

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

Without more ado about 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. A paper by Ambassador Philippe de Schoutheete, Special Advisor to the European Commission, former Permanent Representative of Belgium to the European Union, the paper is called *The Impact of Enlargement on European Institutions*.

de Schoutheete

Thank you very much. The agenda you have says that I am going to talk about EU enlargement, but that is such a vast subject with great technical dossiers varying from country to country, and I don't believe anyone could do that in a quarter of an hour. 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, nor 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, means size and a greater size in the body means that decision making is more difficult.

Just as it's true in corporate governance and just as it is in the public bodies, there is always the problem of increasing diversity because the more countries you take into such a body, the greater differences occur. For instance, the last enlargement of the European Union, that which brought in Sweden, Finland, Austria, obviously had an impact on matters such as common foreign and security policies, because free standing or non-allied 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 we've had before, because we're talking about ten, twelve, or thirteen states. That is to say all previous enlargements dealt with one, two, or three states. And moreover, a greater diversity because the states concerned had over the past half century followed a completely different historical development.

So, that is the first point I want to make, in fact it is obviously difficult to estimate that impact, you first have to agree on what exactly has been the essential characteristics of the European Union and I tend to argue, and I have argued in a book, that these 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 or to debate. That is the major difference between the Council of Europe as it stands now since 1948, which is basically a place where European states debate, discuss, exchange views, and the Union which is a place where people try to define and to implement policies. So, it is action oriented. It is goal oriented in the sense that the way it defines itself is by giving itself goals, giving itself more or less ambitious goals, and successive goals. The first one was creating a Customs Union in the late '50s, then you had the idea of developing different policies, including the common agricultural policy, then the single market, more lately the Monetary Union, and now common foreign and security for justice and foreign affairs. This temporal succession in time 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 and because it is 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 main elements in the discussion on European institutions. And developments in the past decade or so have complimented these two basic preoccupations with a certain number of new concerns. One has been interrogation on whether efficient decision making is enough, and whether one shouldn't also be concerned by the democratic character of that decision making process, and I will come back to that.

There has been also a question of where this is to stop. Where is this successive — 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 that one, 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 one of which, the most notable one of which was the tension over the ratification of Maastricht in 1992.

There has been another one quite recently with the Irish referendum, which indicate a split between public opinion and political opinion, between the political elite and the way people vote. 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 80% of the votes.

Finally what is the border? For many years the European Union developed itself with a natural border, and the 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 it stop. What is the border? What is European identity? What is it to be European? All of these questions come in the debate, and of course, their solution is not always obvious.

The main 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 problems which are the natural consequence of the development of the European Union over 50 years.

Enlargement makes these questions rather more keenly felt, that it sometimes makes the answers more complex, and it certainly brings forward those problems on the agenda. So, that my first conclusion would be that. Enlargement, in fact, only makes problems more acute. It only makes problems more pressing. It doesn't create by itself new problems. Now, that is the introduction I wanted to make. Let's have a look at the problem 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 way of making decisions more fluid and have, in some way, a stronger 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, and that is the element of diversity.

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

treaty. Both in the direction of more majority voting, which is, of course, a way of making progress also in the field of closer cooperation, and which is a way of putting diversity in the system.

Now because that was felt not to be enough, a new treaty was envisioned, a new inter-governmental conference met, which led to the Nice Treaty. Since that was also unsatisfactory, a new process is now being started 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 as efficient, both with a greater number of participants. That is in fact, what Amsterdam, Nice, and the present process forces 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 favorable 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, they have today reached the limit of its capacity. If you will remember that sentence from Tony Blair after Nice, after 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, but he expressed views that are partially shared by his colleagues. My conclusion on this point for the moment would be that no substantial change — that no substantial change will probably be made before the announcement, and that therefore there is a risk of an enlarged union becoming 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 of the older, because weaker central decision making process will probably weaken the policies in which new member states have the greatest interest.

Now on policies and objectives, as I said the capacity to define and to implement common policies is best coordinated through two mechanisms. One is generally known as the community effort. It has been largely used in fields like agriculture, and fisheries, and regional development, research, environment, and that is perhaps its main characteristic. The other one 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 go away from the community method and more towards the intergovernmental method. Most of the community based policies are old policies, most of the new policies are based on an intergovernmental approach.

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

There is another element I will put to you, which is, I think, the diminishing sense of solidarity between the states which is due — which is due to a good reason. It is due, amongst other things, to 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. That has diminished because generations pass, and the generations who have a memory or an indirect memory of the war, are gradually leaving the stage. There is a disappearance of the Soviet threat, undoubtedly the Soviet threat in the '60s was one of the elements that brought Western European countries together, one that created a feeling of solidarity. There is, of course, a feeling of solidarity between European States.

The point is that it's probably rather less strong today than it was some years ago and that it enabled the Union to devise and to implement policies that, among other things, tilted the balance on whether you enlarge or whether you do not enlarge. Now, this of course brings me to the question what could — what could increase that feeling of solidarity. The dynamics in the system — and then you come quite rapidly to the conclusion that if you wanted to increase the system dynamics you would have to develop more of the concept of where we're going to. One of the reasons why solidarity is diminishing is that there is no clear view in public opinion as to where this is leading. And because people don't understand exactly where this is leading, they are less inclined to develop their common goal. This then brings me to my final point which is on public opinion, and the problems of democracy, legitimacy, and identity. I belong to a minority school that does not believe that 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 think I tend to believe that the problem is not democracy, but legitimacy which is not exactly the same thing as democracy. Legitimacy can come, indeed, in an institutional system from the inputs. That is, from the fact that the basic functioning of the system is based on elected politicians. There is also an element of output legitimacy, which is what people expect from it. And I'd like to quote a marvelous author from the 18th century, Burke.

Burke says on his reflections of the French Revolution, as long ago as 1790. He says 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 human want, and I think that is where the deficit exists. The deficit is 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 that. 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*. Brussels should be considered as being *we*. And how do we get from they to we is, I think, a basic issue still to be faced.

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 fulfill the mandate that was asked ... 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 skeptic but my understanding of these issues is at the moment at the very least very negative. From the outside the European project is seen as a very cumbersome process of pooling resources and sovereignty by nation states and that 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 the doses of realism 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 the European Union with quite different public opinions in the accession states in the years to come, very different than we have expected. And inside, the Ambassador has already eluded to that, we find a great deal of disillusionment. Disillusionment why? 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. Because internal advantages, what I am getting out of Brussels, seems to be the more important issue than what are we contributing to the European project. That has not always been the case, but it has been the case in the recent years. And that's why there is a lack of solidarity, and that's why there is a lack of subsidiarity. There is not enough relationship between what has to be done underground 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 the policy was conceived in Europe, but the implementation has been either too slow, or it has been lagging behind the expectations. I think the enlargement process itself is the best proof for that argument. And also Europe has not been as much action oriented as it should have been, or I would add, it has not been able to be sufficiently reaction oriented. The track record of international action, of international reaction, of adaptation to the changes in the international system of the European Union is, in my opinion, rather dismal.

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 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, not the European view of the world, and the states reacted accordingly, especially with regard to security related issues. And it also

seems very noticeable in the successive widening of the European Union, and that is true of the former widening as well as of the future widening, that the national interests always become more important. 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 in 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 to mention that another outcome of the European Union's process could be 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 has always been driven by political intentions, beginning with the very intentions of its founding fathers, has become an economic integration format although economic integration was always previously seen as an instrument and not as a goal in itself of the European Union. Why are so many new policies mainly inter-government, and not any more as it used to be communautaire?

I think it has a lot to do with the question of control, or at least influence of the member states. Home affairs, foreign affairs, mean issues much closer to sovereignty. They involve issues where regulations touch 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 be regulated 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 gained the identities only after the end of the socialism - the capacity to create nation states that are — want to be in the position to determine their fate in their own way. It does not seem, at least to me, that the course in economic terms is so important.

Europe still is one of the dominant areas of the world. But it is a capacity of control of identity which is at stake in the member states. It is more important to be Spanish, or Polish, or British, than being 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 try to estimate also the

costs of a non existence of a political Europe, the cost of the non existence of the economic integration of Europe.

Because only if those costs become clear to the member states, they might be more willing to pool more of their sovereignty. Let me finish up by saying it is not only the problem of less solidarity, it is mainly the 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? That has become the coinage of European discussions, and that seems to be one of the main problems to be confronted in the years to come. The feeling of togetherness which had been downgraded after the Second World War and was obviously enhanced by the Cold War, is disappearing, and therefore it seems to be that we need a new push, a new understanding, and possibly it could come just 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 reference to Ambassador de Schoutete; his statement that in his view enlargement would have the effect of — and I use the word — 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 skeptical states of 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 frustration on the parts of national governments, between those who instinctively 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 Valéry Giscard d'Estaing 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 European level, but which people will feel much more comfortable if they are dealt with, perhaps nationally and maybe even more effectively at regional level, too.

There is an in-built 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. Second point, the Ambassador eloquently and wisely highlighted the distinction in the public mind between *them* and *we*. It has been the case since 1957 in my opinion, that *they* and *we* 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 it remains the case, that the Brussels about which the media and public opinion weighs is not Brussels which is something else, it is our ministers sitting around the same table.

And therefore Ambassador I feel, and I push your point slightly, I hope you agree with me, that unless and until the government ministers who are the people with the power to decide, have got the necessary courage to explain to their national populations in their national parliaments, that Brussels is them, not someone else, 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. The particularly prominent global responsibilities which are shared between the Europeans and the Americans at the moment, are obviously in the first place the future of the new world trade round.

Moreover, that in terms of development 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 of 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. Widely discounted in the global media, but which, in effect, led to the fact that 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 — between those definitions and a new concept which is a dual concept of the processes necessary to achieve peacemaking, followed by the processes necessary to deliver peacekeeping, that peace having been made in the first case.

We can see examples of that most prominently in the Western Balkans where the European countries have deployed following their peacemaking successes, the peacekeeping necessary by deploying community civilian forces like the ones in the strife driven Northern Ireland, in places like Bosnia. And are following through today in the streets of Kabul with those kinds of experiences that 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. The United States having the ability, having the equipment, having the capacity to handle defence, to handle conflict, with the Europeans unable to have that capacity, but delivering a new concept, the concept of peacemaking through diplomacy, and peacekeeping as I have described it.

My last point therefore is this: As globalization 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 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, 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 notice 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, too. 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, 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 sentence is a local point; I am embarrassed 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 step 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 with 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, et cetera. Let me say that this was very well expressed by Pope John Paul II who was speaking about two lungs within one body. Furthermore, it was also widely expected that Central and Eastern Europe was able to contribute to a unified Europe with its experience of the totalitarian system, its attachment to the idea of Europe, its fresh blood and challenge to the consumerism of Western

Europe. In fact, the only possibility for the return was the enlargement as a difficult and painful process — long process of application of *acquis communautaire*, 80,000 pages. It is a process resembling to a certain extent Germany's reunification.

There was a general consent 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 democracy system. Any idea 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, that's 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 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 I mean common values.

We would expect the solidarity which appeared in the beginning of 1980 when Spain, Portugal, and Greece were accepted to the Union. Failure of enlargement would result in dramatic reactions, particularly in Poland

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

New situation after the enlargement will help create a more balanced competition among the EU, NAFTA, Japan, and China. Geo-strategic and geo-economic position of Europe will improve among other things because of better control of gas pipe lines and 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 taking here about. A shift from the South-West Mediterranean, to the North-East, may occur, but I believe now after my experience in Spain that the concept of center of gravity in the EU is rather a myth.

Loss of coherence, that's another question. It should be prevented and fortunately Laeken Declaration shows that there is a consciousness of this issue. And the third thing, the emergence of Europe of two speeds may be avoided by a more firm anchoring of the EU in the principles of solidarity and sustainable development. And this was also mentioned in the Laeken Declaration, although there is no really concrete program how to do it. So, in the conclusion, advantages prevail over disadvantages, however the risks

require building up a decision making structure capable of coping with the challenge. That problem which was mentioned by Dr. Wolf Grabendorff, that is the problem of balancing the national interests and the communitarian approaches are the basic things.

Central and Eastern Europe is extremely sensitive to this issue but let me say that understanding of common interests does exist . And one additional remark: One of the speakers told us that the economic costs were not so important. From our perspective, when we deal with the problems of the agriculture, with other problems , we are overpowered by the feeling that yes, it is 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 the strengthening of the relations of the European Union with the United States. Now, the development of the CSDP and the CFSP has to be accelerated with the new members. It will 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 the Polish-Russian relations will help.

Some of the candidates to the EU have already become NATO member states, like Poland. 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 complimenting each other's tasks and responsibilities, and this is especially seen in the Balkans. Polish decision, for example, to send the military contingent to Afghanistan contributes to abandoning the European 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. It can be also seen in shifting priorities of the Spanish Presidency in the EU. At the beginning the enlargement was the first priority, and then there was second, third, fourth. Now, it is on the sixth place.

The struggle to eradicate terrorism has become, of course, major organizing force of the Western Community. An overlap of the internal and external security in some cases may limit interest in enlargement due 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 that. We believe that enlargement would offer more opportunities

It is not clear if the enlargement may also be affected by a new tendency to supplement existing alliances of international defence mechanisms by *ad hoc* coalitions and groups of 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 the military measures, intelligence, exchange of information. In some cases it may hamper, in some cases it may also accelerate. So, one has to look at this subject a little bit more closely. The enlargement may also be useful in the settlement of relations between Russia and the West, by adopting new principles and burying the old East-West divisions, helping Russia to depart from centuries long policy of domination of its Western neighbours.

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

Whitehead

Thank you very much. That has, as it were, widened our concerns with enlargement, and has raised a number of issues that will come up, not only on this sessions on European Institutions, but also on relations with the OSCE countries, and the NATO enlargement, and so on. In the few minutes which we still have where we could take one or more questions or comments from around the table, 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 — for 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, he skipped over the sentence, "Whether a system of pioneer group or avant-garde could be usefully implemented in that context, is a separate and open question." I think that the balance between that approach versus the convention approach is something we ought to pause and consider. The next speaker is Ambassador Daniel Dultzin.

Dultzin

I'm representing the Mexican Economic Ministry for Europe, and I would love to ask a question. It strikes me, as a non-European, that being present here at a moment of a great, great success of Europe which is the introduction,

very swiftly, and very fantastic achievement, historical achievement, of having a single currency, and the meaning of it, that it's not taking up in its implications. I would just like to see whether you see the implications, more or less, in the same way I do, in a very brief way.

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

de Schoutete

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 the Brussels conference, they decide immediately, and after taking some decisions as a group 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 participation in this. This comes from Brussels. All is Brussels. So, we have a problem of lack of intimacy which is in itself, let's say, destructive. I On enlarging 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 The Czechoslovakian Ambassador to Vienna, now the Slovak Ambassador to Warsaw.

Vášáryová

There is a tendency not to speak about internal political problems in Austria but we are dealing with problems of the enlargement of EU, and of the problems with our nuclear power plants. And we discuss everything, but not the problems in Austria. So, 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 costs, we are looking forward to hear about their benefits. If you are speaking privately with the Austrian political elite members, they 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 the 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 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 peacekeeping, so we should speak about peace spreading process, and not wait for another problem. In the paper we've got 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 the artificial border in Europe.

Whitehead

Thank you very much. I would just like to follow-up the point that you're making where you quote the specific example, Austria, by turning to a slightly more general issue which is that enlargement is a process which requires the consent of all 15 existing member states, as well as of the European Parliament. Of course, that does raise 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 will be grateful, if Ambassador could say a word or two in his round-up remarks also about how he sees this procedural dimension. The Ambassador has referred to the prospect of enlargement as a great pressure forcing reform in candidate countries. But the project of enlargement also attracts resistance in existing member states for they are not yet ready to undertake all those reforms, possibly being attracted by delaying tactics. Ambassador de Schoutheete, would you like to comment on all this.

de Schoutheete

In the first place I will withdraw the word “natural” in “natural border”, I think the Ambassador has a good point. I think it was an inescapable border in the given circumstances, 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 past. We are reasoning, 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 simply because largely 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 package 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 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, I won't try. So — but that being a part of it, there is a problem of public opinion, there is a problem of getting that through Parliament, there may be a problem of internal debate in explaining the costs and the benefits, and the political advantages, and the historical implications, and so on, there will be that debate but it's 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 on whether it will happen. That is perhaps one point I wanted to make.

The second, 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 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, on 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 on financial, and securities, market on money.

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 an institutional European body, with a Central Bank in the case of monetary affairs, with Solana in the case of diplomacy. My information is that the Belgian Foreign Minister chairing the council was informed of the US attack on — first US strike in Afghanistan by Solana who had, himself, been informed by Powell two or three hours before it happened. That'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 European institutions. It is a partial answer to the Kissinger telephone question. Kissinger once told that me he had never posed that question, but that he didn't want to deny it because he thought it did reflect his views, but he never publicized it. So, that's for that. There is another case, I think, which is the European arrest warrant.

My successor as Belgium Permanent Representative tells me that in his view, his most considerable success was to have got that European arrest warrant, which six months ago nobody thought was off. It's not going to happen. But press concentrates on who goes to Washington between the 11th and 20th of September, and in what order are they 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 putting into question what we are doing and — and I think that's one of our strengths. Because we are a continent of doubt, that we publicly put ourselves into question and then — so you get the Euro, ten years ago we were doubting whether we would get the Euro. You get the Euro and then you doubt whether that is as important as you may think. That is the way we handle these things. Perhaps its equality, perhaps a defect, but anyway, that's the way it works. On 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 than we do European. That, of course, is true but the truth is that we feel both, 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 I have to say, and certainly I know most 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, so I think you can widen that out. 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 democratic deficit. Perhaps we operate with two standards. When the European Parliament gets a turnout at its election of 40% lots of people, indeed I believe Professor Whitehead underlines that this is a sign of 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, nobody sort of says that George Bush is an illegitimate president. So there is an element of two standards. I think in that there is a general — in the Western world at least, 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 national 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 the past enlargements, and I think the list could be expanded.

What makes us Europeans, and what makes US different than THEM. Our Ukrainian neighbours know the problem very well, because traveling to Kiev quite often and traveling to Lviv even more often, I'm often asked: what makes you European unquestionably? What makes us European questionably? I mean, what are the criteria of being European which Poles apparently meet, and Ukrainians are questioned about. Well, but we are faced with the tangible

phenomenon of a lack, of a crisis, of European 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 of ever overcoming the deficit of solidarity.

Now, how has that European identity developed historically? Let's compare it with the American identity. We don't have in the beginning 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 now 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 with the present day mass media which are given to anything but to the development of cultural identity of any kind. That's the problem. There is no — well, that 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 reestablish itself in the public mind, well 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, either we do it consciously, or you 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, Chairman. The four most dangerous words in the English language as we know is I will be brief, but I will try to be brief. And I appreciate Dr. Najder's comments, because I am also going to talk to the — speak to the issue of identity. But first if I may say so, 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, or of European identity, of regional identity, reminds me — or puts me in a mind of an old story that some of you may know about the two farmers with the land dispute who went before the judge.

And the judge heard the first farmer out about this piece of land and who owned it. The judge said you're right, and the second farmer said well, but you haven't heard my arguments. The Judge said: speak. The judge listened to him and turned to the second farmer and said you're right. And a stranger in the courtroom turned to 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.

You are both right in different ways, national forces — national identities have been strengthened, while at the same time as you, Ambassador, and as Geoffrey Martin had 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 and I would like to focus and highlight for our colleagues a paragraph of ours, and at the risk of — well, I'll just go ahead and read it if I may. If you don't mind — I don't consider this plagiarism, I'm just supporting you here.

The paragraph on which, on page three of your talk, you said, "finally support can only be regained if people are able to identify with Europe. Europe, Brussels should be *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 identity is no longer possible. No positive a definition has taken its place. That problems needs to be addressed. What makes us Europeans — geography values — to where does Europe extend?"

Well, any American knows for example, that we could never have referred for the first 144 years of our existence, between 1789 and 1933 except for the years of the Civil War, we could not have referred to Washington as they, and we — because — or only in a geographic sense 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, but it seems to me, and I'll just close here, that the European search for identity is basically the quest of our time.

We Americans have a great deal of 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 this European identity fit for our times, we have to reinvent, if you will, our American identity in a post Cold War, post 9-11, post God knows what comes next

situation. And that, of course, will involve the redefinition of the transatlantic identity.

Whitehead

Ambassador Stevens.

Stevens

Both the Ambassador Nowak and Ambassador Vášáryová have insisted quite a lot on the benefits for the 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 action is needed, there is a case for effort, 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 advantages that are granted.

There are fears also with immigration, and not only with the far right. In public opinion they are fierce about insecurity.

Also I was talking recently to non-government organizations, they are afraid that funds will be diverted to your regions which are going at present, for instance, to Africa and to Latin America. And it is true that the budget for Latin America, all the European Commission is being blocked. Also, the argument at the time when Spain, Portugal, and Greece entered is not the same any more.

When they entered we were very concerned that they should enter to be 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, you know, that you go to the basis, to public opinion to explain it.

Whitehead

Dr. Brenner.

Brenner

It seems that we have sort of three principle themes in our discussion. One is enlargement of the European Union. The second is what enlargement implies for the ability of the Union to exercise as sort of weight on world affairs, commensurate with its economic strength. And three, 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 really 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 sort of 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 one, to my mind, is exactly what is 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, the potential at least, to operate beyond the economic domain. The events of September 11th offer us an opportunity, I think, to look at these issues from a fresh angle of vision. Let me just make a number of brief remarks by way of preliminary conclusion to be drawn from a way in which both the United States and the Europeans together have handled the crisis.

I think the first lesson is that sort of campaign has to be multi-lateral. It requires a thorough degree of collaboration between the other states and its European allies. Second, it cannot be episodic, but it must be sustained. Three, the record to date suggests that a sort of sustained cooperation outside of intelligence sharing itself has yet to be achieved, and may indeed prove to be problematic. Two reasons for this, on the American side in evidence, sort of instinct, to act unilaterally, to consult with its allies yes, but to do so on a selective basis, and to consult 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 sort of reflective vehicles for formulating and executing a sort of coherence, and can provide Washington and the White House with that apocryphal telephone number that Henry Kissinger was sort of searching for, you know, 30 years ago.

Whitehead

As the discussion proceeds, we're widening 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 would 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 say no either in Parliament or indeed in a referendum, and the dangers, of course, are especially in the case of referendum, no, to the treaties for a number of reasons. Because the treaties would be seen as yet another imposition by the elites upon the people, because the treaties would be seen as too costly, or too complicated, or because it 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 when I mention, of course, 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 deeply with the current government, or indeed Austria for political reasons, I could very well see any of these countries say no. And I should like to remind us that if one of the countries says no now, legally and politically we would be in a deep mire. On the other hand, and that of course is not 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 many of the applicant countries would itself say number

So, enlargement may be devoutly to be wished, but it is not a certainty. Besides, is enlargement sort of an obligation thrown upon us by the mighty hand of history, or is it an objective? Now, the way it tends to be presented, or rather not presented to public opinion, is as a historic necessity. Even if you don't know much about history, trust us we have to do it. Now, the people, or the peoples are not willing to accept that any more as an ukaze by the cognoscenti. I think enlargement has to be presented not as an obligation, but indeed 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 at all that 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 there will be very — they will be very able to say to the people: look you are again being misled. There will be costs, and indeed the latest political pronouncements in the UN, 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 don't have the institutional framework, nor the legal framework nor the political framework to make the Union work, even worse than it works at the moment.

If the number of members is to be almost doubled, and indeed if the complexity of membership is to be so much expanded, we don't have them. And the attempt at Nice, which was and will be seen probably 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. The same difficulty appears, not on the institutional side, but on the external side. One may optimistically imagine that Russia is more or less agreeable provided compensations are granted, to the membership of Baltic countries, or even of all the ex-Soviet republics. Fair enough.

Now, 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 indeed as a binding document, 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 right now the succession treaties. And indeed, 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 not, if enlargement doesn't take place, or doesn't take place according to plans, where are the contingency plans? Both the contingency plans in diplomatic terms, in institutional terms, and indeed in intellectual terms, we are following blindly the idea it will take place, it will take place,

without great hitches and it will take place soon. Fair enough. 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. On the other hand, 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, what does it leave not only EU, but 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 — defining step. And that's why I don't like at all the notion of enlargement. I'm sorry. If I happen to be a Pole, or Slovak, or whatever, a Cypriot, 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, politics, people freely and consciously will 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, on the contrary, and there I entirely go with Professor Weinstein. The way the EU thinks of itself and defines itself as a turning point in history and in the history of ideas 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 things about costs. It's about our leaders, 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, 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 we have become in this part of the world 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 identity, and that since the Treaty of Westphalia more or less. Now, 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 works both with the European Union, as it works in many ways towards more accentuated regional identities, 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 region identity, an element of national identity, an element possibly of European identity. What is the basis of that European identity, and I take the point which Mr. Mesquita da Cunha made, the fact that Europe is not the European Union, and that is true.

Although the distinction is becoming less clear as the European Union expands, but it is clear that Switzerland is European even though Switzerland is not in the European Union. The same goes for Norway. And nevertheless there is an element of identity of European 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. The 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 sit in Peking or Tokyo, then you feel quite clearly what is a European. It is also more difficult to define when you sit in

Brussels. But I think there is something specific in values, including, I think, certain form of society organization, which 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, has been from the very beginning. Although over time that project has tended to become a process, and I think that 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, and possibly one of the points we need to address now, or it is implicit I think in the paper I put forward, is that we need to come back somehow to a project. To say what it is we want to do collectively 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 am aware that I shall not talk about that because actually that will come later. I cannot resist the temptation of recalling one of the basic rules of modern diplomacy which people tend to forget and that rule is that you need to have 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 just as we need, there 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, but the fact is that they have not been put to public opinion, and that they should have been put since 1993 when in Copenhagen the heads of government decided that this was going to be happen. And I think that is a lack of debate. I don't believe it's likely to derail. I don't follow your pessimism on that point. I don't think it's liable to derail, but I do believe that the leadership in Western European should be much more explicit, much more articulate on the advantages. May I just say a word about reinforced cooperation on which the Chairman questioned me in a former session.

Yes, 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, in fact, it has been happening anyhow. Shengen was an element — in the case of diversity initially between five member states, now much more, initially outside the treaty than inside of the treaty, if you have no functioning system within the treaty to deal with that sort of aspiration 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 and the basic reasoning which led us in the negotiation of 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 slightly developed again in Nice, and you will find it appearing again in the debate in the Convention. There is a very strong case to try and structure that so that it doesn't happen outside of the framework of the treaties, with all sorts of potentially frustrating and disruptive elements.

Whitehead

Ambassador Muñoz Ledo.

Muñoz Ledo

Allow me to say some words from, I do not 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. Will change constantly. The European Union has to adopt itself to the enlargement. I do not see this as a grave problem of identity or diversity, because finally if you observe Latin Americans, 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 globalization means that little by little we have to abandon the classical framework of national state.

Globalization 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 paralleled in history, exactly parallel in history. And now globalization is being the most attractive phenomena, and globalization is not only about a free trade, or a universal financial system

of media. Globalization means a very profound revolution in culture and political approach. Ambassador Willy Stevens knows the key problem for the original relation between Latin America and Europe is the juridical personality of Latin America. The European Parliament 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 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 recognition, and we think that — and 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 listen to the whole of the debate to intervene, but I found Mr. Mesquita da Cunha's remarks so engaging that I thought 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 the history, but because numerous studies prove that the GDP will be larger, both in current member countries, and in the candidate countries, and we will draw from that significant political gains in terms of stability, peace, cooperation, and so on. We are doing the exercise at the relatively low cost, I was surprised by what you said about significant cost. All the studies I saw talk about basically a fraction of percent of GDP. And compared with other public goods delivered by states that cost strikes me as trivial, compared particularly with the gains we shall obtain.

Why we don't have contingency plans? Because it is not wise to have contingency plans for programs, projects, targets that are considered of utmost importance. We didn't have contingency, we didn't have alternative for euro. If euro collapsed, we wouldn't know what to do. Alternatives encourage dissent. Encourage people who want to fight our plan, because there is a plan B. What I fully agree with you is that we need much more involvement of people. That is a large disappointment for me to see that only in Germany,

Austria, and in Nordic countries politicians do talk to their people about enlargement. In other countries they do it rarely, and only those who are involved in international politics. We need involvement of people to ensure the approval of the enlargement in the European Parliaments. That we need definitely to do, because enlargement is — and this is my final point — is a window of opportunity. And that window may close very abruptly on us. May close either by unwise decision of one of the Parliaments, or by a negative vote in the 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 therefore I will be very short. I was very struck by the Mexican Ambassador's comparison saying that Latin America had identity but no unity, and that we had unity of a co-identity. I hadn't thought of that before. I will certainly bring that back with me and consider it. I am less certain that the globalization necessarily means the disappearance of the nation state, but I mean that is a problem of degree. On 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 that point, the main point for the European Union as a project and a process, is when you consider the costs of non-Europe. And the main argument in favor 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 take it that way I think it becomes very convincing.