and Estonia in the last 10 years. Look at Croatia and Turkey in the recent years – and follow them in the coming years to see what the prospect of accession can do for the rule of law and economic reforms.

How should we now move forward so that enlargement continues to transform these countries? Plan A for the constitution didn't work, and there never was a Plan B. In enlargement, let's work on Plan C, by which I mean: consolidation, conditionality and communication.

1. Consolidation

While underlining the historic mission of enlargement, we must simultaneously take into account the concerns of those fellow Europeans who believe that enlargement is moving too fast. There is no denying that Europe suffers from a certain enlargement blues – I am neither blind nor illiterate. The blues is there, even if it could as well be called the unemployment blues, the welfare state blues, the globalisation blues, or the legitimacy blues. In other words, the origins of the present political crisis go deeper into our social fabric, and the decisive causes of the No votes are rather found in the sense of insecurity and social discontent, largely stemming from high unemployment. While feeling the pain of our fellow citizens and redressing it, we should not draw the false conclusion and make EU enlargement a scapegoat of these social and economic problems.

Even so, it is true that the EU's enlargement agenda is stretched to its limits. Consequently, we'd better ensure its consolidation by being very cautious before taking any new commitments in enlargement, while at the same time sticking to our existing commitments. The EU is based on the principle *pacta sunt servanda* – which means that it is fundamentally a community of commitments, where sticking to one's word is a basic value.

This means that Bulgaria and Romania can join the Union in 2007, if they fulfil the rigorous conditions set in the Accession Treaty. This means that accession negotiations will start with Croatia and Turkey once they meet the strict criteria set by the EU. And it means that the countries of the Western Balkans maintain their European perspective. In the current political climate, I found it reassuring that The European Council in June clearly re-confirmed these existing commitments. That gives us a solid base for future work.

2. Conditionality

How can the candidates and potential candidates ensure fulfilment of the promise of eventually joining the EU? The best way to reassure the European public is by sticking to the conditions for membership. We must make sure that future members will not disrupt the Union but reinforce it – that was, after all, the fourth (and often forgotten) condition set at Copenhagen in 1993, stating that we must ensure the momentum of European integration.

It is my duty to ensure that any new country joining the Union is well-prepared to cope with the obligations of membership. For that reason, the EU's assistance is geared towards economic reforms and improving state institutions. The candidate countries and potential candidates should use this support to pursue reforms. The only way to get to the EU is to do the homework, no more, no less.

This has been my line as the Commissioner for Enlargement. While I hope Bulgaria and Romania will make it in time, I am prepared to recommend the postponement of their membership if they do not implement essential reforms. I would like to start negotiations with

Croatia, but that will only be possible once the country is cooperating fully with the United Nations' War Crimes Tribunal in The Hague. Turkey is required to bring into force six pieces of legislation that greatly enhance human rights and to sign a protocol extending its existing association agreement with the EU to all new members, including Cyprus, before starting accession negotiations.

3. Communication

Let me move to the last C, <u>communication</u>. Myths and perceptions aside, the EU's enlargement is a success story. Another 75 million people joined the EU last year, smoothly and without the disasters forecast in the press. The new members have not caused a deadlock in the Council, or a collapse of the Commission. The cost of the new members to budget is less than 10 per cent of the total. And there are no floods of migrant workers. The free movement of workers across the EU has been limited after the 2004 enlargement for up to seven years, depending on the choice of a member state.

But somewhere along the way, the narrative has been lost. Both the Commission and the Member States must move from the technical to the communicative. We have just launched a civil society dialogue between the citizens of the current EU and the candidate countries. We must combat prejudices and get to know each other better. I hope the research community can contribute to this dialogue.

Economic myths and realities about enlargement

To start with, we should better communicate the economic case for enlargement. Have you heard about the Polish plumber? In France, he has become the scapegoat for every economic and social problem, even when in reality there is a shortage of thousands of plumbers in the country! Across the Channel, people want him to work for them in their houses, and he is welcomed with open arms.

What about jobs being lost due to enlargement? Last year's enlargement has boosted growth and created new jobs in the European economy. It started well before the date of accession. The velvet revolutions of 1989 in Central and Eastern Europe opened up a market of 100 million people to the companies of Western Europe, giving great business opportunities e.g. for French supermarket chains and car manufacturers and for Dutch telecom makers and foodstuff producers, and for countless companies from the German *Mittelstand* selling their products in Central and Eastern Europe.

Since 1989, the EU has become the main economic partner of its Eastern neighbours. Exports from Western Europe to Central and Eastern Europe have <u>tripled</u> since 1993, creating far more jobs for EU citizens than were lost by the relocation of low-cost production.

How about 'social dumping'? Countries that are joining the EU must enforce EU labour standards, including minimum standards of safety at work and measures to combat discrimination. These standards prevent 'social dumping' within the EU. Of course wage-levels differ across the Union, as with non-member countries, but that helps to keep the EU as a whole competitive in the global economy.

In reality, people are concerned about the economic effects of globalisation. It is not Jacques Delors or Vaclav Havel who are responsible for the extension of the capitalist world economy, but rather Deng Xiao-Ping, Manmohan Singh and Enrique Cardoso — who opened their economies and allowed two billion people to enter the world market in the last two decades. The EU is rather a political response to steer economic globalisation and boost growth and jobs by making a large internal market with common innovation policies and social and environmental standards. Ralph Miliband put it impeccably in his classic *The State in the Capitalist Society* in 1969:

The European Economic Community is an attempt to solve the fundamental contradiction of capitalism, i.e. the conflict between the world economy and the nation-state.

The strategic case for enlargement policy

It may be an understatement to note that contemporary European politics lacks emphasis on our common strategic interest. This is seriously felt in enlargement policy, which is often seen strangely as separate from other geopolitical and cultural developments in our own continent or immediate neighbourhood. Yet enlargement is in reality Europe's first and foremost security policy in our era which has been described, right or wrong, as the clash of civilisations.

Europe's pursuit of peace and democracy is facing new challenges and new threats. I refer especially to the cowardly acts of terrorism in London last Thursday, targeting innocent individuals, Christians and Muslims, believers and non-believers, blacks and whites, Britons and foreigners. These acts were a brutal crime against humanity, which must be condemned by the whole civilised world.

We don't yet know who the perpetrators were, even though a group subscribing to Islamic fundamentalism declared responsibility. Under all circumstances, it would be wrong to make all Muslims guilty for atrocities committed by a small group of fanatics in the name of Islam. It is important that religious leaders of Muslims condemned these brutal attacks, and we have the right to expect that they join the fight against terrorism in the ground in Europe and elsewhere.

Although history seldom repeats itself, we can learn from it. During the Cold War, Europe and the West had a dual strategy to deal with the Soviet Union and its military-ideological threat. On the one hand, it was based on a firm policy of containment, provided by Nato in security and the EEC in economics. On the other hand, it was based on building bridges and co-operation – or *détente* – with the peoples behind the Iron Curtain, which was facilitated by the Conference of Security and Co-operation in Europe (CSCE). It was initiated by Finnish President Urho Kekkonen in 1969 and culminated to the signing of the Helsinki Final Act in 1975.

Both containment and co-operation were instrumental in tearing down the Wall. Those who doubt the impact of the CSCE should consult the memoirs of Vaclav Havel, Andrei Sakharov or Natan Sharansky, who underline the legitimising value of the CSCE Final Act in the fight for human rights by *Charta 77* in Czechoslovakia and by the Helsinki Committees everywhere in Eastern Europe.

In our era, without denying the role of geopolitics, it is evident that global cultural and identity politics have become more dominant. Thus, the relations between Europe and Islam – inside and outside Europe – is <u>a</u> if not <u>the</u> major challenge of our time. Again, we need

both containment and co-operation. The European Union shall show resolve against terrorism and firmly contain all kinds of fundamentalism, while at the same time we shall continue building bridges with the moderate strands of Islam which respect universal democratic values. The 21st century world is not doomed to a clash of civilisations, but can be built on dialogue and co-operation.

This is not least of the reasons why the Commission two weeks ago presented the negotiating framework for Turkey to the member states. Europe needs a stable, democratic and prosperous Turkey, which adopts and implements our values, our rule of law, our policies, our standards. It is in our own strategic interest.

The negotiating framework is the most rigorous one ever presented, catering for rigorous but fair negotiations. It states that the shared objective of negotiations is accession, even though by their very nature the negotiations are an open-ended process. We are starting a long and difficult journey, where the journey – or the reforms that make the rule of law an everyday reality in all walks of life and all corners of the country – will be as important as the destination.

Conclusion

In conclusion, let's consider the counter-factual: how would the EU fare if we stopped our process of enlargement? When reflecting on the pros and cons of enlargement, we should also definitively consider the costs of <u>non-enlargement</u>.

As Konrad Adenauer coined it so well: "Die Weltgeschichte ist auch die Summe dessen, was vermeidbar gewesen wäre."²

Would the EU be better off without the countries of Central and Eastern Europe as stable, democratic and increasingly prosperous members? Would the EU be better off with a Turkey that turns its back on us and rejects democratic values? I strongly believe not. Can we afford the Western Balkans to become a new ghetto inside Europe? That is what we risk if we stop our accession process.

By extending the zone of peace and democracy, the EU has achieved far more through its gravitational pull than it could have by a stick or a sword. Of course, we must use this soft power in manageable doses, so that it respects the absorption capacity of the EU, and the capacity of the candidates to meet strict conditions.

We are carefully listening to citizens' concerns. But we should tackle the painfully high unemployment and related social discontent with effective economic and social policies, not draw false conclusions on enlargement – or to put it even more frankly, not to make the Polish plumber the scapegoat of domestic policy failures.

It is the joint responsibility of both the civil society and the political leaders to tackle myths and put the record straight on enlargement. Instead of making enlargement the scapegoat for Europe's ills, let's show what it really has done to transform the acceding countries and to enhance our own security. Let the facts overcome the myths.

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² "The history of the world is also the sum of what might have been avoided."