

THE EU'S FUTURE ROLE IN DEFENSE: ISSUES FOR THE BALTIC REGION

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The search for a working definition of “European defense” is now more than half a century old. The first post-war attempt to find a formula was reflected in the first Treaty of Brussels signed by five West European Allies in March 1948, which envisaged combining a mutually guaranteed joint defense with measures of political, economic, social, and cultural integration. Within a few years, however, the ideas of collective defense and of European integration had been picked up to be pursued more intensively in the framework of two different organizations - NATO and the precursor of the EU - with different European memberships. The French initiative for a European Defense Community based on the pooling and joint management of resources, implying a true “European army”, was rejected in 1954 by the National Assembly of France itself. Thus, the lines of conflict and contradiction, which would continue to block real progress on the issue for several more decades, were drawn: the clash of global and continental, Atlantic and purely European perspectives; the tension between integrated solutions and the instinct to regard defense as the innermost stronghold of national sovereignty. And throughout much of that period, of course, the European nations of Central and Eastern Europe had no free say in the matter at all.

The debate on European defense, notably in the context of a “European pillar” for NATO, started reviving from the middle of the 1980’s but it was the ending of the Cold War that brought more decisive change. The end of blocs and easing of the existential threat to Europe allowed more attention to be focused on the non-Article 5 challenges of crisis management, in which it was easier to imagine Europeans playing an independent role. The EU’s non-military strengths as an influence for security became more obvious, not just in relation to “hot crises” where EU political leadership and money could help to rebuild, but also through the stabilizing influence the Union exerted over its candidate countries in the context of enlargement. It was against this background that interest started growing again in finding ways to bridge the 50-year-old NATO-EU divide; and the fact that Europe’s (re)new(ed) democracies approached both these Western institutions as part of one and the same integration strategy perhaps offered a healthy lesson to Westerners who had been taking an over-partisan, over-theological line in their attachment to one or the other.

The 1990’s thus became a decade of experimentation in this, as in so many fields of European security; and the Brussels Treaty-based Western European Union (WEU) turned out to be an important laboratory. From 1992 onwards, WEU chose to dedicate itself to the so-called ‘Petersberg tasks’ - military missions for humanitarian, peace-keeping, and other crisis management-related purposes - and focused on building up the decision-making machinery and expertise required to design, launch, and supervise such operations under purely European leadership. This approach avoided any interference with NATO’s role in collective defense, and did not prevent NATO itself from becoming a major player in new-style crisis management, especially at the “harder” end of the scale. But WEU went even further than this in trying to avoid duplication with the Alliance. It reached an agreement with NATO, set out in increasingly practical detail from 1996 onwards, that allowed NATO’s own military commanders, structures, assets,

and capabilities to be borrowed for use under a European flag when required. There were, of course, also other options for setting up a European operation such as using the headquarters of multinational Euro-forces like the Eurocorps, or headquarters provided by a “lead nation” or an *ad hoc* coalition, but as the great bulk of these other headquarters were also available to NATO this did not prevent WEU and NATO planning procedures from being aligned very closely.

While WEU was developing in this way as a potential “European arm” of NATO, giving new meaning to the notion of building a European Security and Defense Identity (ESDI) within the Alliance, it was also identified more and more clearly as the potential “defense arm” of the EU. The Treaty of Maastricht introduced the idea that WEU could be asked to carry out specific military tasks on the EU’s behalf, normally as a way of complementing other measures (political, economic, humanitarian) which the EU would take from its own resources to pre-empt, to control, or to rebuild after a crisis. The Treaty of Amsterdam foresaw even closer and more direct EU control of the WEU instrument, allowing the EU to give “guidelines” for WEU’s conduct for a European-mandated mission just as it could guide its own staffs and subordinate bodies. This concept was put to the test in 1998-1999 with the issuing of three EU mandates, two of which involved actual WEU deployments - a police training and advisory mission to Albania and a demining assistance mission to Croatia - still going on today.

The results of all these activities by the three now-interlinked organizations, NATO, EU, and WEU, were disappointing in the sense that no major European-led operation, involving deployment of conventional troops, was actually launched under institutional management in the 1990’s. But some aspects did work well, notably the sharing of information and resources as well as the refining of consultation procedures along both the NATO/WEU and WEU/EU axes. This was possible in large part due to WEU’s deliberate strategy of involving as many countries as possible in its activities, to ensure, as it were, that it would have friends in all the relevant camps. Not only did it invite the NATO countries not in the EU to join it as Associate Members, and the EU countries not in NATO to join it as Observers, but it also created in 1994 a status of “Associate Partner” for those Central European countries seeking membership both in the Union and NATO.

All three Baltic States at once took up this status, and the number of countries holding it currently stands at seven (Bulgaria, Estonia, Latvia, Lithuania, Romania, Slovak Republic, Slovenia). The Associate Partners sit in WEU’s decision-making Council at least once a fortnight and take part in a wide range of subordinate bodies - plus parliamentary and research activities - to deal with subjects as diverse as WEU exercise policy, civil-military cooperation, trans-Atlantic dialogue, and WEU’s relationships with Russia, Ukraine, and a group of seven Mediterranean partners. They have taken the opportunity to take part in WEU’s Albanian and Croatian missions and participated fully in the first-ever NATO/WEU joint crisis management exercise, “CMX/CRISEX 2000”, carried out in February 2000. The relationship with WEU has, understandably, been far less politically prominent for these nations and had far less material impact than the NATO or EU pre-accession process, but all of them seem to feel it has been a positive experience on balance. It has not only provided an extra influence upon and an extra forum for developing their own defense reforms, and indirectly reinforced their NATO and EU entry strategies (because of the positive image they have

been able to convey along WEU/NATO and WEU/EU channels), but has also made them a very visibly part of the “European family” in the particularly significant field of defense and security - a point whose symbolism was not lost, for instance, when the Baltic States appeared as part of the WEU “team” for WEU/Russia meetings.

Precisely because of these good experiences, however, there has been a keen edge to the partner nations’ interest in the latest dramatic set of changes regarding European defense. As is well known, the impact of the Kosovo crisis has driven leading European nations since autumn 1998 to seek a new and stronger way of expressing Europe’s unity in both the diplomatic and the military handling of non-Article 5 emergencies. At the Franco-British Summit of St. Malo and then in the EU’s collective statements at the Portschach, Cologne, and Helsinki European Councils, a distinctive new formula has emerged according to which:

- the European Union will acquire a direct capability to carry out military crisis management missions within the range of the ‘Petersberg tasks’. (It will not take over any obligations or functions of collective defense);
- it will prepare for this new role by setting up political-military structures within the existing second pillar of the Union, including a permanent Political and Security Committee, a Military Committee, a European Military Staff (these three have been launched on an interim basis already from March 2000), and a Satellite Center and Institute for Security Studies (to be taken over from WEU);
- the EU will aim to have all these arrangements ready by the end of 2000, at which time - if all goes well - WEU would be able to close down its own crisis management related activities;
- the EU will aim to maintain the same arrangement that WEU has enjoyed with NATO allowing the possible European borrowing of NATO assets and capabilities.

The finding of consensus on this formula among all the EU’s Fifteen nations was itself a remarkable political achievement, and the speed of the actions taken to bring it into effect has also surprised many commentators. Not only has the EU made large strides, already by mid-2000, in preparing its new political-military mechanisms and defining their future tasks and operational philosophy; not only has it begun laying the foundations for the future partnership it will need with NATO; but it has taken major initiatives in two further areas where the WEU did not so obviously prepare its way. The first is the so-called ‘Headline Goal’ for defense capabilities, which reflects the European leaders’ determination to strengthen their actual military instruments as well as the procedures for using them. As defined at Helsinki in December 1999, the EU wants to be in a position by the year 2003 to be able to muster a force of some 60,000 personnel for any “Petersberg” mission within sixty days and to maintain it for a year, with all the supporting elements (transport, command structures, C3I) needed to do so on a truly autonomous basis if necessary. Secondly, the EU has decided to carry out a similar analysis and set similarly tough targets for the non-military capacities it might want to deploy for crisis management purposes, thinking primarily of police operations but not excluding the range of other civilian skills that might be crucial for internal stabilization and control.

Where does all this leave the non-EU European States who have worked together so far on crisis management within the WEU framework? Since the early days of the EU defense initiative, both the non-EU European Allies and the Central European partners have made two things abundantly clear. First, they understand and generally share its motives and second, they want to (and believe that they have a right to) be fully involved in carrying it forward. They have been able to offer a number of arguments for this, not just limited to mentioning the clear precedents from the WEU but also including such political factors as the importance of the non-EU Allies' cooperation in ensuring good EU/NATO relations. The EU applicant status that all the Central Europeans have gives them an evident interest in the EU's future policies. On a short-term basis they have also pressed for maximum information and transparency on the EU's intentions, and the WEU has been playing an important part in ensuring this through joint EU/WEU and WEU/NATO meetings as well as in the WEU Council's own debates.

The EU for its part has developed its policies on this aspect with a speed which reflects its members' understanding of the seriousness of the issue. At Helsinki in particular, the European Council statement spelt out in some detail the two basic ways in which non-EU countries could be "involved":

- (a) "upstream" of decisions, that is on a permanent basis in the preparation of EU plans and concepts and then in the early stages of addressing an individual crisis;
- (b) "downstream" of decisions, i.e. by contributing forces or other material support to operations which the EU has decided to launch and for which it has declared itself open to participation by others. Non-EU countries contributing in this way will have practical access to the running of the operation through a "troop contributing nations" mechanism, in addition to whatever part they may play in detailed planning, command structures, and activities in the field.

In short, the only action which will definitely not be opened up to others is the formal legal decision to launch an operation, and the EU Member States are firmly believe that this has to be reserved to themselves for both political and practical reasons. (For example, if the EU succeeds in developing a truly "multi-functional" approach for dealing with crises, the decision on military action might be combined with other measures e.g. of a financial, economic, or immigration-related kind, and these will clearly be matters for the Fifteen alone.) On the other hand, while there may be some practical variations in the matters discussed with the six non-EU Allies and the full group of non-EU partners respectively, the EU has left itself the clear possibility of inviting all the interested States to help in all operations if it thinks the conditions are right. Finally, the EU also offered these States at Helsinki a further route for involvement in its new defense policies by saying that they could all volunteer force elements to be included in the "Headline Goal" and some have made the rapid decision to exploit this opening.

It remains to be seen during 2000 how these arrangements will develop in terms of practical detail, how well they will satisfy the various non-EU players involved, and how they will fall into place within the wider pattern of the EU's pre-accession and CFSP (Common Foreign and Security Policy) interactions with the nations of Central Europe. The States concerned are understandably interested in the small print of decision-making practices, hoping that these will give them a real chance of contributing to the EU's thinking and of ensuring that wider geographical interests are taken into account. They

are also calling for a chance to establish contact with the EU's own new structures already in the interim phase of their activity from Spring 2000, and many of them have made clear that they would welcome the chance to contribute to the building-up of the EU's non-military capabilities as well.

Regardless of how exactly these uncertainties are resolved, however, it is already clear that the EU's new ambitions have brought significant and lasting change to the environment in which the Central European nations must develop their security and integration strategies. In the rest of this paper I shall try to list some of the issues that might *prima facie* arise in this context for the North-East of Europe and the Baltic region, without trying to offer solutions and predictions which would at best be premature at this stage.

A first and rather obvious set of implications concerns the impact on the nature of the EU itself. It will not, as a result of these measures, become a collective defense organization. Nor has a clear route been mapped to achieve this result at any particular time in the future. However, any State that joins the EU from now on will be joining a defense community in a specific and concrete sense. It will be drawn into permanent and detailed cooperation in fields like force planning, military planning, development of military concepts and procedures, exercises, and perhaps coordinated training related to "Petersberg" operations, and its troops will stand side to side with European comrades in all specific operations which it decides to join. This seems bound to bring a deepening of EU solidarity and the emergence of something like a shared military culture, at least across all crisis-related fields. Furthermore, for those Central European democracies who have already joined NATO or who may join it before or around the same time as joining the EU, the new EU / NATO relationship will make them part of a "European pillar" within the trans-Atlantic alliance structure in a much clearer and more constructive sense than ever before. Those partners who are not yet in NATO can still gain the experience of dealing and working with NATO in a very intimate way through the EU / NATO channel, experience which they may be able to draw on to refine and reinforce their national efforts to complete the standards required for NATO entry. For countries who are not committed to seeking NATO membership, the EU's possibility of using NATO assets and capabilities under European control should give a chance to share many of the benefits of NATO's strength in the non-Article 5 context, while the purely military adaptations these nations would have to go through if they did after all decide to become Allies will be still further narrowed down.

Of course, some of these positive implications might be offset if the addition of non-Article 5 defense to the EU "acquis" turned into a further obstacle for NE. European applicants to overcome and reduced the chances of all of them entering the EU in a reasonable time. On the face of it, however, this ought not to happen precisely because of all the efforts these States have made already to grasp and respect European defense norms - not just material ones but those relating for example to openness, social justice and democratic control - in the context of their membership of PfP / EAPC and their activities in the WEU framework. If any pattern of "flexibility" were to develop in the EU's defense domain with some States accepting a higher degree of integration than others, countries like the Baltic States who have made great use of all these opportunities and are totally committed to NATO membership might on the face of it be closer to the European "hard core" or median standard than some existing members of the Union.

As a matter of general analysis, these latest developments may have once again underlined that the most effective - or at least, most attractive - solutions for Nordic/Baltic nations' security identity are provided by larger European, not Baltic-specific structures. However, the determination of local States to seek their destiny within the EU or NATO or in both has not in the past discouraged them from active regional and sub-regional cooperation, and the new EU formula should still allow these different layers of identity to coexist. Groupings like the Council of Baltic Sea States have, in effect, already been developing cooperative approaches in a number of non-military, "soft" dimensions of security and have been able to do so in an inclusive way, with the support of the EU on the one hand and the involvement of Russia on the other. The measures of defense cooperation which can be expected to develop now in the EU framework and in the wider circle of the EU's partners should actually make the policies and experiences of the involved countries, at least in the non-Article 5 field, more homogenous. They should demonstrate yet again that like-minded neighbors can work together for positive aims of security despite all variations in their Allied or non-Allied, EU or non-EU, applicant or non-applicant status. It will be important for all local States to try to draw out these positive consequences for their shared regional responsibilities, avoiding behavior which might tend instead to create or sharpen "dividing lines," and the importance of a welcoming attitude by the EU Fifteen to their NATO and Central European defense partners should be obvious again in this context.

There is one further respect in which efforts for local cooperation might be "mutually reinforcing" with the success of the EU's collective ambitions. The whole philosophy of the Headline Goal is to try to make European nations think harder about pooling their military resources, sharing their expertise, harmonizing their standards, and pre-adapting to closely integrated cooperation with each other in the field. Only with such an approach can there be any hope of using Europe's aggregate defense resources more effectively and minimizing the requirement, which everyone knows will be tough to meet, for an actual rise in expenditure. States in the Nordic and Baltic region have already made several successful experiments, bilaterally, trilaterally, and in small groups, in this kind of practical cooperation. It is sufficient to mention the long-standing Nordic framework of cooperation in military peace-keeping, the joint peace-keeping unit developed between Poland and Lithuania, the German/Danish/Polish triangle, the many "tri-Baltic" projects (BALTBAT, BALTRON, Baltic Defense College etc.), and the practical support given by other regional countries to the latter. It could be argued that projects like these have given the nations concerned something of a "running start" in meeting the aims of the EU Headline Goal and their political significance - successfully bridging as they do a number of institutional "dividing lines" - also seems very much in line with the new initiative's spirit.

It would be wrong, however, to end this preliminary survey without noting a few aspects of the development of the EU's defense identity in this region which will need particularly careful and sensitive handling. They concern respectively the role of NATO, the role of Russia, and the challenges posed for national defense planning and resources.

In general, the EU's members and the other Europeans who have supported them have stressed that their aim is in no way to interfere, conflict, or compete with the role of NATO and that they are also determined to win the national understanding and support of the North American Allies. As mentioned above, the EU has set the task of preparing its

strategy for EU/NATO relations very high on its agenda and it is certainly everyone's hope that the main lines for a harmonious, open, and complementary relationship will be laid down during 2000. Success in this will evidently be highly important for the Central European partners of the North East region, since they all aspire to join both the EU and NATO and would be put in a very awkward position by any friction (or indeed, duplication) developing between the two institutions. Moreover, it will be in the interests of NATO candidates like the Baltic States to underline that, however welcome the prospect of the EU's growing defense identity may be, it will not involve mutual guarantees and therefore cannot possibly from their point of view undermine or weaken the logic of their parallel application to NATO.

The overall impact of the EU initiative on regional stability and cooperation will also be affected by the way the EU views Russia and the way Russia chooses to view the EU in this context. It is important that Russia should grasp the positive and peaceful intentions behind the EU's plans. It should realize that the EU wishes to use its powers in the service of universally held values and in the interests of the international community and should feel that it has the chance to play a role itself in the process. The WEU and Russia have had for some time a harmonious and useful dialogue on European crisis management, involving practical support from Russia for some of WEU's activities (e.g. satellite imagery, airlift) and offering Russia the chance in principle to contribute to European-led operations. The EU has an obvious framework for taking over and developing these aspects of the WEU-Russia "acquis" in the shape of the Strategy towards Russia which it adopted during 1999, and which already includes the idea of cooperation in the political-military domain. Timely development of the EU's intentions here, coupled with a deliberate effort in the meantime to explain the real nature of the European initiative to Moscow and dispel possible misunderstandings, seems the best way to avoid two potential and opposite pitfalls. Russia should not be given any reason to fear the "militarization" of the EU or to see the EU's expansion as a strategic threat. But equally, it should not be allowed to get the impression that the EU nations are turning their backs on NATO or creating a new strategic rift in the Atlantic. If the EU can avoid both these misperceptions, and if it can introduce crisis management issues as a positive new element within its existing web of security cooperation involving Russia in Northern and North-East Europe, there should be every chance of maintaining good conditions for an EU enlargement process that takes everyone's legitimate interests including Russia's (and those of Kaliningrad) into account.

Finally, it is already clear that Europe's new ambitions will pose difficult challenges and choices for national defense budgets, in this region just as everywhere else. They will put added pressure on governments to devote a significant part of their resources to rapidly deployable intervention forces, and to ensure that their general military structures and philosophies are capable of generating the human material, the software, and the hardware which this demands. Many nations of the Nordic and Baltic regions, having been either non-Allied States or States at the boundary of the Alliance during the Cold War period, have in the past placed a special emphasis on territorial defense, on manpower-intensive rather than resource-intensive systems, and on widely-based conscription structures which may not at first glance be easy to reconcile with these new European priorities. They have also faced steady political and social pressures to cut defense expenditure or, at least, not to increase it. One of the paradoxes of the new

EU approach (which, indeed, applies to some extent also to NATO's new Defense Capabilities Initiative) is that it does not offer any country the chance of doing less simply because it occupies a "peripheral" geographical place. When the challenge is to deploy forces to hot-spots abroad, and when the watchword is European solidarity, all nations should be logically regarded as equally qualified to contribute and can equally be called to account for their contribution. How will this challenge be perceived and faced by the individual States of North/North-East Europe and what changes may it eventually bring in the defense tapestry of this unique and important region? At this stage and in this respect especially, the EU's new defense identity raises more questions than it can answer. What is not to be denied is that it has already changed the face of Europe and potentially, the world.

LITHUANIA AND EUROPE'S HISTORICAL REGIONS

Alfredas Bumblauskas

1. In place of an introduction: Lithuania - the geographical center of Europe

Lithuanians are already accustomed that Europe and the world often do not know where their country is (an American has said - well, it is somewhere beyond Mexico). In better circumstances they know that it is a country which in 1990 along with the other Baltic states escaped from the USSR, but even then the common European is surprised to see Lithuania not with the cupolas of Byzantine Orthodox churches, but with church towers, and the people not speaking a Slavic but its own Baltic family language (incidentally, the most archaic of all living Indo-European languages). In the best circumstances, Lithuania is very often confused with Latvia, Riga being considered the capital of Lithuania and Vilnius that of Latvia. Thus, we can assert now: Lithuania is a country on the shores of the Baltic Sea. Even more, Lithuania is the geographic center of Europe. And this was determined not by Lithuanians themselves, but by France's National Geography Institute according to whose calculations from a height of 180 kilometers Europe's geographic center is 25 kilometers north of Lithuania's capital of Vilnius. The coordinates of Europe's center are 54 55' north, and 25 19' east. Lithuania is in the same geographic latitude as the countries to its west: Sweden, Denmark, Scotland; in the same geographical longitude as Finland to the north and Romania, Bulgaria, and Greece to the south. To be even more specific, Lithuania today has borders with Latvia, Belarus, Poland, and Russia's Kaliningrad Oblast. And most importantly - repeating one more time - Lithuania is a country on the shores of the Baltic Sea...

However, all that is only geography. But the concept of "Europe" has another meaning as a historical civilization. In surveys of historical regions, Lithuania is rarely mentioned.¹ For western historiography Lithuania remains a "tabula rasa." If it is remembered, then the ancient history of Lithuania, the period of the Grand Duchy of Lithuania, is usually smothered by Poland's history while modern day Lithuania is "added on" the histories of the other Baltic states, Latvia and Estonia, in this way assigning Lithuania to different historical regions.²

The purpose of this essay is not only to bring Lithuania into the debates about Europe's historical regions, but also on this basis to attempt to resolve the numerous contradictions not only in defining the borders of different regions, but also in the terminology in general.

¹ A clear exception is the work of the noted German historian Werner Conze, which we will cite more than once : Werner Conze, *Von der Spätantik bis zum 18. Jahrhundert*, (München, 1992). The work of this historian is an exception in also another way; he is one of the few who have especially studied Lithuania's history. Werner Conze, *Agrarverfassung und Bevölkerung in Litauen und Weissrussland*, Bd. 1 (1940).

² For example, K. Zernack , *Osteuropa: Eine Einführung in seine Geschichte*, (München, 1977), lists "Polen mit Alt-Litauen" as part of the "Ostmitteleuropa" region (p. 123-126) and "Baltische Lande/Baltische Staaten" as part of the "Nordosteuropa" region (p. 151-153).

2. The opposition of East and West Europe in contemporary political thought

Europe lived for 50 years divided into West and East Europe. Where there was democracy was the West, while where there was Communism was the East. Such was the real political situation. The Communist system crumbled, that is the political situation changed, but the concept of the opposition of East and West Europe remained: the countries that are wealthy and have deep democratic traditions are the West, and the whole post-Communist world is East Europe. In such a case East Europe is not only Berlin, Prague, Budapest, not only Vilnius and Tallinn, not only Saint Petersburg and Moscow, but also Vladivostok. Intuition whispers that something is wrong with this concept - the whole continent can not be the same. A different alternative had been suggested in the Communist times the historical and political idea of Hungary, Czech Republic, Poland remembering the concept of Central Europe,³ whose ideological direction was evident - there exists a region, which unlike East Europe did not choose communism. The famous Czech dissident Milan Kundera issued the shortest formulation of this alternative - Central Europe is the torn away??? West, Vienna is suffocating on the borders of the Western world because it has lost its own region - Czech Republic, Hungary, Slovakia, Poland - that is Central Europe. It does not take much effort to notice that this is but a different variation of the opposition of East and West Europe. In Lithuania this conception has at least become a stereotype from which the new stereotype of "going into Europe" developed. But once again something is wrong - is there no difference between Paris and Vilnius, or should we just ignore this chain of facts: Chlodwig, the king of the Franks, was baptized in 486 while in Lithuania Christianity took root almost a thousand years later. Intuition whispers again - don't a 1000 years mean something? Can one say that Central Europe was separated from the West by only the "Iron Curtain," was there no difference in this millennium between Paris and Vilnius, Krakow, Budapest?

In any case in today's political thought Lithuania ends up in totally different regions. To the American political scientist Samuel Huntington Lithuania is part of the West,⁴ but to the Polish historian and political scientist B. Cywinski - part of the "non-Russian" East Europe.⁵ These examples already show (we will not discuss other ones now) that the problem of Lithuania's historical-regional dependence has to be evaluated from a new perspective.

3. Remarks about terminology: Central East Europe/Central and East Europe

We think that sometimes the making (or at least the synonymous usage) of "West Europe/East Europe" into "West/East" is incorrect. If along with many other investigators we agree with Oscar Halecki that the essence of Europe, allowing also to

³ About the sources of "Central Europe" definition see: Ibid, p. 24-25.

⁴ To learn how Samuel P. Huntington defines the borders of "Western civilization" see: Samuel P. Huntington "The Clash of Civilizations?," *Foreign Affairs*, 72, 3, Summer (1993), 30.

⁵ B. Cywinski, *Moj kawalek Europy* (Warsaw, 1974).

define its contours, is antiquity and Christianity and their heritage,⁶ we would have to admit that “East Europe” and the “East” are not the same.

The concept “Central and East Europe” is frequently used.⁷ The conjunction “and” would suggest that we have two regions in mind. But sometimes this clarity disappears. In the German and English languages there are the concepts “Ostmitteleuropa” or “East Central Europe.”⁸ Clearly this is the eastern part of Central Europe or in other words – “östliches Mitteleuropa”. The usage of the components of the concept (Ost and Mittel) is not accidental for at least in the German language the other concept “Südosteuropa” is always understood as southern East Europe or “südliches Osteuropa”. Thus, the essential component at least in the German language always goes in the second position. But the Poles change the positions of the components – “Europa Srodkowo-wschodnia”. In translating from Polish into French the components are not changed – “l Europe du Centre–Est”. This change of components, especially when translating from one language to another, this variety of junctures, spaces, and dashes, at times evidently forces one to change them all into “and” and one region becomes two. But logic would dictate that “Ostmitteleuropa” and “Osteuropa” are not the same, and, moreover, the first is not part of the second.

Perhaps this is only a matter for careless authors and inexperienced translators? Thus, let us turn to the mentioned work of Zernack which is devoted to this question and which we will later cite more than once. However, in this work “Ostmitteleuropa” (together with “Südosteuropa”, “Nordosteuropa”, and Russia) are also part of “Osteuropa”!

This contradiction can be explained by the traditions of “Ostforschung” (East Investigations). According to which everything east of Germany is East Europe. However, Zernack presents considerably more serious arguments - for him East Europe is all the regions, which earlier or later accepted the heritage of antiquity and Christianity, i.e. became European. All this would be fine if a) Europeanization would not have occurred in two lines - through Byzantium and through the empire of Charlemagne (something the author himself admits) and b) if the concept of “Ostmitteleuropa” was not used for this is traditionally given another content - according to pure logic the author should change this concept to “westliches Osteuropa”.

Thus, problems of terminology remain. Perhaps searches for Lithuania’s historical regions will bring some light to this problem.

4. Lithuania - not East Europe

⁶ Oscar Halecki, “Der Begriff der osteuropäischen Geschichte,” *Zeitschrift für osteuropäische Geschichte: Neue Folge*, Bd. 5 (1935), 5-6; Zernack, *Osteuropa*, p. 25-26.

⁷ “Ost- und Mitteleuropa.” “East and Central Europe,” “Europa Srodkowa i Wschodnia.” In French there is a variety. Sometimes it is “l Europe de l Est et du Centre” but also “l Europe centrale et de l Est.” It is worth noting that for the French usually only East and West Europe exist.

⁸ For the derivation of the term see: Conze, *Ostmitteleuropa*, p., 1-4.

The search for East Europe is directly dependent on the answer to the question - what is Russia. This is an “eternal theme.”⁹ From N.Danilevski through the major speculative concepts of Oswald Spengler and Arnold Toynbee the opinion continues that Russia (or Byzantium) is an autonomous civilization. However, even an advocate of this position will have to admit and interpret the developments begun by Peter the Great, often called the Europeanization of Russia. On the other hand, there also exists an optimistic view: if Byzantium is a successor of the traditions of antiquity as the hearth of Europe and also of Christianity, then Russia and the Balkan countries have been part of Europe since the Middle Ages.¹⁰ Perhaps, one can reconcile these positions - in Europe there were and are two civilizations or traditions of civilization: Byzantine and Western. During the time of Peter the Great Russia did not begin to Europeanize, but to Westernize. In any case, if we say “East Europe,” we have to look for it first of all in Russia.

Where does East Europe end? Let us compare the histories of Lithuania and Russia.

The most obvious difference is that Russia is an Eastern Christian land. On the other hand, Lithuania in the first unsuccessful attempt in 1251 as in 1387 chose the Catholic baptism. Of course, in pagan Lithuania, isolated from Western Europe by the Teutonic Knights, influences and fashions from Orthodox regions spread, especially in those which the Grand Duchy of Lithuania annexed; in Vilnius there are Orthodox churches which were built as early as the 14th century; part of the ruling elite accepted Orthodox baptism; the White Russian writing used in ancient Lithuania is also derived from the traditions of Orthodox monastery writings. However, Orthodox churches in the total context of Lithuania’s culture are only an incidental matter, the Lithuanian Orthodox dukes - the periphery of the political life, the White Russian script - only a technical measure. It is impossible to deny the assertion that in the 13th-15th centuries paganism dominated Lithuania, and that Christianity later gained the status of a state religion. These are not new discoveries. The border between the “Greek” and “Latin” Christian confessions is usually considered to be the border of East Europe. Werner Conze formulated this concept in a very fundamental way, incidentally mentioning that the formation of this border ended around the year 1400¹¹ (clearly, the baptism of Lithuania in 1387 provided the basis for this claim). The borders of the “Latin world” (which is also East Europe) defined by Conze: Narva, Kronstadt (the border of ancient Hungary or Transylvania in current Romania), Spalitto (the southern boundary of Dalmatia) coincide with the borders mentioned earlier by Huntington. Thus, metaphorically speaking, the dividing line of East Europe at least according to religious criteria is drawn a little to the east of Vilnius, where ethnic and Catholic Lithuania ends. Clearly, the notable problem remains how can religious differences (and from the theological point of view the clearest difference between Catholicism and Orthodoxy is *filioque dogma*) determine differences between civilizations. Probably, not so much these differences but the opening to the West, which Catholicism provided, allowed Lithuania

⁹ Zermack, *Osteuropa*, p. 59.

¹⁰ Ibid, p. 661, Conze, *Ostmitteleuropa*, p. 34.

¹¹ Ibid, p. 105.

to live through the Western cultural eras: Gothic, Renaissance and Reformation, Baroque (incidentally, the eastern borders of these styles of architecture are sometimes considered to be regional borders), the era of Enlightenment and Classicism, Romanticism. Russia joined this chain only after Peter I.

Conze has noted that confessional criteria are not the only ones: the states and societies of Lithuania and Moscow, in his opinion, also differ in the status of cities and rights - the cities of Lithuania from the end of the 14th c. began to acquire the municipal (Magdeburg) rights, as well as the manner of peasant farms.¹² These assertions were not presented in a more detailed manner.

Let us start with political structures. There is the widely known truth that the Catholic Church always was like a state within a state, i.e. an independent corporation in the center of Rome. In contrast, the Orthodox Church has always been part of the state's ruling structures. Here we should discuss the manner of the state or rule. In the early Middle Ages the differences were not felt, all the more as Lithuania became a nation at a later time. The difference becomes clearer when in the 15th c. Lithuania begins to form a class society. In 1566 the noble parliamentary system or the class monarchy was finally established in Lithuania. It is difficult to find such processes in Russia's history, and thus for a long time historiographers tried to adapt to Russia a scheme of absolutism, in this way erasing the difference between the absolutism of the West in the 17th-18th c. and the Eastern despotism with a thousand year tradition. Russia moved in the direction of representative society only at the beginning of the 20th c., and that was only a historical episode - in 1917 Russia turned in the direction of a new despotism (in this respect the conception of Karl Wittfogel,¹³ in our opinion, has not lost its scientific relevancy and worth).

In the same way, property relations also differed fundamentally. Even at the beginning of the 20th c. village societies were dominant in Russia. The Stolypin reform, begun in 1910, was halted by World War I. Only 10 percent of the peasantry had time to form private farms. On the other hand, as the investigations of Prof. Edvardas Gudavičius showed, already at the end of the 12th c. Lithuania adopted the individual peasant farm of the Middle Ages - the *alod*, first developed among the Franks and later determining the tradition of Western agriculture and peasantry. The development of peasant property rights to land is nothing different than the conversion of the *alod* to the **ub**, i.e. an individual farming property in a feudal estate. Conze has discussed the opposition of the **ub** or the individual farming to the "solid farming" and periodical redistribution of land in Eastern Europe.¹⁴ The conclusions of this historian have entered the contemporary synthesis of European peasant history. The German historian *Werner Rösener*¹⁵ claims that the whole history of European peasantry relies on the principles of the **ub**, includes the Baltic region in his field of analysis, in this way carefully setting the borders of Western farming.

¹² Ibid, p. 81

¹³ Karl Wittfogel, *Orientalische Despotie: Eine Vergleichende Untersuchung totaler Macht* (Köln, Berlin, 1963).

¹⁴ Conze, *Ostmitteleuropa*, p. 81.

¹⁵ Werner Rösener, *Die Bauern in der europäischen Geschichte*, p. 34.

Thus, there are too great differences between Lithuanian and Russian history in culture, in rule, and in economy to allow one to assign these countries to the same historical region. If Lithuania is not East Europe, then Poland, Hungary, the Czech Republic, Slovakia can even more not be assigned to this region.

5. Central Europe - not West Europe

Let us say that the West is France. Even then if we agree with Conze and Huntington that Western civilization extends from this country to Lithuania, Hungary, and Slovenia, we would still have to ponder - did all the countries of Western civilization become such at the same time? Clearly, no. Therefore, historians use the concepts of Old and New Europe.

Of course, the concepts of this New Europe differ somewhat. If we agree with the concept that Western civilization (or West Europe) was born out of the ruins of the Western Roman Empire, where the barbarians, destroying ancient civilization, took from it, according to the Lithuanian philosopher Arvydas Šliogeris, “substantial individualism.” Thus the New Europe is a post-ancient Europe which starts to the north of the limes?????????? of the Roman Empire or the Rhine and Danube Rivers.¹⁶

However, Zernack believes that the historical foundations of Western Europe lie in the empire of Charlemagne, and thus for him New Europe is post-Charlemagne Europe with its symbolic boundary of the Elbe,¹⁷ We do not think that these conceptions contradict each other - they only mark the waves of Europe’s Westernization. Thus, somewhere between West and East Europe there extends a region, which has to be composed of all the latecomer countries, not assigned to Europe. Zernack calls East Europe New Europe something which as I mentioned, is not convincing, Conze calls it Central Europe, which extends from the Rhine to Lithuania. To Conze Central Europe is not uniform. He calls the region between the Rhine and Elbe as the Old (German) Central Europe or West Central Europe (westliches Mitteleuropa) and the region east of the Elbe, i.e. Poland, Czech Republic, Hungary, etc., as Central East Europe or eastern Central Europe (östliches Mitteleuropa). The conception is very smooth and convincing.¹⁸ If not for the mentioned confusion of terminology, arising when translating concepts from one language to another, it could be possible to stop in this place, strongly stressing that “Central East Europe” (Ostmitteleuropa) is not “Central and East Europe,” but part of East Central Europe (östliches Mitteleuropa). But maybe we should discuss the possibility of not using complicated concepts. If we were to consider the balance of Europe’s full millennium, then we might have to admit that Germany at some historical moment became an integral civilized derivative from Trier and Mainz to Marienburg, Königsberg, and Klaipėda (Memel). Then perhaps the eastern borders of German Civilization can be considered the borders of Western Europe, or perhaps call what Conze referred to as East Central Europe simply Central Europe? Contemporary usage of the concept “Central and East Europe” would support this assertion. Simply, we have in

¹⁶ Conze, *Ostmitteleuropa*, p. 34.

¹⁷ Zernack, *Osteuropa*, p. 37, 83.

¹⁸ Conze, *Ostmitteleuropa*, p. 34.

mind the region to the east of Germany. But one does not say “Central East and East Europe”! Thus, evidently in this case Central East Europe is considered to be Central Europe.

6. Lithuania - part of Central Europe

If Lithuania belongs neither to East nor West Europe, we could automatically say that it is part of Central Europe. But the question is not so easy. In the middle of the 20th c., Czechoslovakia, Hungary, Poland were part of the Communist world, but not part of the Communist citadel. Almost 200,000 persons (one of every 15) were deported from Lithuania to Siberia. In general, the heritage of the Second World War is even more cruel - one third of society (almost 1 million people) were killed, exiled, or scattered. In the 19th c. only Lithuania and part of Poland encountered the cruelest repression of Russia, in the second half of the 19th c. one-third of ethnic Lithuanians emigrated from Lithuania. Central Europe did not have to endure this. And in the Middle Ages Lithuanians formed a state three centuries later than Poland, were baptized another century later, and everything else usually took place 100-120 years later. We could say that Lithuania is an independent phenomenon, especially in the 13th and 14th c. But, nevertheless, the balance of the millennium would allow one to assert that the history of Lithuania is not so independent that one would have to begin searching for another historical region. Lithuania is the most tardy, most exhausted part of Central Europe. Prof. Edvardas Gudavičius has called Lithuania “the only member of Europe’s third echelon.” If the East in the 11th c. hindered Lithuania’s movement to Central Europe, then the newly developing Lithuania in the 13th c., unlike the other states of Central Europe, encountered a different West Europe. It was met by the West actively engaged in the Crusades, no longer recognizing the rights of pagans to be baptized independently. In this way Lithuania alone among the Central Europe states had to withstand the Crusade in the Baltic in the 13th and 14th c. The baptism of Lithuania and the victory in the Battle of Tannenberg achieved together with Poland halted the Western aggression and created the conditions for developing together with the states of Central Europe. Already the first Christian rulers of Lithuania, striving to prove that they are “*princepses christiani*,” independently began to organize crusades against the Tartars, forming an “*antemurale Christianitatis*” ideology. One of them wrote to the Pope that Lithuania is “on the border of the whole Christian world” (*in finibus totius Christianitatis*). This was only the beginning of the Europeanization of Lithuania. In the 15th c. Lithuania had to achieve a civilization leap which no other state of Central Europe had to meet. this was done during a century. In the 16th c. Lithuania’s society entered Central Europe. In matters of property the *lien* right was established, in the social-economic structure - the estate of the knight (feudal) and serfdom, in the political-social structure the boyar estate and estate monarchy, in the economy of the cities - guilds, in ideology - the only slightly tardy Reformation and Counter Reformation, in education - a system of teaching with cathedral schools as well as their *triviums?* colleges, and university. But at least among the elite of society a Christian mentality was firmly established, a nation of boyars with historical consciousness and a historical chronicle, books begin to be written in Lithuania (in 1499), they begin to be printed, the Lithuanian book appears (in 1547 in exile in Prussia, in 1595 in the Grand Duchy of Lithuania itself). All these developments allow one to

assert that Lithuania, which gave the Jagiellonian dynasty uniting Central Europe, became an equal part (next to Hungary, Czechia, and Poland) of the Jagiellonian Europe. Even more, after the Germans crushed Czech national resistance and Prague became much more a city of West Europe, after the collapse of the Hungarian state after the Mohacs tragedy in 1526, Poland remained the leader of Central Europe. Moreover, in addition to the real capital of Central Europe Krakow there was one more capital - Vilnius. Another 200 years will have to pass until Austria, Prussia, and Russia divided Central Europe. However, the heritage of Central Europe remained, flowing in the national movements of Hungarians, Czechs, Slovaks, Poles, and Lithuanians, and led to the formation of independent states in the first half of the 20th c. A symbol of a common fate: Lithuania reacted to the powerful resistance movements of Central Europe - the revolution in Hungary of 1956, to the "Prague spring" of 1968 - with events in Kaunas in 1972 even though their scope was considerably more modest, but they were equally directed against the Communist system.

But let us return again to Conze and Huntington. Namely, their concepts most accurately defines the eastern border of Central Europe: Slovenia, Croatia, part of Romania, Transylvania, Hungary, Western Ukraine, Western White Russia, Lithuania, Latvia, Estonia. With Latvia and Estonia questionable since they were always closer to North Europe. Bravely adding Poland, Slovakia, and Czech Republic, we acquire a full picture of Central Europe.

In place of an ending: Lithuania - the cross-road of European civilizations and historical regions

Nevertheless, having said that Lithuania is part of Central Europe, we have to add that it is also the most eastern part of Central Europe, and at the same time a land of the interaction or even symbiosis of two European civilization traditions - Latin and Byzantine. Although the Catholic Gothic and Baroque heritage is dominant in Vilnius, nevertheless, we can also find unique, we would say, only typical for historical Lithuania - Gothic and Baroque Orthodox churches. Clearly, that is only a symbol of the symbiosis of the cultures, but it also reflects an even more important development - the national and confessional tolerance firmly established in the Grand Duchy of Lithuania. Only compare: the St. Bartholomew night in Paris in 1572 became a symbol of religious intolerance, while in Lithuania at the same time in 1569 the rights of all Christian confessions were made equal. This had the most influence on the Orthodox part of Lithuania's society. On the other hand, an incentive in Lithuania was given by the Reformation (50 percent of all churches were secularized). As we know, it is sometimes thought that the Reformation determined the division of Europe into South and North. Lithuania also participated in these "divisions," of course deciding in Catholicism's favor. However, if we strictly hold only the Scandinavian countries, the Protestant "derivative" of West European civilization, as North Europe then we can also declare that from the 16th c. Lithuania is a boundary of the interaction between the Central Europe and North Europe regions. For Protestant societies remain active in Lithuania even today. And if we also remember that sometimes Jewish culture is also considered an independent civilization and that Lithuania was at one time the cultural center of Jewish world, we could assert that our country is on the crossroads of almost five civilizations,

and its capital Vilnius is a city of nine religions (Roman Catholic, Orthodox, Greek Rite Catholic-Uniat, Old Believer, Evangelical Lutheran, Evangelical-Reformed, Muslim, Karaite, and Jewish). The idea of Lithuania being on the crossroads of regions can be seen in its current coastline. Its historical shore (i.e. the small strip of shoreline, which in the past the Teutonic and Livonian Orders were unable to conquer and which remained part of the grand Duchy of Lithuania) with Palanga is historical Central East Europe; Klaipėda belongs to Lithuania today, but it is part of historical Prussia, and also part of the Central West region; north of Palanga along the Šventoji River begins Latvia, in the past - Livonia and also North Europe. Three historical regions almost meeting in one point.

FROM THE DEFENSE OF EUROPE TO THE EUROPE OF DEFENSE

Jean-Antoine Giansily

The publication in January this year of the first half of the addresses given at the Strasbourg Atlantic Treaty Association General Assembly has provoked much questioning and reaction on the objectives of the French Association for the Atlantic Community - at a time when political commentators are beginning to reflect seriously on the Europe of defense. An example of current thinking is the *Libération* article a few weeks ago - particularly skeptical by Jean Quatremer,¹ the paper's specialist on Europe.

In truth, the issue that calls imperatively for consideration today by the political leaders of the 19 member countries of the Atlantic Alliance and of the 16 European Union countries boils down to a simple alternative: defense of Europe or the Europe of defense?

It was General de Gaulle who said of NATO in a celebrated 1959 press conference (it is true we were then in the middle of the Cold War) that, as conceived in 1949, "*L'OTAN, c'est la défense de l'Europe par les Américains.*" Since then, the fall of the Berlin Wall and the end of the Warsaw Pact have created the political conditions for the passing of an era when Europe was subject to the United States in the choice of its defense to one where Europe was gradually becoming a partner of the Americans, as reflected in a phrase of the Maastricht Treaty: 'the Western European Union is the European pillar of the Atlantic Alliance.'

It is not just a simple formula; it is rather the progressive transfer to the body of the 15 European Union member countries of the prerogatives of the WEU. The latter, once it was truly in a position to exercise them (that is, from 19 September 1991), was not able to pursue in practice - given the decision of the United Kingdom, Holland, Denmark and Portugal to reject the Franco-German proposal to commit a force of 20,000 European troops for landing on the Adriatic coast.²

The Strasbourg meeting, the theme of which, "Towards a responsible Europe in a renovated Alliance", had been carefully chosen, aimed at tabling the various options that would make possible the transfer of the defense of Europe (by the Americans) to the Europe of defense; that is, defense conducted by the Europeans themselves - with the attendant acquisition of the means to intervene militarily on the continent - after concertation between the member countries of the European Union.

For the first time, through what we called the "Gutenberg" program, European students (159 in all) were invited to express themselves both at the General Assembly plenary sessions and during the work of the committees. Moreover, they had the opportunity of visiting the European institutions in Strasbourg - the European Parliament, Eurocorps, The European Court of Human Rights and the Council of Europe.

It is quite clear, from a reading of the answers to the questionnaire given to the students at the end of their stay published in the issue, that European youth - at least those who take interest in such matters - would like to see a coherent and strong European defense system in place which would meet the criteria set out by the High Representative for Common European Foreign Policy and Security, political, legal

¹ *Coup d'envoi pour une Europe de la défense*, February 29, 2000.

² Jean-Antoine Giansily, *L'Union Européenne et la crise yougoslave, illusions et réalités*, Editions Denoël, p. 15.

and military resources for a pillar that is separable but not separate from NATO in the framework of a common security policy.

Three obstacles

The obstacles which have to be overcome before these aspirations can be realized will require in the years to come much political will, determination and patience on the part of the 15 members of the European Union and the countries candidate for admission. Seen today, the problem is threefold:

There is **an obstacle of a legal nature**. It arises because at present no truly contractual policy exists such as that applying among member States in regard to the Euro. A proper Treaty is called for, like Maastricht, and which would attribute to the 15 members of the Alliance the responsibilities which are still those of the West European Union - whose Secretary General is Mr. Javier Solana. In fact, by investing Mr. Solana with the Secretary Generalship of the WEU and with that of the Council of Ministers, and by conferring on him the post of High Representative for Common Foreign Policy and Security, Europe has managed to place in the hands of one person all the relevant instruments. This should enable him in the period July-December 2000, under French presidency, to get accepted a text no doubt of consensus but which would - to use Mr. Chirac's terms at Strasbourg - lead to a 'significant advance' in the matter. Thus one may hope that at the Heads of State summit to be held in Nice in December, a "Treaty of Nice" will be adopted that will be for defense what the Treaty of Maastricht is for the European currency.

The second obstacle is financial. Assuming that the legal aspect can be resolved in a way to satisfy all 15 Union countries (including the 4 neutral countries), there will arise the issue of the individual members' financial participation.

The French Defense Minister, Mr. Alain Richard³, pointed out in Brussels on December 2 last year that if the differences in defense contributions from member countries remain at present levels, Europe could find itself with countries who are producers of defense and those who are consumers of defense.

It is obvious that the Maastricht Treaty convergence criteria designed to harmonize the basics of the economies of the 15 do not take into account the distribution of defense expenditure - the actual defense charges borne by each country. One can see the advantage, in times of peace, for countries where budgets are not burdened by national defense requirements - through invoking neutrality or refusal to enter into an arms race. The European Union is not Switzerland; countries such as France, the United Kingdom, Germany and Italy, with their military tradition, have substantial defense industries for which the national budgets provide; they are hardly likely to accept that the smaller countries be dispensed of a minimum effort in terms of research, development and purchase of military equipment.

The third obstacle is technological in nature. Although not addressed in depth at Strasbourg, the subject is a serious concern - so much so that the organizers of this General Assembly (they are also, as it happens, those principally responsible for *Regard Européen*) sought the views of Aérospatiale Matra on EADS, whose constitution protocol had in fact just been signed in Strasbourg a few days earlier in the presence of the German Chancellor, Gerhard Schröder, and the French Prime Minister, Lionel Jospin.⁴

³ Ibid.

⁴ *Regard Européen*, 12 (2000), 65.

For the EADS creators, it is not a matter of competing with the three North-American giants who are direct rivals of EADS in the major fields of modern warfare - telecommunications, aerospace and everything that bears on aviation and missiles. The issue is rather that of preparing the future partnership within the Atlantic Alliance and avoiding suicidal competition; the point is that it is a sector where European countries have not made the necessary financial effort in the last thirty years - being persuaded, as they were, that the defense of Europe by America was guaranteed for eternity.

The logic of partnership

These three obstacles, to be overcome properly, mean that we have to be ready legally, financially and technologically to meet the challenge of European defense of the 21st century; they are complicated by a major difficulty of a psychological order: **the need to get across to the Americans that, above all, it is a question of sharing the burden of defense in the framework of a partnership** and that nothing of this is directed as such against the United States.

Let us take, for example, the opinion of Felix Rohatyn, U.S. Ambassador to France, as quoted recently in *Les Echos*⁵: “*For Europe, the priority is the building of a defense industry capable of being measured on an equal footing with (the production of) the big American industrials; for the United States, the priority is the control of arms proliferation worldwide.*”

We must be circumspect about this sort of declaration. That the Americans, world power, should wish to control arms proliferation throughout the world - on the principle that only those arms conceived and manufactured by them are good, and over which they thus have control of production and distribution, is self evident. But the other aspect of the declaration concerning Europe is not exact.

It is true that the priority of the Europeans is the construction of a defense industry in the context of the legal and financial evolution mentioned above. But common sense suggests that such construction is not designed to be on an equal footing with the big American industrials. In fact, beyond all other considerations, it is a matter of Europe providing itself with an autonomous defense capability - as recalled by Catherine Chatignoux in *Les Echos* of January 7, 2000 - after EU member and candidate countries very belatedly realized that the Americans were no longer in Europe. 600,000 American officers and men were stationed in the European Union before the fall of the Berlin wall. Today there are less than 110,000 of whom 35,000 are in the Balkans sector - and thus strictly outside of the European Union.

The redeployment on our continent of a military force comparable to that of earlier years would be justified in the eyes of the American Congress only in the event of a major conflict as in ‘14-18 or ‘39-45. Sad it may be to recount, but although there were 200,000 victims in the Yugoslav conflict and 800,000 people expelled from Kosovo before the April ‘99 intervention, these were - in the eyes of the Americans - merely regional micro-wars in Europe, without major economic interests at stake and which incidentally had no bad effect on a quality immigration to North America.⁶

⁵ *Il faut construire des ponts et non des murs entre les Etats-Unis et l'Europe*, January (2000).

⁶ The United States and Canada provided a haven for many Yugoslav academics and engineers at the time of the conflict. One might even say that, in terms of the ‘brain-drain’, the conflict was rather positive for the United States (see table on page 92 of J-A. Giansily’s book cited above).

It is in this sense that Europeans must be ready and equipped to react, not in any way for competition's sake, but simply because it would be intolerable for a new crisis to erupt in Europe with us not being in a position to confront it immediately.

The solution now lies in the creation of a veritable European spirit of defense to be formally expressed in the constitutive charter of the Union which, from Rome to Amsterdam, has given Europeans the economic and financial means - since the Euro makes Europe's political existence a reality. From the defense of Europe to the Europe of defense, the Treaty of Nice, already on track, should enshrine the existence of Europe in the 21st century, in a climate of entente and partnership with the United States.

Translated by David Parker

AUSTRIA - AN EQUAL MEMBER OF THE EUROPEAN UNION?

Florian Haug

The decision of the European Union (EU) at the Helsinki summit late last year to start membership negotiations with Lithuania brought the country nearer to its prime political goal: Lithuania's full integration into Europe as an equal "family member". This essay will take a closer look at the problems Austria, one of the smallest member countries and a net contributor from the very beginning, is currently facing.

The background and the actual situation

At the Holocaust-meeting in Stockholm in January 2000, the Portuguese Prime Minister, President of the European Council (also, Head of the Socialist Internationale), issued a "joint reaction" based on consultations with all the Heads of State and Government of the XIV Member States if a Government integrating the FPÖ were to be formed in Austria:

"The Governments of the XIV Member States will not promote or accept any bilateral official contacts at political level with an Austrian Government integrating the FPÖ; there will be no support in favor of Austrian candidates seeking positions in international organizations; Austrian Ambassadors in EU capitals will only be received at a technical level. ... There will be no business as usual in the bilateral relations ..."

This announcement was implemented without any hearing when the leader of the (Christian-Democratic) People's Party (ÖVP) and Vice-Chancellor of the former government, Dr. Wolfgang Schüssel (54) and Freedom Party (FPÖ) leader Dr. Jörg Haider (50), Governor of the province of Carinthia, formed a government on 2 February. Norway and the Czech Republic reacted in the same way and Israel even withdrew its ambassador. If one heeded the results of the voting, the only possible way to prevent the implementation of these measures would have been the formation again of the old coalition under a socialist head. This, however, would have been clearly against the will expressed at the ballot.

A media campaign was simultaneously unleashed against Austria, denouncing it as a refuge for right-wing extremism, racism, anti-Semitism, and hate against foreigners. These efforts had clear results: social, cultural, and scientific relations (visits, conferences etc.) were restricted, parents refused to send their children on students' exchanges to such a country as portrayed by the media. While the ÖVP under Federal Chancellor Schüssel is threatened with exclusion from the EVP (European's People's Parties), the ÖVP gained greater popularity and now for the first time in the last 30 years is more popular than the Social-Democrats (SPÖ).

FPÖ - an ordinary democratic party

Formed in 1956 from the remnants of a political party composed mostly of former Nazi adherents (who got their voting rights back only in 1949), the Freedom Party (FPÖ) gradually transformed itself into a liberal party, given particular support in the 1970s by long-term chancellor Bruno Kreisky, a Socialist of bourgeois and Jewish background,

and became a junior partner in the Socialist government in 1983-1986.

Meanwhile, in the late 1980s, Jörg Haider, a handsome, intelligent young man with an academic career in administrative and constitutional law, became party leader. Not afraid of making strong and controversial statements and sensing the people's concern, anger, and resentment, he promised to end the decade-long rule of the SPÖ and ÖVP, abolish their feuds, and establish a lean government. With a program of clear opposition to the parties in power and determination, he gained wide approval and his party's popularity rose to second behind the SPÖ. He was elected governor of the province of Carinthia twice, the last time in 1999.

In 1991 he created an outrage in Austria and abroad by noting during the debate in the provincial parliament of Carinthia on unemployment "the orderly employment policy pursued in the Third Reich" and was forced to resign. At a meeting commemorating the fight against Slovene (guerrilla) troops in Carinthia who ravaged the mostly German-speaking province at the end of both World Wars, he called former members of the Waffen-SS "decent characters" and used the expression "punishment camps" for Stalin's gulag concentration camps. Little credit, however, has been given to his subsequent repeated apologies.

He purposefully uses ambiguous words in speaking about the highly sensitive topic of the Third Reich to attract attention. Furthermore, by challenging the code of political correctness, he became a popular politician who expresses the views of his frustrated audience regardless of the consequences. This is particularly true in regard to the problems arising with foreigners (foreign workers, asylum seekers, refugees, illegal immigrants) in cities where integration measures are endangered by the large number of such people. The slogan, "stop the over-foreignization" used by the Freedom Party in the Vienna council elections campaign in 1998, was the last straw. Although the party official responsible for the election campaign had to resign and no anti-Semitic slogans were ever noted, the party gained a reputation as right-extremist, fascist, racist, anti-Semitic, and xenophobic.

Genesis of the new Austrian Government

In the Parliamentary elections on October 3, 1999, the Social Democrats (SPÖ) won 33 percent followed by the Freedom Party with 27 percent. This again showed the FPÖ's ability to attract the working class. This result was largely due to the voters' desire for fundamental political change after thirteen years of rule by the coalition parties SPÖ, and the People's Party (ÖVP) which also won 27 percent of the vote. The Greens, however, were too weak to be a helpful element for constituting a majority government.

More than three months of negotiations between the SPÖ and ÖVP over a new government program finally broke down because the trade unions refused to declare in advance their support for deep cuts as suggested in the coalition program. Thereafter, the only other possible coalition was between the FPÖ and the ÖVP. These two parties agreed to the necessary austerity policy within a few days and pushed the Social Democrats from power after 30 years at the helm.

The announcement by the EU member states in Stockholm forced Federal President of Austria Thomas Klestil to insist that the two heads of the government parties sign a programmatic declaration which would embrace the "fundamental values and

truths, self-evident for any developed democracy and preserved by the Austrian Constitution.” But the worldwide publication of the program did not in any way halt the protests in Austria and abroad that Haider’s party was coming to power and Chancellor Schüssel’s request to assess the government on the basis of its actions did not soften the position of the foreign governments.

Austria - a country of fascists?

In the past fourteen years, since the campaign against former Secretary-General of the UN, Kurt Waldheim, was unleashed (despite the failure of an international commission of historians after years of detailed research to find evidence of his guilt), Austria is repeatedly portrayed as a country evading the sensitive parts of its history. Unable to acknowledge its guilt, Austria is portrayed as refusing to accept its responsibility, and refusing to return property or compensation. Austria is said to be xenophobic, racist, and anti-Semitic. Any fact to the contrary is ignored, and any challenge to these accusations only serves as clear evidence of the accuracy of the charges.

a) “Anschluss” - how Austria came under Hitler’s rule in 1938

The authoritarian regime of the Christian Social party (1933-38) fiercely resisted Nazi Germany, which, in response, tried to pressure Austria with economic reprisals including the “thousand mark barrier” aimed at driving Austria’s economy, which depended on tourism, into financial ruin. Other tactics included numerous terrorist attacks from 1933 onwards, including 140 in the first week of January 1934 and over 112 assaults on factories, public transport facilities and institutions in a two-week span in June 1934, as well as the launching of unprecedented levels of propaganda against Catholic-oriented Austria. Leading politicians were the targets of assassination attempts, with Chancellor Dollfuss the first prominent victim in July 1934. This Nazi coup failed, however, with a death toll of 107 government supporters and 153 rebels. Eight insurrectionists were executed and around 1,000 imprisoned. In February 1938 Chancellor Schuschnigg was summoned to Berchtesgaden and placed under heavy pressure: He should include Nazis in his government or face the occupation of Austria. Four weeks later he announced a referendum for the freedom of Austria against German influence, to be held on March 13. To avoid the obvious outcome, the Wehrmacht occupied Austria on March 12.

The Gestapo immediately arrested 76,000 persons, the entire political elite, and deported many of them to the Dachau concentration camp. By the end of the war, 65,000 of the 210,000 Austrian Jews had been killed. A further 16,000 died in Gestapo prisons, 20,000 in concentration camps, almost 3,000 were executed upon decision of “People’s Courts” and 109,060 managed to escape. The allied powers, in the “Moscow Declaration” in 1943, correctly declared that Austria (its name had meanwhile been abolished) was the “first victim of Hitler’s Germany.”

It is, however, true that Hitler was greeted fervently by many Austrians who were opposed to the Catholic authoritarian regime. But these people could not have been aware of the consequences (274,000 Austrian soldiers and 24,000 civilians were killed) as was the rest of the world in 1938 (as shown by the agreement in Munich half a year later).

It should be remembered that Austria and Germany had been together in the Holy

Roman Empire for a thousand years. The Emperor had his Imperial Court held sway in Vienna during four hundred years, until the early 19th century. The close brotherhood in arms of Austria and Germany in the First World War was still strongly remembered by the people. The disintegration of the Austro-Hungarian Empire and the formation of nation-states resulted in a deep economic and social crisis. The goal of a Germanic nation-state made up of Austria and Germany had been a goal of many people since the revolution of 1848/49. In 1919, this goal was prevented by the victorious powers at St. Germain.

b.) Aufarbeitung - analysis of the past

Contrary to public opinion and reproaches, Austria was much stricter than Germany in de-Nazification. All members of the National Socialist Party had to register, lost their civil rights, and had to pay a “penance-tax”. The “de-Nazification laws” affected nearly 550,000 persons in Austria, about 500,000 of whom were categorized as “less incriminated” and whose voting rights were restored in 1949. Some 136,829 criminal investigations were opened and 28,148 indictments were issued, resulting in 23,477 decisions and 13,667 convictions. Forty three death sentences were carried out (in Germany there were 6,500 convictions with 12 death sentences). Some 70,000 former officials had to leave the civil service while 60,000 lost their jobs in the private sector. The property of 10,000 people was confiscated.

c.) Rückstellung - return of property and compensation

Compensation measures were implemented for Nazi victims from the beginning. Under the Welfare of Victims Act, 7.9 billion Austrian shillings (ATS) have been paid to resistance fighters and the victims of political or racial persecution. Laws passed in 1956, 1962, and 1976 established relief funds, worth 550 million, 600 million, and 440 million ATS, respectively, for reparation payments to Nazi victims. Victims of persecution between 1933 and 1945 receive extended pension rights under the General Social Security Act. Almost 25,000 persons (80 percent of whom live abroad) currently receive “privileged pensions”, with annual payments totaling 2 billion ATS.

Seven laws governing the return of property and compensation were passed to regulate the return of all property seized during the period of National Socialist rule. Seizure was considered to have occurred even if the transaction was legally valid according to the laws of the time, but the purchaser could not prove that the transfer would also have taken place independent of National Socialist rule. Over 42,000 cases were reviewed up to 1966, with the verdicts equally divided between settlements and successful applications, withdrawals and dismissals.

In 1995 the Austrian Parliament passed the Law Concerning the National Fund of the Republic of Austria for the Victims of National Socialism. The fund was put under the supervision of the Parliament. The fund compensates persons persecuted by the National Socialist regime for political reasons, for reasons of origin, religion, nationality, sexual orientation, physical or mental disability or “anti-social nature”, as well as other victims of typical National Socialist injustices and those who fled the country to escape such persecution. The precondition for compensation is “with some exceptions,” that is,

Austrian citizenship and residence in Austria on the target date of March 13, 1938. Persons who had previously not the requisite compensation, as well as those who require special assistance or whose circumstances justify such support, are given priority for payment. Each victim receives the sum of 70,000 ATS.

By December 31, 1999, a total of 32,671 persons had expressed an interest in applying for compensation, and roughly 29,500 applications were submitted. Approximately 27,000 applicants have received payment from the Fund (10,000 persons in the USA, 5,900 in Austria, 3,700 in Israel, 3,100 in Great Britain). In 317 cases payment was made to heirs. Some 1,839 applications did not fulfill the legal preconditions and were dismissed. Older applicants are given priority. The National Fund was also instructed to distribute the equivalent of Austria's gold reserves remaining from the period of National Socialist rule, a total of about 102 million ATS. To expedite distribution of these funds as well as funds from the sale of unclaimed cultural property in accordance with federal laws concerning the return of art works from Austrian State museums and collections, the National Fund Act of November 1998 increased the number of those qualifying for payments by considerably relaxing the close connection with Austria which the applicants had previously been required to prove.

The key international measure was establishing an international fund for Holocaust victims using the remaining stocks of Nazi gold. Austria, which had held the second largest amount of gold after the Netherlands, was the first country to pledge its active support for this idea, without which the fund would certainly never have been established in time. Austria's gold stocks (102 million ATS) have already been transferred and are being distributed (to individuals and for relevant projects) via the National Fund of the Republic of Austria for the victims of National Socialism.

Austria also led the international field with its Act on the Return of Works of Art of December 1998, which gained particular recognition at the Washington Conference on Holocaust-related issues. The Act continues to be an internationally unique piece of legislation, since it is based on an independent initiative by a country, instead of merely reacting to claims by injured parties. The Act has applied in good faith. Works of art, including highly valuable paintings, have already been returned. Austria is giving active support, including financial assistance, to the international Conference on Stolen Works of Art to be held in Vilnius in October 2000 at the invitation of the Lithuanian government.

In 1999 Austria established a commission of historians with the mandate to investigate all aspects of the seizure of property by the National Socialists and to learn what was fully returned or compensated after the war. An initial interim report on slave labor has already served as the basis for rapid action by the new government (it is an essential feature of the Government's program). Implementation is to begin immediately, in coordination with industry and business via representatives of their interest groups. Swift action is imperative since the victims are already advanced in age, and Holocaust survivors decrease by a rate of around 15 per cent every year.

Austria - a country of xenophobia and racism

When the Iron Curtain fell in 1989, Austria again became a refuge for many Central and Eastern Europeans. To help those directly affected by the conflicts arising from the

disintegration of Yugoslavia, Austria gave shelter to many thousands of suffering refugees, principally from Bosnia (around 95,000 refugees since 1992) and Kosovo. In relation to its size, Austria has taken in more refugees than any other EU country.

Today, 750,000 (as of 1998: 749,126) foreigners are living in Austria, i.e. 9.26 percent of the population. Similar percentages for some other EU countries are Luxembourg - 25.5, Belgium - 9.06, Germany - 9.0, France - 6.4, Great Britain - 4.25. The number of resident foreigners in Austria is approximately the same as in Spain which, however, has a population five times greater. Some 88 percent of foreigners in Austria are from third (i.e. non-EU) countries, one of the highest proportions in the EU.

After the Hungarian revolution in 1956, the suppression of the Prague Spring in 1968, and the imposition of martial law in Poland in 1981, Austria became the land of asylum for hundreds of thousands of refugees, offering shelter and integration. This was a clear expression of how Austria responsibly valued freedom and democracy.

The proportion of foreigners relative to the population as a whole has risen since 1980 from 3.7 to 9.26 percent, an increase of around 2.5 times over a period of almost twenty years. This increase, however, was not evenly distributed throughout the country; in Vienna foreigners comprise more than 15 percent of the population.

In 1999, 20,129 persons applied for asylum in Austria, 16 percent of whom were accepted. Using the normal international method of comparing positive and negative figures, 50.7 percent of all applications were approved in 1999. In absolute terms, Austria occupied 7th place in Europe for asylum applications in 1999. On a per capita basis (for 1999) Austria is tied in fifth place with Netherlands after Liechtenstein, Luxembourg, Switzerland, and Belgium, i.e. in third place among EU countries. The number of naturalizations in Austria doubled between 1988 and 1997, from 8,200 to 16,300.

Official statistics of asylum-seekers do not reveal the role played by Austria in the 1970s and 1980s as the main hub for Jewish emigrants from the Soviet Union. Between 1973 and 1989 around 250,000 Jewish emigrants came to Austria, but few remained there. Most went to the United States, although about 65,000 emigrated to Israel. Today, around 18 percent of Austria's population was born outside the present borders of the country.

Austria rightfully expects that international partners should show confidence in its stable democratic system, which has remained steadfast during its entire history since the Second World War. Human and civil rights are guaranteed by the Constitution and protected by an independent judicial system. After 1989 Austria did its utmost to use its democratic experience and principles in providing sustained support for its neighboring Central and Eastern European countries in their change towards democracy, thus contributing to freedom and stability in Europe.

Austria and Europe

In 1994, the outcome of Austria's referendum on accession - as net contributor - to the EU was approved by nearly 67%, an extraordinarily high figure among all member states. Meanwhile, EU popularity has increased to 76%. Although a majority of Austrians reject the measures taken by the Fourteen, their pro-European mood could not be weakened.

Austria is committed to all principles of the EU. Cooperation between the coalition partners is based on their commitment to Austria's membership in the European

Union. The Federal Government is bound by the principles of freedom, democracy, respect for human rights and the rule of law, common to all members of the European Union and enshrined in Paragraph 6 of the Treaty of European Union.

Austria actively supports further integration and enlargement of the Union. However, its impact on Austria in the economic and social field is much bigger than on the rest of the member countries, as Austria has the longest borderlines with its neighbors - the Czech Republic, Slovakia, Hungary, and Slovenia. It is rather unpopular to mention this fact, and it is not found in publicly accessible information, but criminal offenses of all sorts committed by foreigners has quadrupled immediately after the opening of the Iron Curtain and has subsequently stabilized at that high level. Nevertheless, Austria perceives its history and geopolitical situation as a special mandate to enhance the process of integration. One of the Government's first European policy initiatives, therefore, was the appointment of former Vice-Chancellor Dr. Erhard Busek as Special Representative of the Government for EU enlargement.

Hence - the need for a legal basis

In spite of the Europhile mood and stance of Austria's population and the government, in spite of the fact that not one single infraction of EU principles by Austria, the measures against Austria are supported by all fourteen Member States. France's foreign ministry, for example, refused to invite an Austrian representative for the introduction of its EU presidency program. Austria was not informed on the EU candidacy for the IMF and Austrian ambassadors are treated by some EU countries as diplomatic representatives of a "rogue" country. Neither the abrogation of his party function by Dr. Haider as of 1 May, nor the fact that the government still has the support of the majority of voters, as independent polls show, have brought an end to the measures. This shows that the purpose of the sanctions is not appropriate punishment, but the removal of a political party and, therefore, the re-institution of the Social-Democrats in the government.

As a way out of the crisis, Chancellor Schüssel has presented a draft of an annex to the Treaties that would give a legal basis to this sort of measure. He would like to have the European Parliament involved and be able to appeal to the European Court in such matters. In his draft, the fundamental principles of a fair hearing for the accused and the need for establishing facts before judgments are made are established. References to "family-values" should not let one forget the principles of a fair trial, especially when it comes to a fight for moral values.

METHODOLOGY OF THE EU ENLARGEMENT: A CRITICAL APPRAISAL*

Klaudijus Maniokas

Introduction

The aim of this article is to analyze the new methodological features of the enlargement process of the European Union. The outcomes of the process are less than certain with respect both to the date it will finally happen and the changes it will bring about in the Union and the candidate countries. However, certain new features of the process as compared to previous enlargements are quite evident. The uniqueness of the challenge of the enlargement is reflected in the number of countries involved in the process as well as in the differences in the level of their economic, social, and political development as compared to the Union's level since the profoundness of their transformation will require a qualitatively new response from the Union. This could reflect a new philosophy or methodology of the enlargement, a new set of principles or approaches governing the modalities of enlargement. Therefore, this article will try to assess whether a new kind of enlargement methodology has really been developed and, if so, what are its main principles and do they form a coherent set or logic of enlargement? Then, the implications of this supposedly new methodology will be assessed with regard to the candidate countries in terms of its benefits and possible risks.

The article is divided into two parts. The first is devoted to the explanation of four new principles in the on-going EU enlargement. It notes substantial differences in its logic as compared to previous enlargements and draws some conclusions about the rationales and implications of the new principles to the institutional balance of power within EU institutions. The new principles are: conditionality, increasing asymmetry, complexity, and differentiation. They form a consistent control logic which in a positive sense, provides guidelines for the candidate countries and, in a negative sense, delays the enlargement, thus responding to the fear of the dilution of the EU *acquis*. Within the limits of the member states' aim to postpone the enlargement, the European Commission was able to monopolize the relationship with the candidate countries and increased its power considerably. The second part provides an assessment of some of the implications to the candidate countries of the new enlargement methodology, in particular to the national political consensus in these countries. It concludes that the national political consensus in the candidate countries may perhaps be diluted because the new methodological tools are asymmetrical and aim at the preservation of a national political consensus on enlargement only in the EU member countries. This, in turn, challenges the whole enlargement process.

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This article will use a whole range of interdisciplinary tools ranging from comparative analysis and international relations theory to the specific theories of economic and political integration as well as insights from economic history. Many arguments in this article are supported and illustrated by empirical evidence derived mainly from the experience, first of all, of Lithuania and, to a lesser extent, of the other Baltic countries in dealing with the EU. It could be valuable in itself because most previous studies on EU enlargement drew heavily on the experience of the Visegrad countries: Poland, Hungary, and the Czech Republic. However, since the Union applies standard instruments and principles of enlargement to all candidate countries which face similar transition problems, there are enough reasons to believe that the main conclusions apply to all the candidates.

I. New principles of the methodology of enlargement

This enlargement process in many respects obviously differs from the previous ones. Since it is still continuing, no final conclusions on its outcome and implications as well as on the differences with previous enlargements can be made now. It is clearly much more difficult since so many different countries have embarked on it. The difference in the development of the candidate countries and most EU countries is also one of its particular features. However, this paper will not analyze the different initial situations, but rather the difference in the approach adopted by the EU towards this enlargement.

The basis for investigating the peculiarities of the methodology and instruments of the EU enlargement will be the classical method of enlargement elaborated by Christopher Preston.¹ He describes it as “a constant pattern both to the formal accession procedures adopted, and to the implicit assumptions and principles which have shaped the expectations of the participants and the progress of negotiations.”² Preston identifies six principles of the classical enlargement method: (1) Applicants must accept the *acquis communautaire* in full. No permanent opt-outs are available; (2) Accession negotiations focus exclusively on the practicalities of the applicants taking on the *acquis*; (3) The problems arising from the increased diversity of an enlarged Union are addressed by creating new policy instruments to overlay existing ones, rather than fundamentally reforming the existing inadequacies of the instruments; (4) New members are integrated into the EU’s Institutional structures on the basis of limited adaptation, facilitated by the promise of a more fundamental review after enlargement; (5) The Union prefers to negotiate with groups of states that have close relations with each other; (6) Existing member states use the enlargement process to pursue their own interests and collectively to externalize internal problems.

The author concludes that the development of EU policy towards the associated Central and East European (CEE) countries until 1995, including the Copenhagen criteria, the pre-accession strategy, and the White Article, suggests that the basic principles of the classical method were retained. This paper will look at the further development of the EU policy to determine whether this conclusion is still valid.

¹Christopher Preston, *Enlargement and Integration in the European Union* (London: Routledge, 1997).

² *Ibid.*, p. 9.

I.1. New methodology: four principles

One specific feature of the new method of enlargement is its **complexity**. Previous enlargements, except the first one, were basically devised as a two-stage process starting with a kind of association and ending with negotiations. But now an intermediate stage with many specific instruments between association and negotiations was created. Its aim was to establish an additional gate to negotiations, allowing the EU to control the process better. The role of the gate keeper was naturally given to the European Commission. Generalizing the argument further, the enlargement process is becoming more complex, having more and more stages with more and more possibilities to control access to each stage.

One implication of this tendency to make the enlargement more complicated and sophisticated is the possibility to differentiate between the countries involved. The fifth principle of the classical method of enlargement is that the EU prefers to negotiate with groups of countries. The experience of this enlargement, however, allow us to amend this principle by adding the importance of **differentiation**. To ensure the possibility to differentiate, the process was expanded into more stages and, what is even more important, a whole set of conditions was developed and made flexible according to the political situation in the EU.

Conditionality could, therefore, be regarded as the third specific feature of the process and the backbone of its new methodology. While it was to a certain extent present in previous enlargements, three new features of the conditionality principle emerged. (1) The conditions which in the previous enlargements were limited to the principle of the inviolability of the *acquis* were extended further. The famous Copenhagen criteria are the best example of this extension. (2) As the conditions were not fixed, there was a tendency to create new and more detailed conditions as in the Accession Partnership. (3) Even initially set conditions were made so flexible that their content could be constantly adjusted to the needs of a particular situation. In other words, the initial conditions were cultivated both extensively and intensively. They were enlarged in scope and changed by extending and concretizing them further.

These three features contributed to the growing **asymmetry** in the relationship between the candidate countries and the EU as the instruments based on contractual (more or less mutual) obligations were gradually replaced by instruments based on unilateral obligations. This feature and tendency is clearly demonstrated by the shift from the Europe Agreements to the White Book on law approximation, and finally to the Accession Partnerships.

These four new features or principles of enlargement will be considered in greater detail.

The more complex character of enlargement in terms of the new stages in the development of the relationship does not require much supporting evidence. The second feature, differentiation, is also quite obvious. However, one should provide arguments for the statement about the link between the complexity, the differentiation, and the conditionality. The conditionality argument is also quite obvious. However, further explanation is needed to explain its changing nature. The argument on asymmetry, while

again obvious, requires further elaboration, in particular with regard to the claim that the asymmetry is growing.

II.2. Conditionality: from guidance to differentiation

Conditionality is the core element of the methodology of this enlargement. While it is not a new phenomenon in the EU's external relations and foreign policy,³ the specific application of the conditionality principle towards the CEE candidate countries requires particular attention.

Its development could be traced in the Europe Agreements signed with the first Central European countries in 1991. However, the role of conditionality was reinforced and made explicit by the establishment of the Copenhagen criteria. Looking at these criteria, it is striking how vague and flexible they are.⁴ Take, for example, the second condition concerning the functioning of the market economy. It is at best an ideal type explaining the basic idea about the method of how welfare is created and that it is created by economic agents free to react to the demands of consumers. The Commission only afterwards, in its 1998 Progress Reports developed six sub-criteria concretizing its content,⁵ but they pose even more questions than answers. Market economies even in the European Union can be quite different, not to mention in other developed and developing states.⁶ Therefore, it is not surprising that this criterion was made a decisive one in determining the 1997 and 1998 recommendations of the Commission. A second observation is that the Copenhagen criteria are stricter than the requirements put before the applicant countries in the previous enlargements. While the first two could be well attributed to the particular features of the new applicant countries, namely, to the political, economic, and social transformation they were undergoing, the Copenhagen criteria relate to the adoption of the *acquis*.⁷ The ability to take obligations of the *acquis* and not the necessity to take over the whole *acquis* before accession is formally required. However, the Progress Reports of the Commission tend to interpret the criterion in the latter sense. Therefore, as some observers rightly noted, "for the first time in the case of Central Europe, the Union is requiring countries to take over the *acquis* before the negotiation starts."⁸

The principle aim of these conditions was not only to provide needed guidance to the associated countries but also to build up an additional barrier or filter enabling the

³ Steven Weber, "European Union Conditionality," *Politics and Institutions in an Integrated Europe* [ed. by Barry Eichengreen, Jeffrey Frieden, Jurgen von Hagen] (Berlin, Heidelberg, New York: Springer, 1995).

⁴ This evaluation is shared by many experts. See, for example, H.Grabbe, "The EU's Enlargement Strategy," *The Baltic Dimension of European Integration* [ed. by O.Grobel, Atis Lejins] (Riga, 1996), p.50; Alan Meyhew, *Recreating Europe: The European Union's Policy towards Central and Eastern Europe*, (Cambridge: Cambridge University Press, 1998), p. 162.

⁵ They are provided in all regular reports of the Commission published to date.

⁶ Meyhew, *Recreating Europe*, p. 162.

⁷ In its 1999 Report the Commission referred to it as the third criterion, the previous two merging into one economic criterion.

⁸ Meyhew, *Recreating Europe*, p. 369.

Union to remove the claims of those countries for early membership from the agenda of the Union as well as ensuring better control of the process through differentiation. This aim played an essential role in 1997 when the Commission recommended that only five countries begin negotiations as well as in 1998 when the decision not to enlarge the first group was justified by the Copenhagen criteria. The 1999 Commission's Report recommending the start of negotiations with all the candidate countries satisfying only the political criterion again demonstrated the limitations of the Copenhagen conditions. However, they still provided a sufficient basis for justifying the refusal to take Turkey on board.

II.2.1 External extension of the conditions

The role of the Copenhagen criteria was somehow limited in the Commission's recommendations of 1999 largely because a number of other conditions were developed to replace them. First, the Commission proposed the introduction of the 'differentiation' principle in the negotiations phase. It gives the Commission the right to use conditionality before opening different chapters of negotiation and even to propose different chapters for different countries depending of their so called 'preparedness'. Second, a new set of conditions, based on the conclusions of the Commission's evaluation of the progress in each country, was established through a new instrument, the Accession Partnerships. These documents contain short and medium term priorities for candidate countries. They, it should be stressed, are unilateral documents of the Union adopted by the Council after the proposal of the Commission. The candidate countries are only consulted before their adoption and then should mirror these priorities in their national programs of the adoption of the *acquis*. These programs specify the measures planned to implement the priorities of the Accession Partnership (AP) for a particular country. The AP is the basis for distributing EU assistance to the candidate countries.

Since the principle aim of the established conditions is not to guide the candidates but rather to control the process by differentiating between them, the conditions were not only extended, but also made very flexible. It is impossible to say, as it was noted above, whether flexibility was a result of a conscious attempt to have a large room for interpretation. It is at least clear that it was used by the Commission and by the Union in general as an additional instrument of differentiation. Therefore, it could be noted that the development of conditionality was driven by rather different forces within the Union. While in the case of the association agreements the interests of certain sectors or interest groups played a major role in determining the content of the conditions, the further development of conditionality reflected in the Copenhagen criteria and their subsequent interpretation by the Commission have been largely driven by a mixture of state foreign policy and EU foreign policy preferences.⁹

II.2.2. Internal extension of the conditions: a case study of the Commission's Progress Reports on Lithuania

⁹ Ulrich Sedelmeier, "The EU's Association Policy Towards Central and Eastern Europe: Political and Economic Rationales in Conflict," *Sussex European Institute Working Report*, 7 (1994); Weber, *Conditionality*.

The changing nature of the conditions established by the European Council in Copenhagen could be demonstrated by analyzing the three consequent Commission's reports released in 1997, 1998, and 1999. Since it is impossible to make careful comparative evaluations of all the reports of all the countries, I will only discuss the reports on Lithuania's progress towards accession which are particularly suitable since Lithuania was denied access to negotiations in 1997 and 1998.

The decision to exclude certain countries from the group of countries invited to negotiate in 1997 provoked many controversies. In reaction to this, the Luxembourg European Council decided to launch an accession process with all the candidate countries and thus soften the negative reaction of those who were left outside. However, the decision to differentiate resulted in many attempts to analyze the opinions of the Commission and to assess whether there contained serious arguments justifying the decisions made. The selection of Poland, Hungary, and the Czech Republic was very obvious. These countries were well ahead of the others in a number of fields. They started the preparation for membership earlier and their efforts in the economic reform were recognized by their admission to the OECD. Slovakia was excluded for clear political reasons. The choice of Estonia and Slovenia was less obvious. While Slovenia was well ahead of all the other candidate countries in its relative economic development, its particular efforts aimed at the EU membership in terms of the adoption of the *acquis* were rather modest and comparable to the efforts of Latvia, Lithuania, and some other countries left outside. The Commission recognized this fact in its subsequent reports in 1998 and 1999. The difference in the preparedness of Estonia with respect to the other Baltic states was again not very obvious. In the best case, Estonia was slightly ahead of the other Baltic countries in terms of economic development.¹⁰

The comparative analysis of the Commission's reports can not provide very clear and convincing arguments to support the choices made. There is no justification for the argument that only five countries had passed the line. The reports themselves have been written using different basis for evaluation and evaluation techniques.¹¹ Instead of clear methodology, the Commission used certain approaches which favored certain countries and discriminated against others. It seems that the conclusions were made from the general impression about and the trust in a country rather than from the careful examination of its internal preparation. The principle of "the last ship in the convoy" meaning that the general progress was evaluated according to the failure to complete one or another reform, not compensated by rapid progress in other spheres further distorted

¹⁰ Sven Arnsward, "The Politics of Integration of the Baltic States into the EU - Phases and Instruments," *The European Union and the Baltic States* [ed. by Mathias Jopp, Sven Arnsward] (Institut für Europäische Politik and the Finnish Institute of International Affairs, 1998), p. 76.

¹¹ For example, the data on a percentage of administrated prices in the consumer price index basket, in itself an important indicator of the price liberalization, were used selectively and can be found only in some reports. It is unclear how the level of privatization was assessed. In some cases the share of the GDP generated by the private sector is used as the main indicator of the success or failure of privatization. In other cases the ratio of enterprises earmarked for privatization and enterprises actually privatized is used as a basis for evaluation (see Jonas Čičinskas, Progress Report: Discussion in Lithuania?, *Lithuanian Foreign Policy Review*, 2 (1998), 125.

the general picture.¹² Later comments made by those who had been involved in making the decision suggest, for instance, that the decisions on Slovenia and Estonia made in 1997 were primarily based on geopolitical considerations.¹³ This is not bad in itself, but the decision was presented as a rational choice based on the Copenhagen criteria.

Candidate countries left outside the negotiations in 1997 were looking very much forward to their possible positive reevaluation in the progress report of 1998. However, it concluded that still none of the left outside the negotiations countries could satisfy the criteria. In order to justify this decision the Commission used formulations of a strikingly Byzantine complexity. While in 1997 the Commission simply stated that “Lithuania has made considerable progress in the creation of market economy.” but it “would face serious difficulties in coping with competitive pressure and market forces within the Union in the medium term,” in 1998 it reported that “the sustained implementation of the remaining reform agenda would complete the establishment of a functioning market economy, and enable Lithuania to make progress necessary to cope with competitive pressure and market forces within the Union in the medium term.”¹⁴ These formulations as well as the concrete analysis in the 1998 Report suggest that the Commission added a new criterion related to sustainability of reforms.¹⁵ A similar formulation, although a little bit more positive, was used for Latvia. The 1998 Report stated that “Latvia had continued to make progress in establishing a market economy and was well on the way to being able to cope with competitive pressure and market forces within the Union in the medium term.”¹⁶ Afterwards, unofficially, it was made clear that there was still not enough political will from the EU side to enlarge the group of negotiating countries.

In 1999 the Commission finally recommended that all countries satisfying the political criterion start negotiations. However, it was again stated that “Lithuania has continued to make progress in establishing a functioning market economy and is on the way to being able to cope with competitive pressure and market forces within the Union in the medium term provided it completes the remaining reform agenda.” The principal additional argument this time was about how Lithuania reacted to the Russian crisis. In addition to that, the level of analysis of the Commission shifted from macro-economic to micro-economic. Issues related to productivity and profitability of companies become the focus of the economic part of the Commission’s report on Lithuania.¹⁷

¹² Ibid, p. 123.

¹³ Mayhew, *Recreating Europe*, p. 176; Arnswald, *Politics of Integration*, p. 76.

¹⁴ European Commission, *Agenda 2000 - Summary and conclusions of the opinions of Commission concerning the Applications for Membership to the European Union by the candidate Countries* (DOC/97/8, Brussels, July 15, 1997); European Commission, *Regular Report from the Commission on Progress towards Accession, Lithuania*, 1998.

¹⁵ This view was shared by many EU member countries diplomats residing in Vilnius and Brussels.

¹⁶ European Commission, *Regular Report from the Commission on Progress towards Accession, Latvia*, 1998.

¹⁷ Europos Komitetas prie LRV [European Committee under the Government of Lithuania], *Europos Komisijos antrojo Reguliaraus pranešimo apie Lietuvos pažangą siekiant narystės ES analizė. Santrauka* [The Analysis of the Second Regular Report of the European Commission on Lithuania’s Progress towards Accession. Summary] (Vilnius, October 22, 1999), p. 7.

While this overview of the Commission's arguments is far from being comprehensive, it should be sufficient to demonstrate the changing content of the initial Copenhagen criteria. Being vague and flexible, they allow a very wide range of interpretation and adjustment which is being made in reaction to the political situation in the Union.¹⁸ It should be acknowledged, however, that gradually the Commission tends to use more transparent procedures as well as clearer methodologies in assessing the progress made by the candidate countries.¹⁹

II.3. From the association to the accession partnerships: growing asymmetry

The extensive and intensive growth of conditionality related to EU membership has been accompanied by the growth of asymmetry in the process. This could be well noted in the development of the Union's instruments used in the pre-accession phase. The first main instrument devised to prepare the CEE countries for accession was the Europe agreements signed with the 10 CEE candidate countries in the period from 1991 to 1996. While at the beginning of the process these agreements were conceived rather as an alternative to membership, starting from the Copenhagen decisions they assumed the role of the principle instrument driving all pre-accession activities. These agreements by the very nature of the concept implied commitments from both sides. The associated countries agreed to open gradually their markets for EU industrial goods, to speed up their law approximation with the *acquis*, and to pursue their democracy and market oriented reforms. The Union, in turn, recognized their ultimate wish to become members of the EU, opened immediately its market for their industrial goods, and undertook to provide them assistance in pursuing reforms aimed at democracy, prosperity, and ultimate membership in the EU. These agreements were criticized for the lack of commitment from the EU side to open its markets for textiles, steel, and coal as well as for agricultural products. However, they still marked a new stage of contractual relationships between the EU and the candidate countries.

The Europe agreements still form the legal base for relations between the EU and the candidate countries. However, their importance decreased when new pre-accession instruments were subsequently created. The pre-accession strategy adopted in Essen marked an attempt by the Union to provide clearer concrete guidance for the associated countries. The main new element of this guidance was the White Book on the approximation of law adopted in 1995. Its status was different and somehow unclear. It was presented to the candidate countries as a set of non-mandatory recommendations, an on-going guide to the harmonization of laws. However, it was made clear that the associated countries should change their national programs to include the law approximation. In the White Book itself and in later documents of the Union it was

¹⁸ While it is obvious to most decision-makers directly involved in this process from both the Union and the candidate countries, the still continuing rhetoric about the so-called objective criteria and an objective evaluation of the criteria demonstrate, among other things, a widening gap between the decision-making elite and the general public.

¹⁹ For example, in the 1999 Regular Report the administrative capacities of the candidate countries were assessed using a consistent and uniform set of criteria elaborated by SIGMA.

repeatedly stated that the associated countries are free to decide on their own national priorities.

The White Book was then followed by the Accession Partnerships proposed within the package of *Agenda 2000*. The idea behind them was to further tighten up and direct the preparation process in the candidate countries. This time there was neither an indication of mutual obligations as in the Europe Agreements, nor the choice left in the White Article. The Accession Partnerships contain priorities for the candidate countries established on the basis of the Commission's evaluation. While originally the partnerships were supposed to be Commission's guidance documents, it was decided later that the Council should adopt them instead upon the Commission's recommendation thus leaving the door open for the member countries to express their preferences. The first Accession Partnerships were adopted in spring 1998.²⁰ The candidate countries then had to submit their national programs for the adoption of the *acquis*. In this case, the only room for maneuver was additional priorities and measures. Otherwise, the candidate countries were supposed to follow the AP priorities. The Union's assistance, previously at least formally distributed according to the national priorities of the candidate countries, was now clearly tied to the priorities. Another instrument aimed at ensuring the "compliance" of candidates with the priorities of the AP was the regular reports of the Commission. The regular reports provided an assessment of national programs of the adoption of the *acquis*. Starting from the 1999 Regular Report, the Commission also provides an assessment whether these priorities have been fulfilled and to what extent.

Therefore, the accession partnerships which are considered by the Union as the main instrument of accession radically altered the nature of the relationship between the Union and the candidate countries. The contractual relations foreseen in the Europe Agreements were replaced by unilateral instruments putting all the obligations and the burden of adjustment on the applicants. One could still argue that the Union assumes the obligation to provide aid to the applicants on the basis of the AP. However, the amount of this aid and its destination is decided unilaterally by the Union. Moreover, the amount of this aid is far lower than the financial resources the candidate countries require.²¹ Another argument against the conclusion made above could be the consultation procedure with the candidate countries used in 1998 and 1999. However, as again the case of Lithuania shows, the Commission tends to take on new priorities, but refuses to

²⁰ For example, *Council Decisions of 30 March 1998 on the Principles, Priorities, Intermediate Objectives and Conditions Contained in the Accession Partnership with the Republic of Lithuania* (98/265/EC, OJ L 121/31, April 23, 1998).

²¹ Mayhew, *Recreating Europe*, p. 361. Lithuania's example could well illustrate the point. According to the Lithuanian National Program of the Adoption of the *Acquis*, the financial resources required to implement measures contained in it amount to approximately 4 billion litas (1 billion euro) only in the short term period or in the year 2000. Even taking into account the fact that many of the measures should be implemented independently of the requirements of the EU, as, for example, the most costly reforms related to land reform and the improvement of the transport infrastructure, EU support is very low even in its range. In 1998 the PHARE support amounted to around 40 million euro. In 1999, taking into account the new instruments of SAPARD and ISPA, it would reach some 100 million Euro. See Governmental Commission for European Integration, *Lithuania's EU Accession Program (National Program for the Adoption of the Acquis)* (Vilnius, May 1999).

remove priorities or correct them. In addition, there is a tendency to formulate the priorities in a more strict and demanding form.²²

II.4. The role of the Commission within an institutional framework of the EU: towards a monopolization of the relationship

The role of the Commission in the enlargement process developed in parallel to the development of the methodology of enlargement. In the earliest stages of development the Commission acted as the main generator of ideas and as the promoter of the case of enlargement trying to overcome the unwillingness of some member states to undertake serious steps forward. Although in certain periods the most active states, such as Germany or the Nordic countries, led the process, the Commission always was the main protagonist of this exercise. At the same time, the Commission almost monopolized this relationship. This is probably the most important development related to enlargement within the institutional system in the overall institutional balance of power in the EU. Moreover, the desire of the Commission to monopolize the relationship was motivated by the wish to increase its competencies and power within the institutional system and therefore was in line with the general logic of institutional development within the EU system. Furthermore, this was only possible in the context of the general lack of a strong common will for enlargement and the difficulties in finding a consensus among the member states.

The increasing role of the Commission in the enlargement process could be seen in the development of the methodology and the process of enlargement itself. While even the periodization of the short history of the relations between the Union and the candidate countries would be based on the dates of the European Council meetings, the European Council and the member states played a leading role in designing the shape of the enlargement only at certain critical periods, especially at the initial stages of the development. While the European Commission designed the concept of the Europe Agreements and influenced the historic decision made at Copenhagen, the role of the member states was crucial in determining the countries chosen as well as in pushing the Commission to take more concrete steps in the pre-accession strategy than were adopted in Essen. It gave the process more concrete targets in terms of negotiation dates as demonstrated in the Madrid Council. While the Commission brought new fresh ideas to the enlargement through *Agenda 2000*, the idea of differentiation was stipulated by the member states, particularly Germany,²³ and the decision of the Luxembourg Council to start the accession process with everybody was again designed and pushed through by

²² *Uniting Europe*, 72 (October 25, 1999).

²³ Arnsward, *Politics of Integrating*, p.81. The role of Germany and the position of Chancellor Helmut Kohl promoting the membership of Poland, Hungary, and the Czech Republic and at the same time neglecting other candidate countries provoked quite harsh comments from some candidate countries. See, for example, the article by then Lithuanian Minister for European Affairs Laima Andrikiienė, "Aš jus myliu, bet niekam nesakykite [I Love You, but Don't Tell Anyone about It]," *Lietuvos aidas*, October 29, 1997.

two small member states of the Union, Denmark and Sweden.²⁴ It should also be noted in this respect that Germany's interests always played a major role in the enlargement process. However, as far as the Baltic states and Lithuania in particular are concerned, despite the numerous official statements by German politicians and other officials about Germany being the advocate of the Baltic states²⁵ this never came true and Germany never played the role it claimed. Instead, it seems that Germany was in favor of a kind of 'intermediate' status of the Baltic states. The main preoccupation of Germany has always been the Visegrad countries and Poland in particular.

The situation, however, changed after the Luxembourg summit. Calls for stricter conditionality and the tools designed to control it, namely, the Commission's regular reports on the progress of the candidate countries as well as the accession partnerships, provided the Commission with the principal role in the enlargement or accession process. Through these two closely linked instruments, reinforced by the traditional Commission's role in the distribution of pre-accession aid, the Commission emerged as the single most important actor in the process. This is especially valid for the second group countries in the last two years. Its role remained more balanced through the counter weight of the member countries with respect to the first group of countries because they engaged in negotiations. Since the primary preoccupation of these countries was the process of negotiations and the member states continued to play a major role there, the Commission was not able to exercise its influence to the same extent as towards the second group of countries.

Of course, the role of the Commission can not be exaggerated. The Commission recommendations made in 1998 and 1999 on the start of negotiations with the second group of countries clearly show that it adjusted to the political will of the member countries. However, within the limits of major geopolitical decisions which are reserved to the member countries, the Commission's powers have increased considerably.

The Commission's proposals in 1999 for the further development of the accession strategy clearly demonstrate the desire of the Commission to extend its competencies even further. The proposal to introduce the principle of "differentiation" into the negotiations process, while motivated by the need to link the negotiation and preparation processes and to provide a more coherent 'level playing field' in fact increased the Commission's powers considerably. The Commission will have the right to decide how many and what chapters are to be opened with the candidate countries. The decision on the opening of different chapters will be taken after hearing the Commission's preliminary opinion on the readiness of a candidate country to negotiate.²⁶ After all, the Commission proposed to review chapters already provisionally closed in the negotiations with the first group of countries. This means that the role the Commission played vis-à-vis the second group of candidate countries will be extended to the first group of countries.

²⁴ Lykke Friis, "The End of the Beginning' of Eastern Enlargement - Luxembourg Summit and Agenda-Setting," <http://eiop.or.at/texte/1998-007a.htm> (1998).

²⁵ Examples are provided in Hans-Dieter Lucas, "United Germany, the Baltic States and the Baltic Sea Region," *The European Union* [ed. by Jopp, Arnswald].

²⁶ European Commission, *Composite Article*, 1999.

These proposals of the European Commission were endorsed by the European Council in Helsinki in December 1999. The question that arises in this context is why the member countries accepted this increase in the Commission's competencies. It is even more striking in the context in the last few years of the EU's general institutional development which was marked by a certain shift in the opposite direction. The major steps undertaken within the EU towards new policies were initiated by and placed under the strict control of the member states. This applies to the major achievement of the last ten years, namely the economic and monetary union, as well as to the closer cooperation and integration in the sphere of justice and home affairs reflected in the Treaty of Amsterdam and in recent decisions of the European Council in Tampere.²⁷ This trend is further exposed by the severe blow the Commission experienced after it was forced to resign after supposed mismanagement in Spring 1999.

Two main reasons might explain this apparent paradox. The first is the lack among the member countries of a coherent political will to enlarge. The other reason is the quite divergent geopolitical interests of the member states making the choice about different candidate countries more difficult. The development of the EU policy towards the candidate countries presented above shows the rather skeptical attitude of most member states towards enlargement and, consequently, less will to provide new impetus to the process. This change of attitude is well marked and could be explained by the diminished support among the population of the EU member states towards enlargement. Therefore, within the strict limits of choices excluding every initiative which could make the process faster and more inclusive, the member states allowed the Commission to play the major role in ensuring better control of the process. This control, as explained earlier, was exercised through a number of new instruments characterized by stronger conditionality, more complexity, and growing differentiation and asymmetry.

Almost all the changes in the methodology of enlargement were motivated by so-called objectivity and not the politicization of the process. Therefore, all the candidate countries who felt that they were in a strong position in terms of their preparedness for membership did not oppose these developments, but even supported them. The politicization of the process was conceived as a synonym for postponing the process and for introducing other new unfair rules for the game. The other side of the coin was rarely noticed and is largely related to two factors. The first is the very strict limits imposed by the member states on every Commission initiative. The Commission has the right to do anything to make the process more complex, more conditional, and therefore less speedy. Another factor is the preferences of the Commission itself which were largely overlooked while evaluating the calls for a more objective process.

While it is quite obvious to everybody that the member states have their own preferences which largely shape the process of European integration, the fact that the Commission itself as well as other institutions have their own preferences, while being recognized, is largely overlooked.²⁸ However, the Commission has its own preferences

²⁷ European Council, *Presidency Conclusions* (Tampere, October 15-16, 1999). For a similar argument concerning the increasing role of the member states see "Survey on the European Union," *The Economist*, October 23, 1999.

²⁸ This could at least be partially explained by the fact that the theoretical discussions on the nature and dynamics of European integration could be characterized by the rising influence of the intergovernmental

which usually are expressed in two ways. First, being the guardian of the legal order in the Union, the Commission is keen to develop further European integration and prevent any attempt to dilute what has been already achieved. Second, the Commission, originally designed as the future technocratic government of the Union, is keen to expand its role and competencies. How do these two preferences of the Commission shape the enlargement process?

The mentioned developments suggest that within the limits of choices desirable for the member states, the Commission managed to increase substantially its role and competencies in this particular field of European integration. The Commission succeeded in almost monopolizing relationship with the candidate countries by imposing priorities and even methods of work. Developments with regard to another 'classic' preference are not so obvious and require certain elaboration.

This preference of the Commission resulted in an approach to the candidate states which emphasized the gradualism of the process and discriminated against some candidate countries. As it was demonstrated earlier, a subtle change in the content of the Copenhagen criteria against which the conclusions on the performance of the candidate countries were made, allowed the Commission to keep the process of accession under strict control. As a short case study on Lithuania demonstrated, the Commission uses the analysis and Byzantine style conclusions as tools to avoid any radical changes. It prefers gradual changes with respect to the status of the candidate countries.

This should not be, however, exaggerated, and there is no intention to say that the whole analysis of the Commission is biased. However, our purpose is to show the latent logic of the actions of the Commission and to explain certain differences in the content of the analysis made and the final conclusions.

The general assessment and explanation of the institutional balance of power within the Union and its changes are well beyond the aim and scope of this article. However, it seems that the development of EU policy towards the CEE candidate countries and the new features of the methodology of enlargement provide an interesting case study of the institutional development of the Union. It would support the thesis that the member states remain the single most important actor and their basic interests and political determine the outcomes of European integration. However, in cases when these interests are divergent and the political will is obscure, or, rather, when there is a considerable gap between the long and short term interests of the member countries as well as a gap between long term EU foreign policy interests and short term interests of influential interest groups, as in the case of this enlargement, the supranational actors, and the Commission in particular, are able to exploit the situation by increasing their own

approach which questions different functional or neo-functional theories. The former relies heavily on the reconstruction of basic historic facts and the original motivation of key decision makers in the process of European integration and argues that empirical evidence supports better its basic propositions. See, for example, Alan S. Milward, *The European Rescue of the Nation State* (London: Routledge, 1994) and, in particular, Andrew Moravcsik, *The Choice for Europe. Social Purpose and State Power from Messina to Maastricht* (Ithaca, New York: Cornell University Press, 1998). For a general account of recent research on the nature of the dynamics of European integration providing a rather more balanced picture see Tom Risse-Kappen, "Exploring the Nature of the Beast: International Relations Theory and Comparative Analysis Meet the European Union," *Journal of Common Market Studies*, 34, 1 (1996).

competence offering themselves as seemingly impartial mediators bridging the divergent interests.

II.5. Conditionality, differentiation, complexity, and asymmetry: the logic of control

As demonstrated by the developments in the EU methodology, increasing complexity, stronger conditionality, and the asymmetry of the process are the driving forces of this enlargement. The EU and the European Commission, in particular, justify these changes by the necessity to guide the candidate countries and to provide important incentives to reform as well as being a firm policy anchor. This is certainly true. Undoubtedly, the Union has succeeded in bringing more discipline and coherence to the reforms undertaken by the applicants. However, the development of the process, which is more and more influenced and accordingly shaped by a different logic of action aimed at postponing further enlargement, substantially distorts officially declared motives and logic of action. This distortion may result in a number of intended and unintended consequences which may put the whole enlargement exercise at a certain risk.

III. National consensus and enlargement: why the fear of dilution of the Union may result in a risk of dilution in the candidate countries

The enlargement process should satisfy the interests of both the Union and the applicant countries. In order to be successful it should ensure that both sides reach a consensus and are happy about the final outcome. In other words, enlargement should, very simply, bring a result. The aspiring countries should finally join the European Union. Otherwise the enlargement fails. Formally, it means that the accession treaties are signed and properly ratified after successful referenda.

The consensus is the key concept here. The history of European integration shows that integration was first and foremost motivated by the desire to keep the broad political consensus achieved after the Second World War which is endangered by the growing incapacity of the national state to control the economic conditions deeply influenced by growing economic interdependence. Since this broad national political consensus was based on the national state assuming greater responsibilities in the economic and social sphere and economic growth became the main test against which the political capabilities of the governments were evaluated, the national governments devised an original mechanism of European Communities allowing them to regain some control of their own fate.²⁹ There are still disagreements about the role of different political and interest groups which regard European integration as a new stage in human development signaling an end to the nation state as an organizational form of society. However, the role of national political consensus is stressed under both approaches.

European integration has developed into a complex web of institutionalized decision making processes which are allowed to cope with the increasing complexity created by ever increasing mutual dependency. European integration, in turn, helped to preserve the original homogeneity of the national consensus. It is still very difficult to say whether and to what extent the convergence in the modes of decision-making,

²⁹ Milward, *European Rescue*, p. 2-21.

interest representation, and the relationship between the states and the markets has taken place, but it is almost sure that at least a certain degree of homogeneity was ensured.³⁰

The candidate countries, as it was obvious from the very beginning of the enlargement process, differ very much from most EU countries. Moreover, they have embarked on a painful process of transformation which was further complicated by the fact that it had three dimensions: economic, political, and socio-cultural. This transition has been already completed in some areas. Some countries obviously were able to complete it earlier than others. However, in all the candidate countries new institutions and practices are less consolidated than in the EU countries and the national consensus is consequently much more fragile. Therefore, even more efforts are required from the governments of these states to keep this national fragile national consensus while developing new policies or adjusting old ones. As the famous Balcerowicz's trajectory of public support for reforms shows, radical and painful reforms can be politically feasible only in a quite short period of time when expectations related to the long term future outweigh short term sacrifices.³¹ Transformation has already resulted in economic growth in most candidate countries making other reforms more feasible and sustainable. However, a cost-benefit analysis of accession to the Union reveals that benefits are unevenly distributed across time and emerge at various stages of the accession process.³² The costs of compliance tend to be mostly short-term and the benefits might only be long-term.³³ This was already mentioned in the example of Lithuania's EU Accession Program.³⁴ In most cases the short-term interests of the candidate countries and the Union are not the same even assuming that the long-term interests basically coincide.

On the other hand, the analysis of the new features of this enlargement has demonstrated to what extent the governments of the candidate countries have lost control of their own agenda and priorities of action which are now set in the accession partnerships and closely monitored and even enforced by different instruments starting from the regular reports on progress and ending with the screening of the *acquis* exercise as well as by the means of the control of the assistance. Strategies of accession adopted in the candidate countries largely follow indications and priorities provided by the Union since the room for maneuvering has been constantly shrinking in line with the tendency towards a more conditional and asymmetric methodology or philosophy of enlargement.³⁵

³⁰ "Introduction," *Adjusting to Europe: the impact of the European Union on national institutions and policies* [ed. by Yves Meny, Pierre Muller, Jean-Louis Quermonne] (London: Routledge, 1996).

³¹ Leszek Balcerowicz, *Socialism, capitalism, transformation* (Budapest: CEU Press, 1995).

³² J. Gacs, Michael Wyzan, *The Time Pattern of Costs and Benefits of EU Accession*, (Luxembourg, IIASA, Interim Report, May 1999) p. in quoted in Ramūnas Vilpišauskas, Guoda Steponavičienė, *Winners and Losers of EU Integration in Central Eastern Europe. The Case of the Baltic States*. Economic Part, Draft (Vilnius: Lithuanian Free Market Institute, October 1999), p.3.

³³ Vilpišauskas, Steponavičienė, *Winners and Losers*.

³⁴ See footnote 21.

³⁵ See, for example, Republic of Poland, *National Strategy for Integration* (Warsaw: Government of Poland, January 1997); *Lithuania's EU Accession Program*.

The argument used to justify this situation is largely about necessary guidance. This was explained earlier, but since not only the conclusion but also the reasoning behind it is important, let me provide one of the best examples of such reasoning:

The importance of criteria [conditions in general] is perhaps less to differentiate between candidates, than to give various performance anchors to domestic policy in the associated countries. Governments can sell bad-tasting medicine to the voters if it is part of a strategy leading to the goal of membership of the European Union. If there are no objectives set by the Union, the selling of such policies is more difficult.³⁶

Indeed, many governments in the candidate countries use this argument to promote reforms related to the accession. However, this situation may result in two unintended consequences both of which could lead to the failure of the enlargement. The first obvious risk is that the EU is presented as a scapegoat for unpopular decisions. This may result and has already resulted in diminished public support for EU membership in some countries. However, the second risk is much greater. Given that (1) the costs of adjustment are very high in the short-term, (2) there are differences in the short-term interests between the candidate countries and the Union, combined with (3) still decreasing possibilities of the governments to control their own agendas and national policy making process, the national political consensus is endangered. The governments could be no longer able to fulfill their primary responsibility of assuring national consensus and, consequently, the political, economic, and social stability of their respective countries.

In other words, while the whole development of EU policy towards the CEE countries and the methodology of the EU enlargement is based on a two-level game³⁷ and largely driven by domestic concerns, the current methodology of EU enlargement largely ignores the fact of and denies the possibility for the candidate countries to play a two-level game. Therefore the domestic concerns of the candidate countries are not reflected in it. It could then be argued that the EU has always been a regime-setter and that every enlargement of the Union starting from the first one has been asymmetrical³⁸. However, in the case of the on-going enlargement, the asymmetry and rigidity of the EU is far greater even though there is an obvious need for greater flexibility given the differences between the EU and the candidate countries. and “reflects the distaste for eastern enlargement in some quarters within the EU.”³⁹

This scenario is obviously a pessimistic one and there are many factors which can reduce the possibility of this ever happening. However, under certain circumstances the risks are higher.

The first variable is the economic situation in the candidate countries. If the economies continue to grow, the possibilities to maintain the national consensus on the fundamentals of reforms including the very goal of the membership in the EU are more certain. However, if there is an economic recession, which could be caused not by

³⁶ Mayhew, *Recreating Europe*, p. 376

³⁷ R.D.Putnam, “Diplomacy and Domestic Policy: The Logic of Two-Level Games,” *International Organization*, 42 (1988), pp. 427-460.

³⁸ Alasdair R. Young, Helen Wallace, *Regulatory Politics in the Enlarging European Union: Weighing Civic and Producer Interests* (Manchester: Manchester University Press forthcoming), p. 124.

³⁹ *Ibid*, p. 156.

internal structural problems but by external shocks such as a Russian crisis, the risk of dilution of the national consensus is higher. Two observations are necessary. First, the whole process of European integration was heavily dependent on the rates of economic growth. Since (1) the economic growth and an associated increase in a material well-being has become a basis of a national consensus and the main source of legitimacy for national governments in post-war Western Europe and (2) it was consciously created as one of the very fundamentals or *raison d'être* of the European integration itself, the slow-down of economic growth was largely followed by a slow-down of European integration.⁴⁰ Second, the risk of the dilution of the national consensus could be further exaggerated by an attempt to attribute the consequences of these external shocks to the structural problems of the given country. The Commission's 1999 progress reports on the progress of candidate countries could serve as an example of such an attempt. While the effect of the external shock caused by the almost simultaneous crises in Asia and Russia combined with a certain slow-down of the economic growth in the Union could be considered as an excellent methodological tool to evaluate the performance of the candidate countries in these circumstances, the tendency to make governments responsible for the results of this crisis contributed to the attribution of the consequences of external shock to domestic problems.⁴¹

The second variable is the size of country including the relative size of its economy. First, small countries are more vulnerable to the pressure from the Union or from the European Commission, in particular. Therefore, their freedom of action is more limited. Second, the relative adjustment costs with respect to the Union are higher. Since most of the burden comes in the form of pressure associated with an increasing amount of legislation which has to be brought in line with the *acquis* or new legislation required by the EU which should then be properly enforced, the institutional framework of the state and the national budget which mostly carry out this burden are overloaded. To put it in very simple terms, Lithuania and Poland, for example, have the same amount of the *acquis* to transpose and implement. More or less the same amount of human as well as financial resources is required in both cases. Third and the most controversial thing is about interests. The long term interests of the Union and candidate countries should coincide. A number of arguments have been made and a number of studies have been undertaken to demonstrate that EU enlargement into Central and Eastern Europe will be beneficial for both sides. The security and stability will be better ensured and the larger

⁴⁰ For similar arguments, see Milward, *European Rescue*; Allan Williams, *European Communities* (London, 1990).

⁴¹ European Commission, *Composite Article. Regular Report from the Commission on Progress toward Accession by each of the candidate countries*, October 13, 1999. III. Progress. Economic criteria, p.1. On the basis of this criterion the Commission made the conclusion that, for example, Lithuania can not still be regarded as a functioning market economy since "macro-economic stability was preserved even though it has been made more vulnerable partly as a result of the policy response to the Russian crisis. The government's attempts to dampen the negative external shock led to a serious deterioration of the fiscal and external balances to levels that may become unsustainable" (European Commission, *Regular Report from the Commission on Progress towards Accession. Lithuania. October 13, 1999. Criteria for Membership. Economic criteria. General Evaluation*, p. 1). Our purpose here is not to discuss the question of what policy response could have been regarded as positive. Our point here is to demonstrate the linkage made and to point out the political risks involved in making such a linkage.

common market will foster economic growth throughout the enlarged Union. However, fewer attempts have been made to investigate the question of the possible divergence of short-term interests. It seems that in certain cases the divergence of these interests is quite obvious, for example, nuclear energy in the candidate countries. While nuclear energy continues to be a very important factor in the economic growth of certain candidate countries, such as Lithuania, Slovakia, and Bulgaria, the EU has been exercising extraordinary pressure on those countries to close their nuclear power plants. This again shows that small states are less capable to defend their interests than larger ones.

Conclusions and solutions: avoiding the dilution on both sides

The main conclusion of this article is that because of the different nature of the enlargement the EU developed a new methodology. The new methodology is based on four new principles: complexity, differentiation, conditionality, and asymmetry, which together form a single logic of control. This logic largely aims at slowing down the process of enlargement because of the justified fear of the dilution of the Union. In the context of this fear and the general lack of political will in the member states to enlarge, the European Commission managed to extend her own competencies in this sphere and almost monopolized relations with the candidate countries. This opened the process to the preferences of the Commission in addition to those of the member states and thus reinforced the rigidity of the methodology of enlargement. This logic was further challenged on the basis of the importance of the national consensus. It was argued that the candidate countries were largely deprived of all means to incorporate their own preferences into the process thus imposing on them danger of dilution that the Union is trying to avoid in its own backyard. The risk of dilution in the candidate countries, it was argued, is based on (1) the time pattern of the accession costs and benefits indicating that the costs of adjustment are very high in the short-term, (2) a certain divergence of the short-term interests between the candidate countries and the Union, and (3) the still decreasing possibilities of the governments to control their own agendas and national policy making process. Certain variables contributing to the risk of dilution were then identified. It was argued that the smaller the country and the higher uncertainties related to the economic growth, the higher risks of a breach of national political consensus.

The results of this inquiry into the new features of the methodology of the EU enlargement clearly suggest the need to make certain corrections to the process. These suggestions could be grouped into three basic categories. First, the process should be made more fair. The differentiation should not be turned into discrimination as is sometimes happening now. The Union should be very careful to avoid any overplay, in particular with regard to smaller countries. Second, the process should not be focused only on the candidate countries but also on the Union and thus become more mutual. There should be an attempt to make the process, especially the accession partnerships more symmetrical. The burdens of change should also be divided more equally. The third suggestion is to introduce more flexibility into the process to counter the increasing rigidity demonstrated by the growing complexity and conditionality. This suggests a certain politicization of the process. However, it does not mean that preferences should be given to all the divergent geopolitical and economic interests of the member countries. The logic of objectivity and its institutional embodiment, the Commission, should be at

the center of the process. However, I would suggest that the member states should assume much closer supervision of the Commission in its undertakings towards the candidate countries.

Summarizing the point, it is necessary to say, that this particular process of enlargement has become particularly rigid and asymmetrical. The risk is that this rigidity may endanger its final results. What should be done is to a certain respect to reverse it back in terms of methodology. The Union as a pace-setter, therefore, should return to the original, still very limited, mutuality. It is not to say that the process should be entirely symmetrical. However, a different balance should be found to avoid the risk of dilution on both sides.

LITHUANIA AND NATO

George Robertson

Geography is not destiny - a fact Lithuania has demonstrated time and again. Although they were separated from the West by an impenetrable "Iron Curtain", the Lithuanian people managed to retain their commitment to and belief in the common values of free nations. The sense of statehood cultivated since the early 13th century, and the memories of inter-war independence served as powerful reminders that the forceful incorporation into the Soviet Union was not history's final verdict on Lithuania's destiny.

Today, the conviction that Lithuania would eventually rejoin the community of like-minded nations has been borne out. Since independence, Lithuania, together with the two other Baltic nations, has become a success story. The Baltic area is representative of a new Europe, a Europe characterized by cooperation and integration, reviving old historic patterns of regional cooperation and trade, while simultaneously seeking integration into the wider European family.

Indeed, today Lithuania is a serious candidate for EU membership. It is also a long-standing cooperation Partner with NATO and an aspirant for NATO membership. Over the course of the 1990s NATO has become a key player in managing major transition processes which determine the future quality of European security: NATO today is playing an important role in the deepening and widening of a democratic and peaceful Europe, in engaging Russia, in re-balancing the transatlantic relationship, in facilitating pan-European military cooperation, and in crisis management. Because of this centrality, most European nations, including Lithuania, define their security policies in close cooperation with NATO.

Perhaps the overriding characteristics of NATO's approach to security post-Cold War is its strong preference for functional solutions over institutional ones. Although the issue of NATO-enlargement was bound to rise to prominence soon after the end of the Cold War, the Allies have been keen to avoid making enlargement into the "single issue" of post-Cold War European security. Indeed, to have made institutional membership the sole yardstick for NATO's value would have deflected from the key issue: how to re-organize European security after bipolarity.

This process of re-organization may take decades to complete. It can only be managed successfully if it takes the pluralist nature of Europe fully into account, including in its security arrangements. If one were to express this challenge in a bumper-sticker slogan, one might refer to "different needs and different speeds". For example, some states will join NATO first, and the EU later - Poland being a case in point here. Some states may join the EU first, and NATO later. Other states, like the neutral EU members Sweden and Finland, are satisfied with their existing relationship with NATO. And some states, such as Russia and Ukraine, require a special relationship with these institutions.

NATO has created a set of policies and mechanisms that take account of this pluralist environment. They allow for different forms of "association" with NATO, according to the aspirations and capabilities of nations, but also according to NATO's strategic interests. The fundamental elements are: cooperation, enlargement, and the NATO-Russia relationship.

Partnership and Cooperation

Cooperation throughout the Euro-Atlantic area is the first policy track. It is epitomized by the Partnership for Peace (PfP) and the Euro-Atlantic Partnership Council (EAPC). In

involving nations from Europe, North America and Central Asia, PfP and EAPC represent a security framework that spans three continents. This framework caters to the different needs and aspirations of the wider Europe: First, it bridges different memberships. All OSCE nations can participate, no matter what institutional affiliations they may otherwise have. Second, it provides a venue for pan-European military cooperation in peace support operations, a value demonstrated on the ground in SFOR and KFOR. Third, its functional emphasis offers the post-neutrals a means of coming closer to Euro-Atlantic security structures, including defense planning, without forcing them into controversial domestic debates. And fourth, it offers the nations of Central Asia and the Caucasus a link to NATO. Lithuania was one of the first nations to join PfP in January 1994, and has been among the most active Partners ever since. Lithuania has taken great interest in all efforts aimed at enhancing the PfP process, and has developed an extensive and ambitious PfP program. Lithuania's participation in the Planning and Review Process (PARP) familiarizes the defense establishment with NATO's force planning procedures and will enhance interoperability between Lithuania and NATO.

Moreover, regional cooperation and activities "in the spirit of PfP" conducted with several Allied and Partner nations continue to contribute significantly to Lithuania's more focused participation in PfP. In cooperation with Estonia and Latvia, Lithuania offers BALTBAT and BALTRON for PfP exercises and operations. Lithuania and Poland have established a joint battalion (LITPOLBAT), based on existing units and funded by national resources. Lithuanian Armed Forces cooperate with almost 20 nations. Since 1994, over 600 Lithuanian military personnel have participated in UNPROFOR, IFOR, SFOR and KFOR operations in the Balkans. Lithuanian police officers serve in UNMIK.

If one looks at the evolution of our cooperative mechanisms over the years, including the establishment of a distinctive Partnership with Ukraine, the opportunities for Partners have constantly increased. In the early days of PfP, for example, NATO would essentially offer its Partners a menu of activities from which they could choose. Today, Partners appear much more self-confident and eager to shape the program together with Allies. In other words, Partners have understood that it is they who decide how far and how deep co-operation should go, and that, therefore, it is they who bear a certain responsibility for the future of these endeavors. That is why they have remained so interested -- and so active. It is this active participation that will allow Allies and Partners to explore the full potential of PfP and EAPC more fully: their role in supporting regional cooperation in South-Eastern Europe or the Caucasus, for example, their contribution to arms control, or in facilitating preventive military deployments in a crisis.

NATO Enlargement

NATO enlargement is another policy track. It rests on the logic that Europe's division can only be fully overcome once nations can determine their foreign and security policies by their own free choice. By keeping NATO's door open for possible future members, it thus provides a strong incentive for these aspirants to get their house in order. Fears that enlargement could turn out to be disruptive or divisive were put to rest by creating cooperative ties with all interested non-member states, and by offering Russia a privileged relationship. That way, the accession of the Czech Republic, Hungary and Poland in March 1999 was managed successfully - setting the stage for a credible "open door" for possible future accessions.

At the 1999 Washington Summit, NATO Heads of State and Government decided to review the enlargement process at their next Summit meeting, which will be held no later than 2002.

In the meantime, the nine current aspirants need to focus on the Membership Action Plan (MAP), a program through which NATO seeks to help aspirant countries to better focus their preparations for possible future membership. MAP-related Partnership Goals and tailored PfP Individual Partnership Programmes have been agreed with the aspirants, to assist them in their efforts to meet the ambitious goals they have set themselves in the military field.

In helping to prepare countries for membership, the MAP draws heavily on PfP's established mechanisms. Many so-called Partnership Goals are MAP-related, which will reinforce and enhance preparations for possible NATO membership. Lithuania's priorities are being placed on interoperability, command and control, English language proficiency, CIS security, and air surveillance.

Lithuania was the first country to submit an annual national program on preparation for future membership, setting out the objectives and targets of this process of preparation. As the program is very ambitious, prioritization and allocation of sufficient resources will be essential.

The management of the enlargement process will continue to reflect the need for balance between the aspirants' ambitions, NATO's strategic interests, and the overall security situation in Europe. This implies the continuation of a gradual process - a process in which no European democratic country whose admission would fulfil the objectives of the Washington Treaty will be excluded from consideration. This logic applies regardless of a country's geographic location - because all states have the inherent right to choose the means to ensure their own security.

NATO-Russia

NATO-Russia relations constitute the third policy track. Russia is the largest European security variable. If Russia remains on the path of reform towards democracy and market economy, and chooses to engage constructively with Europe, most problems of European security could be solved in a cooperative fashion. NATO thus has a vested interest in seeing Russia's transformation succeed. Even if the future of Russia lies within Russia herself, the Alliance can be more than an innocent bystander to Russian developments. It can engage Russia constructively. Above all, NATO can signal that it takes Russia seriously as a major security actor. The NATO-Russia Founding Act of May 1997 sent such a signal. The creation of the NATO-Russia Permanent Joint Council reinforced it, setting an agenda that ranges from preventing proliferation to joint approaches to crisis management. Together, the Founding Act and the Permanent Joint Council signaled that NATO and Russia reject the notion of defining each other as permanent adversaries.

With the end of the freeze in relations brought about by the Kosovo crisis, the NATO-Russia relationship is developing well. What we need to aim at is a relationship that is resilient to occasional disagreement - a relationship where different views on one issue do not jeopardize our entire cooperation. Such a relationship is within reach. And even if consultations in the PJC will not always lead to common positions they serve to foster transparency and minimize misunderstandings.

A strong NATO-Russia relationship is of particular significance for the security of the Baltic states. But the need to engage Russia constructively is not confined to NATO. Indeed, Lithuania is particularly suited to foster better Russian understanding, as it borders the Russian oblast of Kaliningrad. Lithuania and Russia have worked together to resolve the issue of Russian military transport to Kaliningrad, and Lithuania has good economic incentives to expand trade and economic links with this region. Although the border treaty

with Russia still awaits ratification in the Russian Duma, the steady improvement of relations is an encouraging sign of Lithuania's ability to get on with its larger neighbor.

Conclusion

Given the unique complexities of the Baltic Sea region, and especially given the yet unfulfilled membership aspirations of the Baltic nations, the charge is sometimes made that the Baltic area suffers from the absence of a coherent policy by Western institutions. This, critics assert, would leave the job essentially to the Nordic nations, who have neither the resources nor the political will to carry the burden alone.

This is a false image, one that risks missing the forest for the trees. It ignores the fact that within this decade, most countries bordering the Baltic Sea will move closer to membership of the European Union - another clear step towards "Europeanizing" Baltic concerns and thus a step away from regionalisation. It also ignores the fact that the Baltic security situation is essentially benign - particularly when compared to ten years ago, when the Baltics and Kaliningrad were at the top of the scale of potential flashpoints. Finally, it also tends to ignore the fact that NATO is indeed there - and in more ways than one. NATO has developed cooperative patterns with all nations in the Baltic region, including Russia. And the Alliance has opened the door to possible future membership. Taken together, these initiatives offer the prospect of a further improvement of Lithuanian security, making the positive developments in the Baltic region truly irreversible. In short, geography is not destiny.

THE EUROPEAN UNION FROM A LITHUANIAN PERSPECTIVE ¹

Vygaudas Ušackas

A pre-determined destiny - a united Europe

Robert Schuman's declaration half a century ago was the beginning of a new Europe - peaceful, secure, and prosperous. The French Foreign Minister offered the means to reconcile two of Europe's largest countries, France and Germany, through the unification and joint control of their coal and steel industries. Schuman's declaration also emphasized the possibility for every European country to join this French and German cooperation institution. The idea led to the formation of a union which lacked the conceptual and technical possibility for further military conflicts between its member states.

Lithuania was not able to participate in the process of European integration from its beginning. Had there been friendlier soil and no occupant on the eastern shore of the Baltic Sea, the ideas of the two great French statesmen Jean Monnet and Robert Schuman would have matured there to form a strong branch of the blooming European Union (EU) tree. Although belatedly, this branch is now developing rapidly in an unstoppable manner. After the restoration of independence, Lithuania, as well as Latvia and Estonia, is free to choose its own domestic and foreign policy.

Whether by coincidence or with pre-determined synchronization and similarity, the paths of Estonia, Latvia, and Lithuania from oppression to freedom were nearly identical and they are now progressing, separately but in tandem, to the same goal, membership in European and trans-Atlantic structures.

The decisions of these states to apply for EU membership were driven primarily by the inherent historical and cultural gravitation of the Baltic nations towards Europe's development.

Aspirations to join the EU are also motivated by the growing understanding that in the times of rapid globalization the best way to express and ensure Lithuania's national interests is through the collective decision making and solidarity of the EU.

Lithuania's integration into the EU is, however, not a blind endeavor. There is open, democratic debate between Lithuanian politicians and the public at large and an orderly, regular process of analysis, planning, and the implementation of assorted weekly decisions taken by the Government and its agencies. And these methods of integration help identify the costs and benefits of membership in the EU and determine how Lithuania will contribute to its future destiny.

What is the EU for Lithuania?

¹ This article is a contribution to a book of essays entitled "Europe 2020," which will be published in the United Kingdom. Other contributors will include the ministers responsible for EU issues in member states, Norway, Switzerland, and the applicants for EU membership.

The European Union is an exemplary form of voluntary inter-state cooperation, of a previously unknown scope and closeness. The productivity of such cooperation lies in the high standards applied jointly throughout the Union. Presently, Lithuania is undertaking profound reforms to strengthen its market economy. There are many known, but possibly unexplored, models for market economies. The EU represents a model-in-operation whose success, based on free market rules and the principles of social cohesion, seems very suitable for Lithuania. Lithuania does not have to re-invent the wheel, or risk failure in experimental, theoretical, social, and market models. Relying on the thorough application of common rules and the experience of EU Member States, Lithuania is developing a prosperous, stable, and vibrant economy. The EU is, thus, a model for democratic, economic, and social reforms in Lithuania.

The imposition of EU standards in Lithuania also means the adoption of practice-tested-and-proven rules of fair play on a level playing-field inside the Internal Market. It will open up avenues to European markets for Lithuanian products and services, which are gradually becoming more competitive. It will allow better use of the intellectual potential of the Lithuanian people, which cannot be fully utilized when confined to narrow national borders. Another freedom inherent in European integration is the movement of people. Exchanges are mutually enriching, especially in the context of people-to-people relations. Lithuanians will be traveling to other countries looking for their fortune. Some Europeans will also go to the Baltic states to test and prosper in new markets while becoming familiar with different cultures. This mutual exchange has already been occurring for many years.

A vital condition for sustaining economic viability is participation in the flow of free capital inside the Internal Market by using modern banking procedures and benefiting from the capital available to enterprises. Sensitive discussions are taking place in the Candidate Countries concerning the acquisition of agricultural land by foreigners. In Lithuania this will require amendments to the Constitution. The discussion there, however, is based on rational arguments related to the consolidation of the land market, the restructuring of the agricultural sector, and the revitalization of rural life and the economy in general.

Access to new technologies and the development of knowledge-based industries is also essential for the modernization of the Lithuanian economy. Lithuania especially noticed the conclusions of the March 2000 Lisbon Summit and thus became more interested in promoting electronic commerce and virtual communication. The Lithuanian Government declared Information Technologies among its strategic priorities and is facilitating the promotion of e-business. Thus, laws on electronic signature and e-commerce have already been prepared. This is a national effort, corresponding to British Prime Minister Tony Blair's call to make Europe the best place in the world to do business in the new high-tech knowledge economy.

Thus, the EU's Internal Market is a potential pool of income, financial sources, and technological innovation for Lithuania's economy and society.

The evolving foreign and security policies of the EU offer new perspectives for the Baltic states. Membership in a united and globally influential union of more than two dozen states will guarantee that Lithuania's interests, which, in general and in many details, correspond to the common interests of the EU, can be raised and heard more

effectively. Lithuania's membership in the EU is also a safeguard of security, stability, and prosperity.

Membership in NATO is another vital priority of Lithuania's foreign policy, which is based on the realization that the Alliance is the most effective instrument for the collective defense of European democracies. The connection between these two goals has been most recently re-confirmed by the nine foreign ministers of NATO candidate countries in the Vilnius Conference on May 19, 2000.

Lithuanians understand that European integration is conducive to the fostering and cherishing of national cultures and ethnic identities. They regard the EU not as a "melting pot" but rather as a "salad bar." The slogan of the Feira Summit "Europe: unity in diversity" and the policies based on it are a sound guarantee that Lithuania through its culture and expression will contribute to what is generally called European civilization.

The overall view of what the EU means for Lithuania would require a more detailed breakdown, a long list of the benefits Lithuania will gain as an EU member. This explains the general consensus that has emerged in Lithuania regarding EU membership.

The policies of the Lithuanian Government reflect this consensus. On a number of occasions, French Prime Minister Lionel Jospin has very correctly noted that European affairs are no longer "foreign" affairs. Nowhere is this more evident, even outside the Union, than in Lithuania. All the economic and social strategies as well as the programs of the Lithuanian Government are shaped by the goals of future integration.

In the context of accession negotiations, the expectations of the Candidate Country governments and populations, while ambitious, should correspond with reality to the greatest possible extent. In particular, a realistic attitude is needed now that the pre-accession preparations have crossed the point of no return. Lithuanians realize that they are now the masters of their own destiny.

Ambition promotes the success of goal-oriented policies. Lithuania's experience shows that the accession negotiations accelerated the search for solutions to the challenges that emerged with the start of negotiations, and thus for domestic reforms. The challenge of impending negotiations helps Lithuanians to produce relatively quick but quality solutions.

Lithuanians are constantly reminded that membership in the EU is a moving - or rather evolving - target. On the one hand, this postulate is based on the absolute certainty that by the day Lithuania is admitted to the Union, the latter will have developed additional *acquis communautaire*. Yet, perhaps for natural reasons, it is not fully clear to where the target is moving. The complexity of this issue is illustrated by the still nebulous outcome of the Inter-Governmental Conference, even the scope of which is not yet precisely defined, as well as by the intensified discussion on federalist trends in the EU.

The concepts of enhanced cooperation and federalism are part of the wider political and scholastic discussion that started several decades ago. This discussion will continue and perhaps intensify in the future, and this is desirable.

It is undeniable that some of the most ambitious initiatives were created in a circle of countries narrower than the current EU. It would, however, be false to assume that the future motor of European integration lies in what is called the "core", "nucleus" or "center of gravity". European integration has progressed to the point where its engine

runs on a regular basis. The best example of this is the development of the Internal Market.

It is also worth analyzing the basic assumptions that drive this discussion. One assumption is that an enlarged EU, with its greater diversity, is bound to meet crises and paralysis. This, however, is a rather questionable premise, for in the history of the EU there have been crises when it grew to 6, 9, 10, 12, or 15 members. Crises in the EU, however, tend to be of a political rather than institutional nature.

History has shown that the EU always overcomes the crises. The same history, however, undeniably also demonstrates that the EU adjusts as it grows. The successful outcome of the IGC could be yet another example of this fact.

What is Lithuania for the EU?

This question has at least two underlying implications. The first is regularly raised in Lithuania and among the EU Member States: what will Lithuania and the other Baltic states contribute to the European Union? The second addresses the question whether the three Baltic states should be regarded as a group, or as individual states.

What will Lithuania contribute as an EU member? In answering this question a few facts should not be forgotten: the potential of the Baltic Sea region is expected to increase significantly and the Baltic states will be the external frontiers of the Union and be able to promote broader stability.

Lithuania is becoming part of the eastern rim of the EU. In other words, the eastern border of Lithuania will become the external border of the Union. Lithuanians accept the special responsibility for safeguarding EU's values and integrity, which will be entrusted to them.

There is, however, another conceptual vision of Lithuania's eastern border, namely that of an interactive frontier. There is a general consensus in Lithuania that the country's location at the trading crossroads of East-West should be consolidated and strengthened for at least three reasons:

- the trade and investment opportunities have an enormous economic potential for all parties: Russia (Ukraine, Belarus), the EU, and Lithuania;
- it will help anchor Russia within Europe, with a view to develop genuine strategic partnerships between Europe and Russia;
- it promotes state-to-state and people-to-people contacts, which are essential ingredients for building confidence and stability in the Baltic Sea region.

The practical viability of these motives is illustrated by Lithuania's experience with its neighbor, the Kaliningrad region:

- the trade across the Lithuanian-Kaliningrad border, especially between sub-regional actors, is vibrant and promising; Lithuanian entrepreneurs invest in the region's economy with considerable, but realistic expectations;
- the joint Lithuanian-Russian Nida Initiative² of cooperation on practical matters and its submission to the EU's Northern Dimension framework is a good example

² In February 2000 Lithuanian and Russian Governments agreed on 15 practical projects in the fields of environment, energy, transport, education, cross-border cooperation etc., with the aim to involve

of how mutually beneficial partnerships can originate at the regional level, and offers a concrete contribution to the broader agenda of Russian-European relations;

- Lithuanian relations with Kaliningrad are also a very relevant test of the importance of confidence-building measures in the field of business, cultural or people-to-people contacts. They have a positive impact on sub-regional contacts and also aid the prospects of the Baltic Sea region to become one of the most promising European regions in terms of economic growth based on modern economies.

Lithuania is also a potentially productive part of the EU's Internal Market. Skilled and disciplined labor is essential for the EU's stronger industrial capacity. Lithuania's membership in the enlarged EU will increase the EU's economic capacity. Central and Eastern European countries will not just take their "fair share," but also give their "fair share." Lithuania will become a rapidly growing market able to purchase more EU products and services.

Along with other Central and Eastern European countries, Lithuania will also contribute to the strengthening of the EU's role in world policies, in such areas as promoting global trade, responding to threats to international peace and security, or carrying the message of freedom, democracy and human rights around the world. The deeds speak for themselves: the Candidate Countries already added their voice to the EU's joint foreign policy and are eager to contribute to its further elaboration. Lithuania's knowledge of the neighborhood will be useful for the design and implementation of EU's policies towards Eastern Europe.

The three Baltic states: "unity in diversity"?

The review of recent history may suggest that the image of the Baltics as a single entity is logical. This may also be suggested by their geographical proximity. In the past century the three nations suffered similar fates, so these common factors exist today and will naturally continue in the future.

An important expression of Baltic cooperation is their trilateral institutions functioning at various political and executive levels, and the significant number of trilateral treaties. A free trade agreement on agricultural products, for instance, is not only a significant feature of Baltic cooperation, but also a serious test for one of the most sensitive sectors of the economy - a sort of rehearsal for what will come on a larger scale with EU membership.

On the other hand, Lithuania, Latvia, and Estonia have their own lives. They are, first of all, sovereign states with their own models of state administration and domestic policies. They had their own separate histories for centuries and were at times influenced by different factors. Again - needless to say - they have unique cultures, which among other things include trilateral jokes about each other!

Reform and modernization of the Baltic countries is homework for each individual country. There are things which can be worked out better together (for instance customs procedures), but when they come to the accession negotiation meetings in Brussels, they bring with them only their individual issues.

And that is how the Estonians, Latvians, and Lithuanians would like to be regarded and judged. The European Union is correct to declare this individualistic approach in the accession negotiations with the Baltic states and the other Candidate Countries. Sometimes Lithuania would like to see even more individual, more carefully crafted, solutions to individual problems or concerns.

There are, however, also practical considerations about the enlargement of the European Union. The membership of the Baltic states is only a matter of time for the political decision has been made on both sides. If the Baltic states join separately, they would be separated by temporary EU borders, which would be arbitrary and have to be demolished eventually. The existing free movement of people and goods as well as the development of common infrastructure (e.g. Via Baltica, electricity market, etc.) projects would be fragmented.

This suggests that Estonia, Latvia and Lithuania must prepare for the successful exam vis-à-vis the EU individually, but that the eventual accession of all three Baltic states into the EU will be performed in a harmonized manner. Thus, from the practical point of view, it would be the most desirable outcome to ensure that key EU freedoms extend throughout the eastern shores of the Baltic Sea.

INSTITUTIONAL REFORM OF THE EUROPEAN UNION

Gediminas Vitkus

1. Reasons for and Goals of EU Institutional Reform

Already in 1996-1997 the Intergovernmental Conference (IGC) was given the task of preparing and implementing the institutional reform of the European Union (EU), which would create the conditions, without changing the effectiveness of the Union, to accept new candidate countries. This conference, despite the quite frequently occurring critical evaluations, was not infertile. One essential decision is fixed in article 189 of the new version of the Treaty on European Union which states that the maximum number of members of the European Parliament is 700.¹ This means that after new states are accepted into the EU, the quotas for the distribution of the parliamentary seats will be appropriately changed. A second important institutional decision was established in the seventh protocol of the Treaty of Amsterdam on institutions in future EU expansion, which provides that the number of European Commission members will not exceed 20, and the addition of new members will mean that the great states will give up their second commissioner. However, a condition for this decision is the future commitment to review the number of votes in the Council so that they would be compensated for the loss of the commissioner.²

Of course, one cannot consider these changes, legalized by the Treaty of Amsterdam, as essential institutional reform. The question of the distribution of the quotas for members of the European Parliament remains open. The decided reform of the Commission so far can allow the EU to expand to no more than 20 states. And the effort to reach an agreement on the restructuring of the Council was not successful. It did not succeed not only because the problem is sufficiently complicated, but also, probably, because it was attempted too early. In fact, the very IGC was also too early because it seems that it would not have even been called if the EU Member States had not been obligated to do that by a special article of the Maastricht Treaty.³ In 1996 the IGC should have evaluated how successfully the articles of the Maastricht Treaty were being implemented and made necessary corrections, but these evaluations created problems because the coming into force of the Maastricht Treaty was delayed 10 months.

¹ *European Union. Consolidated Versions of the Treaty on European Union and the Treaty Establishing the European Community* (Luxembourg: Office for Official Publications of the European Communities, 1997), p. 122.

² Rytis Martikonis, "Amsterdamo sutartis: institucijos ir Europos Sąjungos plėtimasis" ["Amsterdam Treaty: Institutions and the Expansion of the European Union"], *Amsterdamo sutartis ir Lietuvos pasirengimas narystei Europos Sąjungoje. Konferencijos medžiaga [Amsterdam Treaty and Lithuania's Preparation for Membership in the European Union, Conference Material]* (Vilnius: Eugrimas, 1997), 34-37.

³ Article N paragraph 2 of the European Union (Maastricht) Treaty states that "A conference of representatives of the governments of the Member States shall be convened in 1996 to examine those provisions of this Treaty <...>." See: *Europos Sąjunga. Steigimo dokumentų rinktinė European Union. Selected Instruments Taken from the Treaties* (Vilnius: Eugrimas, 1998), p. 50-51.

Thus, even before the Amsterdam Treaty came into force, it was already clear that the system of institutions it contained would have to be reformed in the immediate future. And when the treaty after ratification by all the EU Member States went legally into force on May 1, 1999, the very first European Council meeting in Cologne (June 3-4, 1999) declared that in the year 2000 a new IGC of the EU states will be called which would additionally settle the questions of institutional reform “remaining” from Amsterdam, i.e. the so-called Cologne Topics:

- the size and composition of the Commission;
- the weighting of votes in the Council (reweighting of votes; introducing a so-called dual majority system);
- possible extension of qualified majority voting (QMV).⁴

The approaching unprecedented expansion of the EU to Central and Eastern Europe was without a doubt among the most important reasons, promoting such quick changes. Negotiations are now taking place with candidates from 12 new states, and that means that after the end of the acceptance process the number of Union members would almost double. There would 27 members in the new Union. And this figure is also not final. At the end of 1999 Turkey also received the status of an official candidate.⁵ Sooner or later the other Balkan states will also become potential candidates. Thus it is understandable the EU governing institutions will have to be reformed in such a way as to guarantee an appropriate representation of the Member States (“old timers” and “rookies”), and the smooth and effective functioning of the whole EU.

However, it would be unjust to say that the EU governing structure had to be reformed only because new states would be entering the Union. New states were admitted to the European Union, or even earlier the European Community, and each time required the implementation of corresponding institutional reform. Even though the initial structure of the institutions was formed and adapted to the needs of six countries without greater discussions, it was frequently restructured and was able to function further.⁶ One could behave in an analogous manner also now. In fact, this would have

⁴ *Presidency Conclusions. Cologne European Council, June 3 and 4, 1999.* Available at: http://www.europa.eu.int/council/off/conclu/june99/june99_en.htm - December 7, 1999.

⁵ *Presidency Conclusions. Helsinki European Council, December 10 and 11, 1999.* Available at: http://www.europa.eu.int/council/off/conclu/dec99/dec99_en.htm - January 31, 2000.

⁶ The only exception and together a sign of the necessity for developing reforms one could consider the dispute, arising in 1995 about the acceptance into the EU of the EFTA countries - Austria, Norway, Finland, and Sweden. The crisis arose because the UK and Spain opposed the new project for dividing the votes in the Council that foresaw that after the acceptance of Austria, Norway, Finland, and Sweden into the EU, the number of votes which is sufficient to block a decision was increased from 23 to 27, which as in the earlier time comprised about 30 percent of all the votes. The UK and Spain thought that after the realization of the project the influence of the major countries would decrease because two large and one small country could no longer block a decision while at the same time several small countries were able to do that. Thus, the tie between the size of the populations of the countries and their influence in the Council would have been violated even more. Moreover, Spain was afraid that the influence in the EU of the South European states would decrease and that of the North Europe increase. Therefore, the countries demanded that the previously in force minority, i.e. 23 votes, remain. However, in Ioannina a temporary settlement was reached that 27 votes would be needed to block a decision in the Council, however, if the number of opposing votes were between 23 and 26, its realization would be postponed “for an appropriate period,” during which time it was required to further search for a adjudicated decision. From January 1, 1995, reflecting that Norway, nevertheless, did not become an EU member, the number of the minority blocking

been done if that were possible. But this is impossible this time because the foreseen expansion means not only a mechanical increase in the number of members, but in essence a new quality for the EU. The expanded EU will not only become larger, but also more heterogeneous than it was up to now. Not only will the level of economic development of the states differ much more, but also their interests. It will be much more difficult to find a common denominator of interests between the rich and poor states. The proportional number of small states will increase significantly and that will noticeably sharpen their controversies with the large states etc. Therefore this time the reforms of the EU will have to respond not only to an increase in the number of Member States but also with a full complex of problems arising from the acceptance of new members.

This paper will discuss in more detail the essential aspects of the foreseen reforms. First of all, it will present the proposed advantages and disadvantages in the current debate over the so-called Cologne Topics decisions. Later it will look at the ongoing debates and from a theoretical perspective present the proposed EU institutional reforms and the evaluation of the possibilities of closer cooperation of EU states already affirmed in the Treaty of Amsterdam.

2. European Commission: An Assembly or a College?

Probably not incidentally the reorganization of the Commission was the first task foreseen in the schedule of the new IGC in Cologne. One can expect that in the expanded EU with a greater number of Member States than up to now and their greater spectra of interests the importance of supranational EU institutions would especially increase. Namely, the European Parliament, the European Court of Justice, and most importantly the European Commission will have the responsibility to guarantee that the larger EU would also remain united and able to further develop the integration process.

Although the Commission does not consist of political figures having the support of the parliament majority, but rather of officials delegated by the EU Member States with clearly defined tasks to perform, it is, nevertheless, popularly called the “European Government.” This is first of all because the Commission is granted the extraordinary right to initiate new EU policies and the appropriate legal acts. Namely, the Commission, which has a proportionally large, compared with other EU institutions, personnel of officials, is capable of carrying out an analysis of the existing situation in the whole Union and, as provided in article 211 of the Treaty Establishing the European Community, to ensure that the single market works and develops appropriately.

So, in essence the European Commission, in preparing proposals for the single market and the regulation of other measures, acted as the generator of the common interests of the EU states. Already in the initial stage of the preparation of proposed measures the quite different interests of states had to be coordinated. After the expansion of the Union, the suitable coordination of interests and the ability to find a common denominator for different national provisions will become even more important than it

a decision as established in the Ioannina compromise was decreased to 26 votes, while the realization was temporarily halted if the number of the opposing votes is between 23 and 25. For more information, see: Rimantas Griekienis, “Janinos kompromisas” [“The Ioannina Compromise”], *Europos Sąjunga. Enciklopedinis žinynas [European Union. Encyclopedic Reference Book]* [Ed. by Gediminas Vitkus] (Vilnius: Eugrimas, 1999), p. 139.

was previously. Therefore the primary purpose of the Commission's reform should be not to preserve, but to increase even more the effectiveness of its activities. However, of course, the question of how the current principles of its formation and activities should be changed so far remains open.

Until now the European Commission was being constructed so that every EU Member State would have a citizen in it. Only the five largest states had two commissioners. While the EU had 12 states, the Commission was composed of 17 commissioners. In 1995 after the entry of Austria, Finland, and Sweden, the number of commissioners increased to 20. If Norway would have entered the EU, the Commission would now have 21 members. As was previously mentioned, the IGC in 1996-1997 did not change the principle of the formation of this Commission. Therefore, according to the current rules when the Union grows, the number of Commission members increases automatically, but, of course, only after the reserve of the five "vacancies" which the great states can hand over would be used up. This is the fundamental dilemma which the new IGC will have to answer - will the number of members in the Commission depend on the number of member-states?

In the current debate two provisions stand out. One asserts that in the future the current principle in forming the Commission "one state - one commissioner" should be retained. Meanwhile, the other provision proposes to end connecting the size of the Commission with the number of Member States and to determine the number of commissioners depending on the functions they carry out and the demands of rational control. In the latter case, the aim of reforming the Commission would be not only the selection of a new principle of its formation, but also the determination of the optimal number of members in the Commission.

In the opinion of the latter position, the automatic mechanical increase in the number of Commission members can effect in a negative manner its ability to carry out properly its assigned functions.⁷ It may become complicated for an overly expanded Commission to act as a collective institution responsible for all EU interests. Placing stress on the direct link of every commissioner with his country would mean the actual political dependency of the commissioners on their governments. That, in turn, can determine the excessive orientation of every commissioner not to common European, but national interests. In this case, the whole Commission could become more similar not to an executive, but a representative institution, a peculiar kind of small assembly which would find it very difficult to make decisions on the basis of common agreement and even more to guarantee harmonious collective action. Disputes and discussions are the norm in representative institutions, but disagreements in the institutions of executive power mean a crisis of power.

The advocates of the "denationalization" of the Commission provision also argue that if the number of Commission members depends on the number of states each commissioner will have to "acquire" responsibility for his area of responsibility. This would result in the sectors of European Commission's activities becoming smaller. It would even be possible that several commissioners would have to hold negotiations on

⁷ The so-called Florence Club, uniting famous experts of European law and political science, has formulated such a provision. See: *Europe: The Impossible Status Quo* [Ed. by Renaud Dehousse] (Macmillan, 1997), p. 55-58.

the common political leadership in a sector. In that case, one would also have to think about the appropriate coordination of their activities, the distribution of work, and even an hierarchy as well as to find ways to halt unnecessary and unproductive competition.

On the other hand, it is not easy to answer the question: “what is the optimal size of the Commission?” One opinion is such that the current 20 member Commission is already too large. If we would look to the former Commission led by Jacques Santer, it would not be difficult to notice that the fields of responsibility of certain commissioners are not defined sufficiently precisely, and duplication is not completely avoided. For example, in that Commission even four commissioners were responsible for EU foreign relations. In the current Commission of Romano Prodi the fields of responsibility of the commissioners are divided in a more logical manner, but, nevertheless, one should notice that industrial affairs are separated from the problems of energy and internal markets.

Still in 1994 one of the members of the Commission Sir Leon Brittan proposed that the Commission’s functions be divided into ten areas.

According to former Commission Vice-President Sir Leon Brittan, it would suffice to delegate the Commission’s responsibility to ten areas:

- President handling coordination of entire Commission;
- External relations including development;
- Economic affairs including Economic and Monetary Union;
- Environment;
- Transport and regional policy;
- Agriculture and fisheries;
- Industry, the internal market and energy;
- Competitiveness including social policy, education and research;
- Competition policy;

Budget, financial control, personnel and administration⁸

In the opinion of others, according to the currently carried out functions the optimal size of the Commission would be between 12 and 15 members, taking into account that the Commission President and two Vice-Presidents have the additional functions of coordinating all the Commission’s work and representation.⁹

I have not found any literature essentially criticizing or refuting these arguments for decreasing the size of the Commission. However, they are opposed by arguments of a totally different manner. The small EU states are the most sensitive to the possibility of the decrease and denationalization of the number of Commission members because it would appear that in the case of this reform they would have to give up “their own” commissioners. There is a fear that a Commission composed only of citizens from the largest and middle sized states “would generate” somewhat different common EU interests than would a more broad Commission. In this case the primary argument for preserving the “old” system (a commissioner for every state) is the assertion that the stability of the Union can only be maintained by preserving the equality and equality of rights of the representation of Member States in EU institutions.

⁸ Sir Leon Brittan, *Europe...The Europe We Need* (London: Hamish Hamilton, 1994), p. 242.

⁹ *Europe: The Impossible Status Quo*, p. 56.

Thus, taking into account the opinions expressed in debates, the future reform of the Commission can be developed in one of two directions:

- The Commission could be composed of one citizen from each Member State. This is the best way to ensure the Commission's legitimacy;
- The Commission could be composed of a limited and fixed number of members, and there would be fewer members than Member States in the Commission. This would make it easier to achieve effective activities and ensure that the Commission would function as a collegiate institution.

In a report in the second half of 1999 on the preparation for the upcoming IGC Helsinki European Council, then EU President Finland mentioned such alternatives. The Finnish statement declared that during the consultations it became clear that of the two possibilities the first, nevertheless, had more supporters.¹⁰

Or perhaps it would be possible to find, as is customary in Europe, a compromise solution, which would succeed in coordinating the requirements of the equal rights of states and the effectiveness of institutions? Without a doubt yes. The fundamental version of such a compromise decision was fixed in the January 2000 declared opinion of the European Commission about the foreseen institutional reform. The Commission, nevertheless, in order to preserve collective responsibility, recommends that the number of Commissioners be kept at 20, whatever the future of Member States, with a rotation system laid down in the Treaty and based on the principle of equality of the Member States.¹¹

Having become familiar with the various variations of the Commission's reform, the temptation inevitably arises to offer one's own "recipe", which could also be judged as a compromise and uniting the problems of both the equal rights of states and the guarantee of the collegiality of the Commission's work. For example, one could "borrow" the outlines of such a compromise solution from the principles of the formation of the United Nations "executive", the Security Council. The Security Council has 15 members, 5 of whom are permanent and the remaining 10 are elected by the General Assembly for two years according to a regional principle.

Let us say that the Commission has 20 members and the number of Member States is larger, then the larger and more important states should "reserve" a permanent commissioner place and the remaining places would be divided according to a rotation principle. For example, imagine that the EU consists of 27 countries, i.e. the current EU members and the 12 with whom negotiations have been started. Then, the European Commission could be constructed based on the population of the states and of the sameness of interests.

Eight places could be assigned to the largest states, e.g. whose population exceeds 12 million. Then Germany, the United Kingdom, France, Italy, Spain, Poland, Romania, and the Netherlands would have the "permanent places" in the Commission.

¹⁰ *Efficient Institutions after Enlargement: Options for the Intergovernmental Conference, December 7, 1999*, p. 4. Available at: <http://www.presidenty.finland.fi/doc/liite/hvk0712.rtf> - December 8, 1999.

¹¹ European Commission, *Adapting the Institutions. To Make a Success of Enlargement. Commission Opinion in accordance with Article 48 of the Treaty on European Union on the calling of a Conference of Representatives of the Governments of the Member States to amend the Treaties*, (COM (2000), 34, 12-13). Available at: http://www.europa.eu.int/igc2000/opin_igc_en.pdf - February 2, 2000.

Meanwhile, the remaining twelve places could be divided among the remaining 19 states in such a way that the states would be divided into pairs according to a probable similarity of interests and a geographic closeness to ease communications. After the end of the Commission's term, the representative of one state in the Commission would hand over the place to the representative of his "partner". Hypothetically, one could make up eight such pairs of smaller states (from 1 to 12 million population):

1 version

- (1) Ireland and Belgium
- (2) Austria and Hungary
- (3) Denmark and Sweden
- (4) Portugal and Greece
- (5) Czech Republic and Slovakia
- (6) Bulgaria and Slovenia
- (7) Estonia and Finland
- (8) Latvia and Lithuania

Taking into account the past of the states only the second and seventh pair might be problematic. Therefore a second version is also possible by pairing states of "a similar past":

2 version

- (1) Ireland and Belgium
- (2) Austria and Finland
- (3) Denmark and Sweden
- (4) Portugal and Greece
- (5) Czech Republic and Slovakia
- (6) Bulgaria and Slovenia
- (7) Estonia and Hungary
- (8) Latvia and Lithuania

In this way, eight additional places in the Commission would be taken. And the remaining four could be divided in the following way. One place could be given to the trio of micro states (less than 1 million population) Luxembourg, Cyprus, and Malta which would rotate their representative. The other places would remain a "reserve" which in the future could be taken by a subsequently entering state such as Turkey or Ukraine or some other "pair" of smaller Balkan states. It could meanwhile remain unfilled or temporarily "given" to representatives of the three most important EU states - Germany, France, and the UK. In any case a new expansion of the EU would not require fundamental reforms and would allow the preservation of a sufficiently effective and legitimate Commission.

3. Council of the European Union: Reform of Composition and System of Making Decisions

The discussed reform of the European Commission is a complicated and difficult to implement assignment, but compared with the foreseen reform of the Council of the European Union it, nevertheless, seems quite easy to solve. Unlike the Commission which takes care of the common affairs of the EU, the Council is the very institution which already directly represents the Member States. Therefore, as the EU expands the number of full-fledged Council members will automatically increase, and the scenario of the “denationalization” could not in principle be applied here. Thus, with the increase in the number of Member States the effectiveness of the activities of institutions would become ever more complicated, and the already complicated procedure for making decisions would become even more entangled. Therefore, the main task of reforming the Council is to find the “golden center,” i.e. such a version of the Council’s organization in which the Member States would be represented appropriately and at the same time the multitude of members would not hinder the legislative and other functions of the Council.

As the earlier efforts revealed, achieving this is very difficult; the 1996-1997 IGC preparing the Treaty of Amsterdam did not succeed in making any decision. Therefore, as was already mentioned, the European Council, which met in June 1999 in Cologne, nevertheless, delegated the future IGC to make a decision on the two main questions connected with the reform of the Council, i.e. on the distribution of votes in the Council and the application of the qualified majority.

The second of these two assignments appears to be easier. Of course, up to now, disregarding the already existing possibilities in distinct cases of the Council to make decisions by applying qualified majority voting, nevertheless the effort was made to find a common agreement for all the Member States. However, a significant increase in the number of Member States will make more difficult this already complicated process and the making of decisions based on universal agreement will become a practically unattainable matter. Therefore, the perfection of the existing present situation is imaginable only as an expansion of applying the principle of the qualified majority.¹²

On the other hand, the question about the limits of applying the qualified majority remains open. In this respect, it is most likely that the expansion of the areas for applying the regulations of the qualified majority will nevertheless not cross certain limits because the states will not be willing to agree with a majority decision on fundamental constitutional questions. This is reflected in the already mentioned December 1999 report of Finland to the Helsinki European Council. The report mentioned four separate groups of questions in which after the EU reforms decisions could be taken based on a qualified majority:

¹² Almost all experts and institutions: the Florence club (see: *Europe: The Impossible Status Quo*, p. 45-47), the Center for European Policy Studies in Brussels headed by Peter Ludlow (see: “Crisis ignites debate on treaty reform,” *European Voice*, March 25-31 (1999), 12), the so-called Dehaene committee, which last year at the request of European Commission Chairman Romano Prodi prepared a report on EU institutional reform (see: Jean-Luc Dehaene, Richard von Weizsäcker, David Simon, *The Institutional Implications of Enlargement. Report to the European Commission, Brussels*, October 18 (1999), p. 8. Available at: http://www.europa.eu.int/igc2000/repoct99_en.pdf - February 10, 2000) support the application of a qualified majority vote in making decisions.

- Provisions in closely related areas of Community policy where QMV already applies, such as the single market, the Community budget or external economic relations.
- Provisions contained in articles which, as such, cannot be subject in their totality to QMV, although it might be possible to envisage QMV for certain matters within these articles if they are specified in greater detail.
- Provisions on visas, asylum and other policies related to free movement of persons for which the Treaty of Amsterdam envisages passage to QMV (see Article 67).
- Provisions regarding certain appointments to the institutions so that they can proceed more smoothly after enlargement.
- Provisions which constitute so-called institutional “anomalies”, such as those where co-decision is coupled with unanimity in the Council.¹³

The separation of these groups of questions and their specific naming demonstrates that even in the expanded EU, voting by the qualified majority will, nevertheless, have a limited and clearly defined field. Such a provision determines the conclusion that on all other questions the EU states in the Council will have to accept decisions unanimously.

If while executing Presidency of the EU Finland tried to mention those areas where it would be possible to apply voting by a qualified majority, then the opinion of the European Commission on this question is more radical and also more rational because instead of trying to mention the areas where the qualified majority could be applied it acted in the opposite manner listing those areas in which the qualified majority should not be applied and proposed that an unanimous decision remain. They are:

- decisions which have to be ratified by each Member State;
- decisions relating to the operation and balance of the European institutions;
- decisions in the fields of taxation and social security not related to the operation of the single market;
- conclusions of international agreements on matters on which the Council still acts unanimously;
- derogations from the common rules of the Treaty.¹⁴

Thus, in such a case the essence of the Commission’s proposal should probably be understood that in all remaining questions of EU competence in the reformed Council the vote by qualified majority becomes a rule.

Of course, the opinions of both Finland and the Commission reflect certain provisions being dominant in the debates. However, if one were to ignore political considerations and decide solely by rational choice, then one would probably find ever less convincing arguments for preserving unanimity in the EU Council when the number of EU states is increased. The retention of such possibilities would also mean a danger that the whole Union could easily become a hostage of the whims of a single state (regardless of its size or degree of wealth). And this in essence is not compatible with democracy which together with the guarantee of minority rights is, nevertheless, majority

¹³ *Efficient Institutions after Enlargement: Options for the Intergovernmental Conference*, December 7 (1999), p. 5.

¹⁴ European Commission, *Adapting the Institutions. To Make a Success of Enlargement*, p. 22-25.

rule. In this context, the suggestions raised in the Dehaen committee report (with whose opinion the European Commission concurred) to reorganize the European Treaties in such a way that the areas of Europe's primary and secondary laws be clearly separated and in essence the areas of the secondary laws (that is also together with institutional authorization) be expanded seem especially rational.¹⁵ In such circumstances primary law, which in essence is international law, would continue to remain an object of interstate negotiations, while all questions of secondary law could be resolved by applying the principle of qualified majority voting.

However, regardless of what kind of relation for qualified majority and unanimous voting would be chosen or even if the need of unanimity is totally abandoned, the most complicated and also the most interesting questions of institutional reform are the number of votes assigned to each state and the qualified majority. From the very first expansion of the EC in 1973, the votes of the EC/EU states were not reweighted and the number of votes belonging to the newly entering states were more or less determined maintaining the same ratios.¹⁶ But in every case, the number of votes necessary to gather the qualified majority was recalculated. The effort was made to ensure that the qualified majority would comprise about 70 percent of the votes in the Council and that it would at the same time reflect the opinion of the majority of at least more than half of the citizens of the EC/EU Member States.

Evolution of the Qualified Majority in Terms of the Number of Votes and of Representativeness of the Population: 1958-1995¹⁷

Year	Number of Member States of the Community or Union	Total votes	Qualified majority (votes)	Qualified majority (percentage)	Minimum number of Member States required for a qualified majority	Minimum population required for a qualified majority	Minimum number of Member States required for a blocking minority	Minimum population represented by a combination of votes constituting the smallest blocking minority
1958	6	17	12	(70,59%)	3	67,70%	2	34,83%
1973	9	58	42	(72,41%)	5	70,62%	2	12,31%
1981	10	63	45	(71,43%)	5	70,13%	2	13,85%
1986	12	76	54	(71,05%)	7	63,29%	3	12,12%
1995	15	87	62	(71,26%)	8	58,16%	3	12,05%

The current system of qualified majority voting determines that 71 percent of the votes of the Council members are needed to adopt a decision. Every state has an assigned number of votes depending on its size. The larger states have more votes, e.g. Germany, France, the UK, and Italy have 10, and the smaller states fewer, e.g. Belgium and

¹⁵ Dehaene, Weizsäcker, Simon, *The Institutional Implications*, p.12

¹⁶ The only exception is Germany which disregarding the reunification occurring in 1990 the number of votes in the Council was not increased.

¹⁷ European Commission, *Adapting the Institutions...*, p. 29.

Denmark have 5 and 3, respectively. However, the votes are not assigned to the states in a direct proportion to the size of their population. One can say that a principle softening “in a regressive proportion” the power of the major states is applied. States with smaller populations have a proportionally greater number of votes than the larger states. For example, the small states, Denmark and Belgium in which 1.4 and 2.8 percent of the EU population live, have in the Council 3.45 and 5.75 percent of the votes. Meanwhile, the largest state, Germany, in which 21.5 percent of the population lives has only 11.5 percent of the votes in the Council. The votes in the Council are distributed so that the five largest states with almost 80 percent of the Union’s population have only 55 percent of the votes. The remaining 45 percent of the votes are “divided out” to the ten states with 20 percent of the EU citizens.

In this way by diminishing the power of the larger states, the joint votes of the five largest states are not sufficient to adopt any decision needing a qualified majority. The support of smaller states is also needed because the necessary qualified majority is 71 percent of the Council’s votes or 62 of the 87 votes).

Article 205 (ex Article 148) of the Treaty Establishing the European Community¹⁸

1. Save as otherwise provided in this Treaty, the Council shall act by a majority of its members.
2. Where the Council is required to act by a qualified majority, the votes of its members shall be weighted as follows:

Belgium 5
Denmark 3
Germany 10
Greece 5
Spain 8
France 10
Ireland 3
Italy 10
Luxembourg 2
Netherlands 5
Austria 4
Portugal 5
Finland 3
Sweden 4
United Kingdom 10

For their adoption acts of the Council shall require at least:

- 62 votes in favor where the Treaty requires them to be adopted on a proposal from the Commission,
- 62 votes in favor, cast by at least 10 Member States, in other cases.

Unfortunately, this delicate system of EU qualified voting with the mechanism softening the power of the larger states will not work after the future expansion and will have to be reformed. Already in 1994 when EU expansion seemed to be only in the far future, Richard Baldwin in a study, comprehensively analyzing the consequences of

¹⁸ *European Union. Consolidated Versions of the Treaty on European Union and the Treaty Establishing the European Community* (Luxembourg: Office for Official Publications of the European Communities, 1997), p. 126-127.

possible EU expansion, affirmed in a quite convincing manner that the preservation of the existing system of adopting decisions and EU expansion are irreconcilable matters. According to his calculations without reforming the system, the new small EU Member States from Central and East Europe would acquire unproportionally large power, which, in principle, would allow them to block any undesirable decision by their own votes alone. It would be naive to believe that they would not use these new possibilities and in seeking to attain their own interests “would not pressure” the states to adopt the act. Also it is essential to note that most of the candidate states are not only small states but also relatively poor in relation to the EU old-timers. This means that their coalition would not only be sufficiently capable, but also sufficiently probable, judging from the commonality of their interests.¹⁹

Thus, the existing voting system and the distribution of votes in the Council have to be reweighted so that adopted decisions would not only be democratic and reflect the opinion of the majority of the states and their populations, but also prevent the firm establishment of constant conflicts between the interests of large and small, rich and poor states.

Finland while holding the EU Presidency in the second half of 1999, generalized the on-going discussion on the distribution of votes in the reform of the Council in this way: “there is a widespread support for finding an acceptable outcome on this issue on the basis of a system, which is simple, transparent and does not give rights to further adjustments in the course of the process of enlargement.”²⁰

This report points out two possibilities of resolving the problems:

- reweighting of the votes;
- introducing a so-called dual majority system (i.e. an agreed majority of both states and population).

and stated that “in the consultations, very broad support has emerged in favor of the option of reweighting of votes. In addition, the need for any change in the QMV threshold in relation to enlargement will need to be examined.”²¹

A new reform of the distribution of the votes to the Member States in the Council would inevitably change the existing system. However, this is a quite delicate and complicated task, the projects of whose resolution I have not yet seen. Of course, the European Community implemented at one time a reweighting of the votes in the Council when in 1973 three more countries joined the six Community founders:

Member State	EC6	EC9
Ireland	-	3
Belgium	2	5
Denmark	-	3
United Kingdom	-	10
Italy	4	10

¹⁹ Richard Baldwin, *Towards Integrated Europe* (London: Center for Economic Policy Research, 1994), p. 180-190.

²⁰ *Efficient Institutions after Enlargement: Options for the Intergovernmental Conference*, December 7 (1999), p. 4.

²¹ *Ibid.*

Luxembourg	1	3
Netherlands	2	5
France	4	10
Germany	4	10

At that time, the acceptance of the smaller states, Denmark and Belgium, resulted in the proportional increase in the power of the larger states although at the same time the beneficial to the small states disproportion between votes in the Council and the populations remained.

Today, one can also easily imagine such reform. Because the debates are only beginning, we will offer our own proposal for reforming the vote counting. Let us say that in the expanded European Union the number of votes of the Member States in the Council would be redistributed relying on these two previously mentioned criteria:

- every member state has at least one vote
- every member state obtains supplementary votes depending on its size.

For the sake of illustration imagine the following formula for the distribution of votes:

- all EU Member States, except those, whose population is less than 1 million, are granted two votes. Micro-nations (i.e. with less than 1 million population) are given one vote.
- all EU states obtain an additional vote for 5 million inhabitants. Fractions are rounded up so that 2.5 million or more inhabitants result in an additional vote in the Council.

In this case the votes of the 27 Member States would be distributed in this manner:

State	Main votes	Additional	Population votes(in mln.) ²²	Total votes
1. Germany	2	16	82.06	18
2. Great Britain	2	12	59.00	14
3. France	2	12	58.61	14
4. Italy	2	12	57.52	14
5. Spain	2	8	39.32	10
6. Poland	2	8	38.65	10
7. Romania	2	5	22.57	7
8. Netherlands	2	3	15.60	5
9. Greece	2	2	10.51	4
10. Czech Republic	2	2	10.30	4
11. Belgium	2	2	10.19	4
12. Hungary	2	2	10.15	4

²² *Statistics from the European Economic Commission of the United Nations.* Available at: http://www.unece.org/stats/trend/trend_h.htm - January 20, 2000.

13. Portugal	2	2	9.95	4
14. Sweden	2	2	8.85	4
15. Bulgaria	2	2	8.31	4
16. Austria	2	2	8.07	4
17. Slovakia	2	1	5.38	3
18. Denmark	2	1	5.28	3
19. Finland	2	1	5.14	3
20. Lithuania	2	1	3.70	3
21. Ireland	2	1	3.66	3
22. Latvia	2	0	2.47	2
23. Slovenia	2	0	1.99	2
24. Estonia	2	0	1.46	2
25. Cyprus	1	0	0.74	1
26. Luxembourg	1	0	0.42	1
27. Malta	1	0	0.38	1
Total			428.28	148
Qualified majority - 72 percent				106
Blocking minority				43

The provided plan for the distribution of votes in the Council undoubtedly has its pluses and minuses. One can consider as an advantage the sufficiently clear formula for its construction. However, its most important advantage is that the designated distribution of votes with the need to have 72 percent for a qualified majority blocks the probably least desired and most discriminatory division of the EU into the “rich West” and the “poor East” blocs. Some 106 votes are needed to adopt a decision, while the current 15 EU states would only have 105 votes. Thus, it would be impossible to adopt a decision without the support of at least one “rookie.” At the same time, the ten former “East bloc” countries alone could not block any proposed decision without the support of at least one “westerner.”

On the other hand, this subtle balance can also be interpreted as a deficiency of the proposed plan because it would have to be reviewed when some new country (for example, Turkey) joined the EU or the size of the population would increase (for example, Latvia needs very little to acquire an additional vote). One can respond to this by noting that such changes would probably not occur very quickly and that during that time the split into “west” and “east” would lose its particular importance. Then, perhaps the necessity to change the very formula for the distribution of votes would decrease and it would be sufficient to grant an appropriate number of votes to the new member or to give a “growing” member an additional vote.

However, the European Commission in its opinion issued in January 2000, nevertheless, supported a simpler version of the Council’s reform.

Commission proposals to the Intergovernmental Conference²³
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²³ European Commission. *Adapting the Institutions ...*, p. 32.

Whilst recognizing the merits of the system of reweighting of votes, which would ensure that the qualified majority represents about two thirds of the Union's population, with no possibility for a decision to be taken by a minority of Member States, the Commission recommends to foresee in the Treaty that a decision taken by qualified majority requires the simple majority of Member States representing a majority of the Union's total population.

The Commission believes that if it was decided to reweight the number of votes of the Member States then, taking into account the foreseen enlargement, one would have to increase the comparative weight (what would be done in the provided illustration) of the larger states. But in such a case the danger arises which was avoided up to now, i.e. by agreeing among themselves the minority of the larger states could adopt decisions. This is true. In the proposed plan one can clearly see that it could suffice to have as little as twelve of the twenty seven states to gather the 106 votes. In that case, one would still have to search for some kind of solution, e.g. write an additional condition to the Treaty that decisions come into force when they are also supported by a majority of the states, which in practice would nevertheless mean the requirement of the dual majority. Therefore, the Commission believes that in the name of transparency and democracy one should altogether reject the idea of reweighing the vote, and introduce the easily understood and democratic system of the double simple majority, which would be based on two principles. In order to adopt a decision, it is necessary to:

- have the support of the majority of the Member States
- this majority has to represent the opinion of more than half the population of the Union.

This would be an offer of radical reform, essentially changing the established system of adopting decisions. In addition to simplicity and clarity it would also permit the coordination of the interests of the larger and smaller states. The smaller states would not have to fear that the largest states after coming to a common viewpoint could adopt decisions while the latter would not have to fear that the greatly increased number of small states could override the opinion of states having several or many times greater populations. This proposal is also valuable because it would not require the reweighting of votes in the Council, depending on the number and size of the new members, every time the Union expanded.

On the other hand, the Commission itself admits that its proposal not only has advantages but also deficiencies. The fundamental problem is that difficulties could arise "every time the concrete expression of the majority was counted."²⁴ In the course of time the population of the states change so that one would theoretically have "to check" the population for each vote. In fact, if one were to carry out this proposal to its logical conclusion, then every inhabitant of every state becomes a "golden value" vote. Perhaps this is practically impossible, but theoretically even a legal dispute could arise about the legality of an adopted decision. Here one would have to be precise and clearly answer the question how is the population of a state calculated. Does one count only the citizens of the state, or perhaps all EU citizens living in the country, or perhaps also all the legally

²⁴ Ibid.

residing foreigners in the country? It is not so easy to answer this. But the answer to this question would be made easier if, nevertheless, one could succeed in connecting more clearly the state's population with the number of votes in the Council. It is, nevertheless, easier to count votes that have been determined. Therefore, there is a great probability that the Commission's proposed dual majority will not be adopted but some version of distributing the votes in the Council.

4. Institutional reform and theoretical models

As was already mentioned earlier, this study will primarily deal with only the most pressing institutional reform questions and those directly connected with the expansion of the Union. However, even these, the so-called Cologne Topics, without a doubt have to be understood in the context of broader EU evolution and changes.

From one side, the EU from an institutional point of view appears to have obtained a consistent structure of rule, which is in part similar to the structure of a state. The EU has a parliament composed of directly elected representatives, a council composed of ministers, and a court composed of judges. It would, therefore, appear that the EU duplicates the structure of a state with institutions fulfilling the traditional legislative, executive, and judicial functions.

On the other hand, an analysis of articles 189-267 of the Treaty Establishing the European Community, defining the structure and functions of EU institutions, can convince one that in fact the situation is different. Only the functions of the European Court of Justice are quite clearly distinct, and this court is the most similar to the functioning courts in individual states. Meanwhile, in all other aspects it appears that the dominant institution in the EU is the Council, composed of ministers delegated by the governments of the Member States, which fulfills the legislative and executive functions. Not the European Parliament but the Council makes decisions for EU "laws." The European Parliament, on the other hand, is an institution primarily providing suggestions to the Council. Only in distinct previously determined instances and according to a settled procedure can the European Parliament make decisions together with the Council. At the same time the Council is also the highest institution of the executive. It can carry out these functions either directly or by delegating it to the especially created institution - the Commission.

Thus, after a deeper analysis one can easily notice that the EU ruling institutions are a kind of unique hybrid, coordinating in itself the characteristics of traditional state rule institutions and of traditional international organizations. And this is not surprising because European integration was always a process without a clear vision of the final goal. The EU was reconstructed gradually, a "little piece at a time" with long recesses, seeking to realize distinct political goals, among which probably the most important (although not always stressed) is the preservation of the peaceful coexistence of European countries. All this determined that the Treaty Establishing the European Community and the Treaty on European Union did not rely on a unified and finished conception of public rule, but was a kind of common denominator, allowing the union of different state interests and the sufficiently different visions of the prospects of European integration.

Up to now this has been successful. The number of EU member-states increased by steps, and the new countries and the EU institutional structure quite easily adapted to new conditions. However, this time when the number of EU Member States will almost double comparatively quickly, not only technical procedure problems of organization arise. Wanting to resolve the arising problems in a successful and appropriate manner, one should have a clearer answer to the question about the purpose of the whole EU institutional structure. Technical procedural questions could be (or in fact are) secondary if a decision would be made on the most important common matters, i.e. what is the fundamental goal of EU institutional reform.

In fact, quite a number of theoretical models about the nature of the EU, its final development phase have been formulated, but nevertheless they could all be contained within the already become classic conflict of two fundamental paradigms - federalism and functionalism.

When integration began, two different viewpoints, which gained their expression in both the academic plane and the behavior of political figures in different European states, immediately diverged. Some thought that European integration was a process, which would finally lead to the formation of a new federal European superstate. Others, however, viewed the integration process only as a new way of satisfying state national interests, a kind of “functional helper,” supplementing the efforts of the national administrations. Of course, depending on how one understands the purpose of integration, in a correspondingly different way will the institutional structure of international intrastate organizations be formed.

In the first case, European institutions have to be formed immediately or be reformed in stages as the institutions of a future state. This means that in the European plane in the long term all the control structures typical of a traditional state and necessary for ruling institutions - passage of laws, the executive, and judicial powers - have to be expanded. In such a case the progress (or lack) of institutional reform can be evaluated depending on how closely this approaches the model of a federal state, on how properly and appropriately the Member States and their citizens are represented, on how the democratic legitimacy of decisions adopted at the European level is guaranteed.

In the second case, European institutions should in essence not try to reproduce accurately and to a maximum degree the full traditional structure of state control, but to be a kind of an “extension” of the institutions of the executive control of national states. In other words, the EU Member States on the European level should make a project of not the full system of public control, but only the part carrying out the separate and concrete functions of the executive, or in more simple words its own executive. In this case, it would not be the level of democracy and representation, but the effectiveness of fulfilling its individual functions that would guarantee the legitimacy of the operating institutions at the European level. Thus, institutional reform, its (in)ability to obtain results will also be evaluated depending not on the degree of representation of the reformed institutions, but from the growth of the effectiveness of its work.

Of course, these two institutional structure models are only ideal models. Meanwhile, the positions of the state politicians on EU reform are not totally consistent. Nevertheless, the mentioned theoretical prospects provide, even if incidental and chaotic, evaluation criteria for the on-going reforms. One can determine what steps encourage the EU to become more like a union federal state and which, on the contrary, strengthen the

functional nature of the EU. Finally, while analyzing the debates on EU institutional reforms we can also attempt to answer the question whether it is desired that the EU develop further as a superstate political system or as a functional structure serving the interests of the Member States.

“Parliamentary” and “regulatory” models

Law professor at Pisa University and the Institute of the University of Europe in Florence Renaud Dehousse, in trying to evaluate the changes of EU institutions which were brought by the Treaty of Amsterdam, utilized these two paradigms.²⁵ He calls the first the parliamentary model, the second - the regulatory. In Dehousse’s opinion, the European Union in essence before and after the Treaty of Amsterdam remained a hybrid structure in which it is possible to find elements of both models. For example, the growth in the empowering of the European Parliament can be considered an expression of the strengthening process of the parliamentary model. Meanwhile, the strengthening of the empowering of the European Commission or the European Central Bank could be interpreted as elements of the consolidation of the regulatory model.

The reforms brought by the Treaty of Amsterdam, from Dehousse’s point of view, are also essentially ambivalent. On the one hand, they strengthened the expressions of the parliamentary model. The opportunities of the European Parliament to participate in the process of adopting legal acts were expanded one more time. The Parliament also obtained the right to participate more actively in the process of forming the Commission. All this allows one to assert that the EU institutional structure became more similar to the ruling structure of a federal state. although, of course, this evolution is not yet completed and it is unknown whether it will ever be completed.

On the other hand, the Treaty of Amsterdam at the same time brought changes of a different manner which not the parliamentary but the regulatory model can better explain. These are the expansion of the Commission’s competence in the field of social policies, the new provisions for the transparency of the activities of the institution or the subsidiarity protocol. Although, as Dehousse declares, these changes from first glance also appear neutral from the point of view of institutional structure, they, however, expand and improve the possibilities of the EU as an functional organization with a special purpose to begin to settle problems, which it can resolve more easily and effectively than the Member States acting individually. The EU and its institutions do not have to change states, but on the contrary, to supplement and strengthen their opportunities.

If we were to attempt to evaluate the institutional reforms being discussed now by utilizing these two theoretical models, we would easily notice which of the proposals strengthen the federal model, and which relying more on the vision of the EU as a functional organization would be changed to conform more with the functional model. In the case of the European Commission’s reform this is particularly easy to see. The proposal to expand the Commission so that there would be at least one citizen of each member state in it, clearly flows from the “parliamentary” model. Meanwhile, the criticism of this proposal is based namely by arguments gathered from the “regulatory model” declaring that too many commissioners would hinder the Commission from carrying out its functions properly. Instead of being the fundamental organization which would oversee the proper functioning of the common market and other fields, the Commission would become a small assembly composed of competing representatives.

²⁵ Renaud Dehousse, “European Institutional Architecture after Amsterdam: Parliamentary System or Regulatory Structure?,” *RSC Working Paper*, 11 (1998). Available at: http://www.iue.it/RSC/WP-Texts/98_11.html - August 12, 1999.

If the foreseen reforms of the Council are adopted, the difficult to resolve problem of appropriate state representation and the legitimacy of the Council's activities becomes clearer. The logic of suitable representation demands that the number of votes in the Council should conform with the size of the states, but due to the variety of the size of European states as well as the large number of small states one has to search for some kind of formula of "regressive proportionality," which would increase the opportunities of the smaller states at the expense of the larger states. One could also consider as a kind of expression of such regressive proportionality the radical proposal in the January 2000 opinion of the Commission to introduce a dual majority (state and population) requirement. Regardless of what kind of decision will be made, it inevitably will increase the dose of "parliamentarianism" in the EU and perhaps in the long term could be the basis of the evolution of the EU Council into the upper chambers of a European parliament.

However, looking from the other (i.e. functional or regulatory model) side, not a smaller but probably even a larger concern of the institution reformers is raised by the question of how to limit to the maximum degree the possibility in the expanded Union that the fault of several individual states could hinder or even all together ruin the achieved goals of European integration and proposals for new projects. In this context it would appear that one should consider as the more important part of the reform not the distribution of votes and the qualified majority, but the expansion of the fields to which the very principle of the qualified (or dual) majority could be applied as well as the guarantee of providing opportunities for the closer cooperation of individual (i.e. not all) Member States. Namely, this possibility affirmed in the Treaty of Amsterdam seems to create the preconditions that the EU at least as a functional (or regulatory) system could continue to work successfully and effectively.

Conclusions: Are the EU Reforms Already Completed?

Often various experts, evaluating the IGC of 1996-1997 and the Treaty of Amsterdam, stress that the institutional reforms did not justify the expectations. The EU states did not succeed in properly preparing for EU expansion and the completed changes allow the current EU to expand to only 20 members.²⁶ However, that most likely is a too radical conclusion. The mentioned IGC did not resolve the questions, which are now called the Cologne Topics, but in the Treaty of Amsterdam there was fixed a totally new and never before reflected anywhere in the EU or EC treaties and so far not yet properly evaluated principle of "closer cooperation."

²⁶ Such an opinion was expressed at the conference "The Treaty of Amsterdam and Lithuania's Preparation for Membership in the European Union" occurring in Vilnius on November 7, 1997. See: Klaudijus Maniokas, "Pagrindiniai Amsterdamo sutarties ypatumai" ["Main Characteristics of the Treaty of Amsterdam"], *Amsterdamo sutartis ir Lietuvos pasirengimas narystei Europos Sąjungoje. Konferencijos medžiaga, Vilnius, 1997 m. lapkričio 7 d.* [The Treaty of Amsterdam and Lithuania's Preparation for Membership in the European Union. Conference Material, Vilnius, November 7, 1997], (Vilnius: Eugrimas, 1997), p. 28; Martikonis, *Amsterdamo sutartis ...*, p. 38-40.

Provisions on Closer Cooperation in the Article 43 of the Treaty on European Union²⁷

1. Member States which intend to establish closer cooperation between themselves may make use of institutions, procedures and mechanisms laid down in the Treaty and the Treaty establishing the European Community provided that the cooperation:

- (a) is aimed at furthering the objectives of the Union and at protecting and serving its interests;
 - (b) respects the principles of the said Treaties and the single institutional framework of the Union;
 - (c) is only used as a last resort, where the objectives of the said Treaties could not be attained by applying the relevant procedures laid down therein;
 - (d) concerns at least a majority of Member States;
 - (e) does not affect the “acquis communautaire” and the measures adopted under the other provisions of the said Treaties;
 - (f) does not affect the competencies, rights, obligations and interests of those Member States which do not participate therein;
 - (g) is open to all Member States and allows them to become parties to the cooperation at any time, provided that they comply with the basic decision and with the decisions taken within that framework;
- <...>

The possibility of closer cooperation (hence CC) only from the first glance may appear weakly connected with EU institutional reform, however, in essence the start of any kind of CC means that the institutional structure and the mechanism for adopting decisions in the Council will have to be modified regardless of how many and which states participate in it.

The Treaty of Amsterdam provides that CC can occur only between the majority of the Member States. Thus, in the current Union of fifteen states no less than eight states have to join it. In any case the usual EU institutions in the CC field will, in fact, work not as an institution of fifteen, but as of eight or more member EU states. Thus the CC mechanism creates excellent preconditions for the main EU states, disregarding the insufficient preparation of other members or perhaps the predicted lack of desire in the future to expand the achieved level of integration, to progress even further independently disregarding the hindrances arising from institutional structures. In this sense one could say that the Treaty of Amsterdam is a total success because until then any possibility of a “different speed” Europe was categorically rejected even though proposals had already been presented much earlier (a clear example - the fate of the Tindemans report). This was true because some states feared becoming “second-rate” while others were then not inclined to deepen integration too much.

Tindemans Report

Already in 1976 then Belgian Prime Minister Leo Tindemans at the request of the European Council had prepared a report in which he analyzed the possibilities of creating an European Union. The possibility of a “two speed” Europe was also foreseen in the report, in which states could participate in various projects for deepening integration, independent of their level of preparation. However, at that time the ideas of the report was drowned “in the bureaucratic swamp.” When the report was presented to the European Council, the heads of the states and governments assigned an analysis of the report to the foreign ministers; the foreign ministers in turn assigned it to officials responsible to them. After becoming familiar with the Tindemans report, the appropriate officials prepared reports to the ministers and the ministers on the basis

²⁷ *European Union. Consolidated Versions of the Treaty on European Union and the Treaty Establishing the European Community*, p. 29.

of these reports provided their accounts to the council of state and government heads. The European Council, after listening to the reports of the ministers, thanked Leo Tindemans for his efforts and ordered the European Commission to prepare every year a report in which the possibilities of creating the European Union would be discussed further.²⁸

In one respect, the Treaty of Amsterdam fixed and legalized what is essence had already become everyday matters in the EU. For example, only eleven states are participating in the monetary union of the fifteen states. And the 1985 Schengen Treaty which provides for the abolition of border controls between EU states, could have become part of the EU *acquis*, even though all of the EU states are not participants of the treaty. In another respect, one can assert that despite all the reservations and restrictions which can be raised for the CC, the EU states which approved the Treaty of Amsterdam are already essentially prepared to accept a practically unlimited number of new members because the entry of new or less prepared states into the EU can not stop ongoing projects or new initiatives. The undesired or simply incapable would simply remain “overboard.”

The January 2000 opinion of the Commission about institutional reform proposed to proceed further and to make much easier the conditions of closer cooperation. The Treaty of Amsterdam, even though it foresaw the possibility of CC, however introduces it quite carefully. One of the most difficult conditions, which in theory may even be impossible to overcome is the requirement that not only the states desiring to develop it, but all EU members in the Council, adopting the decision by a qualified majority, would approve the CC. Article 11 of the Treaty Establishing the EC provides that if the effort to obtain a qualified majority is unsuccessful, then the final deciding instance becomes the European Council in which decisions have to be adopted by a common agreement.²⁹ In fact this establishes the possibility of a one state “veto” and theoretically cuts the path for closer cooperation.

Meanwhile in the mentioned European Commission document two such basic proposals for CC reorganization are formulated.³⁰ The first is the possibility that the willingness of only a third of the Member States is sufficient for the initiation and development of the CC. Then, for example, in the 27 state Union nine states would be sufficient! By the second, the Commission proposes to abolish “the final instance,” the requirement that the CC would be determined unanimously in the European Council. Also the possibility of a state to veto, which in an enlarged Union could bring in too great destruction, would be finally eliminated.

Thus, only from the first glance do the unresolved technical-procedural questions of institutional reform seem extraordinarily complicated, and the decisions on them are very important for the future of the EU and new Member States. However, one should not exaggerate their importance because the Treaty of Amsterdam has already opened possibilities for closer cooperation. The already foreseen procedural conveniences, without a doubt, will permit one to guarantee that even if the best decision for resolving questions of institutional reform is not chosen or their blocking should not ruin the whole Union and cut the path to the further process of European integration.

²⁸ Desmond Dinan, *Ever Closer Union. An Introduction to European Integration*, (Macmillan, 1999), 2nd ed., p. 77-78.

²⁹ *European Union. Consolidated Versions...*, p. 46.

³⁰ European Commission, *Adapting the Institutions...*, p. 33-34.