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DEVELOPMENTS IN EASTERN AND CENTRAL EUROPE

HENNING CHRISTOPHERSEN, VICE PRESIDENT OF THE COMMISSION OF THE EUROPEAN COMMUNITIES, YESTERDAY SPOKE TO THE ROYAL INSTITUTE OF INTERNATIONAL RELATIONS FORCUSSING ON THE DEMANDS ON THE COMMUNITY STEMMING FROM THE BREAK UP OF CENTRAL AND EASTERN EUROPE.

"THIS IS A CHALLENGE BOTH INTERNALLY AND EXTERNALLY", HE SAID - TURNING THEN TO ENLARGEMENT, STRENGTHENING OF THE COMMUNITY AND "ORGANISED INTEGRATION" OF CENTRAL AND EASTERN EUROPE.

HE ARGUED FOR A STRONGER AND WIDER COMMUNITY TO MEASURE UP TO THE TASK.

"WE STILL HAVE TO ASK THE QUESTION, IF THE COMMUNITY IS GEARED TO THIS", HE SAID. "DO WE HAVE THE INSTRUMENTS? DO WE POSSESS ANY OVERALL CONCEPT WHICH CAN GUIDE US THROUGH THE NEXT 15 YEARS?"

HE SUGGESTED: MORE CREATIVE EFFORTS WITH MORE CONTRIBUTIONS FROM AN ORGANISED EUROPE IS NECESSARY.

GEORGE KENNAN COINED THE TERM "CONTAINMENT" AS THE CODE WORD FOR CONDUCT OF EAST/WEST POLICY IN THE POST-WAR PERIOD.

I SUGGEST ORGANISED INTEGRATION AS STRATEGIC KEY WORDS FOR HANDLING CENTRAL AND EASTERN EUROPE IN THE POST-BERLIN WALL PERIOD."

CHRISTOPHERSEN CONTINUED:

"BUT WHAT IS REQUIRED OF OURSELVES IF THE COMMUNITY WANTS TO "ORGANISE INTEGRATION"?

IF MEMBER STATES WANT TO PLAY A ROLE IN CENTRAL AND EASTERN EUROPE, THEY MUST OVERCOME RIVALRY. THAT IS WHAT THE COMMUNITY IS FOR. IF THE COMMUNITY IS GIVEN THIS TASK, IT NEEDS TO BE WIDE AND STRONG. "ORGANISED INTEGRATION" CANNOT BE A CREDIBLE AIM OF A WEAK AND INDECISIVE COMMUNITY.

IT HAS BEEN OBVIOUS TO ALL OBSERVERS THAT THE BREAK DOWN OF COMMUNISM HAS HAD A DIRECT IMPACT ON THE INTERGOVERNMENTAL CONFERENCES LEADING UP TO MAASTRICHT.

THE MAASTRICHT TREATY HAS TO BE SEEN AS AN INTERMEDIATE FIRST STEP. IT WAS THE ART OF THE POSSIBLE.

UNDOUBTEDLY, MEMBER STATES WOULD AGREE TO THIS TREATY AND ALSO AGREE THAT THE COMMUNITY HAS TO BE GIVEN MEANS TO FULFIL MAASTRICHT. THIS IS THE DELORS II PACKAGE. AN IMPORTANT ASPECT OF THIS IS MORE FINANCE FOR EXTERNAL AFFAIRS. TOTALLING IN 1997 MORE THAN 6 BILLION ECU PER YEAR."

"BUT WE NEED AN EVEN STRONGER COMMUNITY. THIS WOULD BE A THREE PRONGED OPERATION", HE CONTINUED.

"EIRST. AND BEFORE 1996, AN ENLARGEMENT OF THE COMMUNITY WITH FINANCIALLY STRONG, DEMOCRATICALLY STABLE AND POLITICALLY MATURE APPLICANTS. THESE NEW MEMBERS WOULD INJECT NEW DYNAMISM AND NEW MONEY INTO THE COMMUNITY. THEY WOULD EMBRACE THE IDEA OF "AN EVER CLOSER UNION", INCLUDING THE "FINALITE POLITIQUE" WHICH ONCE AND FOR ALL REDEFINES THEIR SECURITY POLICY AND DRAWS THE CONSEQUENCE OF THE REDUNDANCE OF NEUTRALITY.

CANDIDATES FOR SUCH AN ENLARGEMENT BEFORE THE NEXT INTERGOVERNMENTAL CONFERENCE WOULD HAVE TO ACCEPT VERY SHORT TRANSITIONAL PERIODS.

THE DYNAMISM OF THE COMMUNITY SHOULD BE MAINTAINED. WHY NOT FIX THE QUALIFIED MAJORITY AT 54 VOTES, THUS ADDING THE VOTES OF NEW APPLICANTS TO WHAT IS REQUIRED TO FORM A BLOCKING MINORITY, THEREBY MAKING IT MORE DIFFICULT TO HINDER DECISIONS.

SECONDLY WE NEED STREAMLINED DECISION MAKING PROCEDURES, MORE QUALIFIED MAJORITY, CLOSER LINKS BETWEEN THE PILLARS, IF NOT AMALGAMATION, AND MORE INVOLVEMENT OF AND SPEEDIER PROCEDURES IN PARLIAMENT. THIS WOULD BE THE AFFAIR OF THE NEXT IGC IN 1997.

THE THIRD ASPECT WOULD BE DECENTRALISATION, ALSO CALLED SUBSIDIARITY.

IT IS THE NECESSARY COUNTERPART OF STRONGER PROCEDURES IN THE "HARD CORE AREAS" SUCH AS ECONOMIC AND MONETARY UNION, THE INTERNAL MARKET, SECURITY AND DEFENCE, IMMIGRATION, ENVIRONMENT ETC.

THE COMMUNITY HAS TO BE SELECTIVE."

HE THEN ASKED: " WHAT PROBLEMS DO THE CENTRAL AND EASTER COUNTIRES GRAPPLE WITH?

AS THE SYSTEMS DISINTEGRATE GOOD OLD POLITICAL PARAMETERS COME TO THE FOREFRONT:

RELIGIOUS DIVIDES RE-EMERGE, AND GENERALLY SPEAKING RELIGIOUS FORCES ARE ON THE INCREASE.

THE EXISTENCE OF A PROGRESSIVE CLERGY MIGHT PROVIDE SUPPORT IN THE DIFFICULT ADJUSTMENT AHEAD. IT REMAINS TO BE SEEN, HOWEVER, IF THE CHURCH HAS THE CAPACITY TO ADJUST FROM A SAFE HAVEN AGAINST OPPRESSION TO A PROGRESSIVE SUPPORTER OF MODERNISATION. A DEPENDENT AND DOCILE CHURCH AS KNOWN FROM THE ORTHODOX CHURCH IN THE FORMER USSR, BULGARIA AND SERBIA MIGHT BE TEMPTED BY ALLIANCES WITH NATIONALISTIC FORCES. THE OLD DIVIDE BETWEEN THE EAST AND WEST ROMAN EMPIRE STRETCHING FROM THE ADRIATIC AND SLOPING THROUGH CENTRAL EUROPE TOWARDS THE BALTIC SEA MIGHT GAIN NEW SIGNIFICANCE AS WE TRY TO "ORGANISE INTEGRATION".

SECONDLY, THE RE-EMERGENCE OF NATIONALISM HAS TO BE RECKONED WITH. EUROPE IS NOT A MELTING POT, RATHER A POWDER KEG, - IF NOT HANDLED CAREFULLY.

THE BADINTER REPORT ON YUGOSLAVIA IS ONE OF THE FIRST CONSTRUCTIVE EXAMPLES OF COMMUNITY ANALYSIS IN THIS FIELD. IT ALSO HAS REVEALED THE FRAGILTY OF OUR ANALYTICAL CAPACITY. THE SEQUENTIAL RECOGNITIONS THAT FOLLOWED - EXPOSING DIFFERENCES AMONG MEMBER STATES AND RAISING QUESTIONS IN THE COUNTRIES CONCERNED - UNDERLINES HOW MUCH WE NEED TO IMPROVE THE WORKINGS OF OUR FOREIGN POLICY.

HE THEN TURNED TO <u>ECONOMIC STRUCTURES</u> IN CENTRAL AND EASTERN EUROPEAN COUNTRIES PERMITTING HOPES OF FUTURE PROSPERITY AND WARNED THAT "IN THE ABSENCE OF A BASIC PROTECTION AGAINST SOCIAL DISASTER, DEMOCRACY MIGHT NOT TAKE ROOT, LET ALONE SURVIVE.

AT THIS JUNCTURE A SUCCESSFUL ECONOMIC REFORM WHICH ENHANCES PRODUCTIVITY AND FREES THE CREATIVE CAPACITY OF ECONOMIC AGENTS IS ESSENTIAL.

IF IT DOES NOT HAPPEN, DEMOCRATIC IDEAS MIGHT BE OVERTAKEN BY RELIGIOUS AND NATIONALISTIC NONSENSE.

THE POLICY REACTION OF THE EUROPEAN COMMUNITY FACING THIS CONTRADICTORY, CHAOTIC AND CONFUSING SITUATION HAS TO BE MULTIDIMENSIONAL. IT WOULD COVER EVERYTHING FROM EMERGENCY ACTIONS TO SOPHISTICATED FORMS OF ASSOCIATION, INVOLVING DETAILED POLICY DIALOGUE AND FINANCIAL SOLIDARITY. MEMBERSHIP IS NOT ON THE IMMEDIATE AGENDA, BUT IT IS A USEFUL PERSPECTIVE FOR THE MOST QUALIFIED.

MASSIVE TECHNICAL ASSISTANCE WILL BE AN ESSENTIAL ACTIVITY OVER THE NEXT FIVE TO TEN YEARS. THE COMMUNITY PHARE OPERATION IN COMBINATION WITH ACTIONS FROM MEMBER STATES WILL CONSTITUTE THE MOST IMPORTANT TRANSFER OF KNOW-HOW AND TECHNOLOGY TO THE COUNTRIES OF CENTRAL AND EASTERN EUROPE. A SIMILAR OPERATION IS NOW UNDER WAY FOR THE EX-USSR.

A VERY IMPORTANT PART OF THE TECHNICAL ASSISTANCE CONCERNS THE ESTABLISHMENT OF AN ADEQUATE LEGAL AND ECONOMIC FRAMEWORK FOR A WELL FUNCTIONING MARKET ECONOMY.

THE COMMUNITY SUPPORTS MEMBERSHIP OF THE IMF, LIFTING OF THE CEILING OF LOANS FROM THE EBRD TO THE FORMER SOVIET UNION, AND SUPPORTS THE THAT OUR OWN EUROPEAN INVESTMENT BANK OPERATES TOWARDS THE URALS.

IN VERY PRACTICAL TERMS THE COMMUNITY HAS WORKED HAND IN HAND WITH THE IMF TO PROVIDE THE NECESSARY FINANCE FOR BALANCE OF PAYMENT PURPOSES WHICH MANY REFORMING COUNTRIES NEED TO MOVE TO CONVERTIBILITY AND STABILISATION OF THEIR CURRENCY. THE MOST AMBITIOUS STEP IS THE ESTABLISHMENT OF EURO-AGREEMENTS. THIS IS AN ADVANCED FORM OF ASSOCIATION AGREEMENT EXPANDED NOTABLY IN THE AREA OF POLITICAL DIALOGUE. ITS MAIN FEATURE IS, HOWEVER, A THINLY VEILED PROMISE OF FUTURE MEMBERSHIP OF THE EUROPEAN COMMUNITY."

HE FINALLY WARNED:

"THE COMMUNITY SHOULD NOT PRETEND TO WANT TO CONTROL EVERYTHING. OUR CONCEPTS OF FUTURE ENLARGEMENT AND OF THE EUROPEAN ARCHITECTURE, NOTABLY OUR LINKS TO CENTRAL AND EASTERN EUROPE, MUST FIT INTO A GLOBAL PICTURE. THERE HAS TO BE ROOM FOR EVERYBODY. THERE HAS TO BE ROOM FOR THE RUSSIANS, THE AMERICANS AND FOR THE JAPANESE. IT IS NOT IN THE COMMUNITY'S INTEREST TO UPSET ANY BALANCE."