



TOGETHER IN EUROPE



EC NEWSLETTER FOR CENTRAL AND EASTERN EUROPE

RELATIONS WITH THE COMMUNITY

INTEGRATION OF THE CEEC COUNTRIES INTO EU COMMON SECURITY AND DEFENCE POLICY

The EU Council of Foreign Ministers will meet with the foreign ministers of the six associated countries of central and eastern Europe on October 31 1994. This will be the first semi-annual meeting between the EU and the associated countries under the efforts to integrate the ten Central and Eastern European countries into Europe's common security and defence policy. The decision to set the first meeting for October 31 was the only concrete result of the discussion on this topic held by the EU ministers during their informal "Gymnich-type" meeting in Barsing, Germany.

The discussion on the opportunity to expand the framework from six to ten countries (ie including Latvia, Lithuania, Estonia and Slovenia) could bring a new dimension to the gradual accession to the three international organizations: EU, WEU and NATO.

The German Presidency of the European Union submitted a working document entitled "Considerations for the gradual integration of the ten Central and Eastern European countries into Europe's common security and defence policy" to the ministers.

The paper states that "in the long term, success will only be possible if we continue to gradually integrate these ten states into our Alliance structures... This process must be steadily continued in order to progressively involve them in the European Union/WEU and NATO stability and security ambit, as a safeguard against the risks arising from the disruptions taking place in the entire central, eastern and south-eastern European region".

The paper then says that the linking of Russia and the Ukraine to Europe should not be endangered by divisions resulting from integration of CEE states into the EU, WEU and NATO. Thus the task for the ministers is to draw up a proper medium and long term policy. The "reflection" paper on necessary reform of Europe integration presented by CDU/CSU in Bonn on September 1 stated that the condition for success in integrating CEE states to Europe's institutions is that confidence in and acknowledgement to Russia is given, that it is alongside the EU, the second center of power in Europe.

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The discussion in Bansin concentrated on **options for future EU policy**. The German paper lists 3 options for involving the ten eastern European states :

1. **equal membership** (of EU, WEU and NATO which could be affected by parallel accession procedures).

2. **differing membership** (according to the long-term interests of the individual states).

3. **phased approach** (differing membership structures over a transitional period leading ultimately to equal membership of EU, WEU and NATO).

The paper lists a number of arguments for and against these options. The discussion among the ministers indicated a wide variety of opinions, but gave an impression that it is more or less the third option (**a phased approach**) which is being initially considered.

The initiative to involve central and east European countries in the European integration and security structures needs to be viewed in conjunction with the effort to prepare the associated countries for accession. The EU proposed to the associated countries, during the Copenhagen Summit to enter into a structured relationship with the Institutions of the Union. The overall strategy is to be discussed during the EU Summit in Essen in December. The final outcome, however, will depend on the results of EU's 1996 intergovernmental conference and the scope of the reform of institutions achieved.

The European Council already concluded that the structured relationship should apply to all "pillars" of the EU. The EU General Affairs Council of March 7 this year made an attempt to enlarge the involvement. Until this year the meetings were mainly taking place in the "troika" format which was not sufficient for key foreign policy and security policy issues.

The EU strategy to prepare associated countries for accession is built on the European Agreements. These have so far been concluded with 6 CEEC countries. The German initiative on the gradual integration of CEEC into Europe's common and defence policy aims at **10 countries** : the six associated countries, the three Baltic states and Slovenia.

British Foreign Minister Hurd correctly anticipated reaction in some CEEC countries when he said in Bansin that a **distinction needs to be made between these ten countries**. The minister considered that

while **Visegrad countries could be integrated simultaneously in the three organizations, it would not be the same for Bulgaria, Romania or for the three Baltic countries, because of their special relations with Russia**. Mr. Juppe, the French Foreign Minister supported rapid integration of CEEC into the West's structures, but admitted, that the ideal solution (ie parallel accession procedures aiming at the equal membership of all the 10 countries in the three organizations) would be difficult and that the third option would be chosen instead.

So far the "considerations" give an impression of representing the German initiative, to which the other member countries would react more substantially only in coming weeks and meetings. Sources in Brussels expect France to fundamentally contribute to the German working paper. The EC Commissioners will discuss the matter during their first seminar scheduled to be held on October 17 and then during a second seminar scheduled for November 23. By that time the results of the October 31 meeting will be known and the Commission could take them into consideration when adopting the formal proposal for the consideration of the strategy to prepare CEEC for accession and integration in common security and defence policies by the EU heads of state and government during Essen Summit in December.

Much is likely to depend on the quality of the preparation of the first meeting with foreign ministers of the ten central and east European countries on October 31, and also on the initial reaction of these countries. For example, would they be ready to act as "10", or rather a smaller group of perhaps 4-5 countries, or would they stress individually the different long-term interests of each country?

The first discussion in Bansin suggests that it is likely that the third option (**a phased approach**) would be considered as the future policy. The "for and against" arguments presented by the German presidency on this option were inviting answers to the following questions :

- Is membership of NATO (and/or WEU) feasible prior to, or following accession to the EU, and would a phased approach therefore be possible?

- What would be the real future development of countries seeking accession?

- How can we ensure that these questions are considered in close coordination with our transatlantic partners?

- How can we prevent the involvement of the CEE states leading to new divisions and risks with Russia and CIS?

■

G-24 MEETING ON SLOVAKIA

The G-24 meeting chaired by the European Commission was held in Bratislava, Slovakia, less than one month before the Slovak parliamentary elections. The G-24 recognised, that the Slovak economic stabilization programme presented by Mrs. Brigitta Schögnerva, deputy prime minister, constitutes an ambitious and coherent step towards macro-economic stabilization and far reaching transformation. The G-24 and the International Financial Institutions confirmed their commitment to support the transformation in Slovakia and confirmed their financial assistance in conjunction with the IMF programme.

Readers will recall that the first ECOFIN meeting under the German Presidency of the EU in July, held the first discussion over the balance of payments assistance package to Slovakia (cf No53, p10). Earlier the current Slovak Government agreed with the IMF a macroeconomic programme which, however, left a financing gap of some ECU 260 million which the G-24 member countries were requested to cover. ECOFIN agreed

in July that the EU and its member states will contribute with ECU 130 million (half of it covered by the EU and half by member states). The EU financial ministers agreed by this move to send a positive signal to other G-24 members. The Commission was requested to prepare a formal proposal for the Council's decision to be taken sometime this autumn.

While the G-24 meeting held in Bratislava on September 7 stated that the Slovak Government's bold stabilization programme needs and gets its support through both financial and technical assistance, allocations of funds reported in Bratislava show that matching funds from the other G-24 countries are coming rather slowly. The EU confirmed its medium-term loan of up to ECU 130 million. Japan is contributing with \$60 million and EFTA countries pledged \$26 million. The total thus remains well short of ECU 130 million matching funds the other G-24 countries were requested to provide. In principle the EU's funds will be disbursed in two tranches.

The discussion during the meeting underlined that a new

impetus has been given to the privatization process and that it is important that the second wave of large scale privatization be completed as scheduled. Privatization, in combination with enterprise restructuring, should pave the way for the economy to operate in a more competitive and efficient way. One of the problems, however, is that the approved privatization programme could be substantially modified and slowed down, if former Slovak Premier Minister Mr. Meciar and his party get a sufficient number of votes during the elections of September 30-October 1, to form the new Slovak Government. The G-24 high level officials praised the current Slovak governing coalition's economic stabilization programme as "coherent, since it is an articulate mix of macro-economic policies and structural reforms". It was said that "External support can help to ensure that Slovakia's efforts bear fruit, but this will be successful only if the commitment to reform is sustained". ■

POLAND TO GET FIRST EVER ECSC LOAN FOR ITS STEEL INDUSTRY

Mr. Kolodko, Polish Vice Prime Minister and Minister of Finance and EC Commissioner Christophersen initiated on September 6 the first ever loan agreement for about \$ 50 million for the restructuring and modernization of the Polish steel plant Huta Katowice.

The loan, which will be formally signed later on, amounts to DM 79.7 million and is to be used for the financing of the construction and operation of a continuous bloom-casting machine in Huta Katowice. The main part of the machinery and certain know-how is supplied by MANNESMANN-DEMAG of Duisburg and the whole project will become operative in June 1995.

Mr. Kolodko underlined in Brussels that Huta Katowice provides almost 50 % of all steel produced

in Poland. Its restructuring will thus have an important impact on the Polish steel industry and the whole Polish economy.

Commissioner Christophersen and Vice-Premier Kolodko confirmed that the loan is not linked to any commitment on the side of Poland to reduce steel production, cut the capacities, or to reduce steel exports to the EU market. These issues are being solved under the framework of the Europe Agreement.

The EC Institutions took a decision in 1990 to set up a programme funded with ECU 200 million for the granting of ECSC loans for industrial projects in the coal and steel sector in Poland and Hungary. In 1991 this programme was extended to Czechoslovakia, Bulgaria and Romania. The conditions stipulated that

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loans shall be guaranteed by the respective country and that the projects have to be realized in commercial or industrial cooperation with at least one Community enterprise. The EC Commission admitted that it has proved rather difficult to find suitable projects to be financed under this program. This first ever loan of this Programme was actually approved by the Commission in July 1993 and the Council gave its assent in February this year. Following this assent the partners started to prepare the loan documentation and the guarantee contract with the Polish Government. The texts were finalized in July.

However, the loan agreement was only initiated, and not formally signed on September 6, as the Polish Government has not yet formally approved the guarantee.

Commissioner H. Christophersen said, when questioned by Together in Europe, that it is in the EU interest to support far reaching restructuring of the steel industry in central and east Europe, especially in view of the forthcoming enlargement towards East. However, he ruled out the possibility that the 1990 package of ECU 200 million could be expanded at this stage. ■

COOPERATION IN THE FIGHT AGAINST ORGANIZED CRIME

The first ever meeting between the EU ministers for Justice and Home Affairs and the Ministers of Interior of the six associated countries of central and eastern Europe was held in Berlin on September 8. The EU ministers firstly met within an informal EU Council on Justice and Home Affairs on September 6. At this meeting they discussed questions related to the consolidation of the situation in the European Union, so that it may function properly without internal borders. They also prepared the first ever meeting with the ministers of interior of Poland, the Czech Republic, Slovakia, Hungary, Bulgaria and Romania held on September 8.

The joint meeting on September 8 resulted in the approval of a joint **Berlin Declaration** on cooperation in the fight against organized crime.

Mr. Manfred Kanther, German Minister of Interior and President-in Office of the EU Council of Justice/Home Affairs explained that the meeting was held within the framework of the realization of decisions on a strengthened structural relationship between the EU and the Central and East European countries with which the EU concluded Europe Agreements, and who, in the future, will become full

members of the EU. This is also the reason for absence of home affairs ministers from Russia and ex-Soviet Union countries, to which the decision made during the EU's Summit at Corfu in June this year did not apply.

The President of the Council said that the EU as well as Germany will attempt to develop very close cooperation in particular with Russia, Ukraine and Belarus.

The Partnership and Cooperation Agreements so far concluded with Russia, Ukraine and other CIS states already contain provisions concerning cooperation aimed at preventing illegal activities, money laundering and the fight against drugs.

The adopted "Berlin Declaration" underlined the will to enlarge and reinforce cooperation to fight efficiently against drug related crime and organized crime in Europe. It stated that organized crime which targets both parties concerns not only the theft and illegal trafficking of radio-active and nuclear products, but also the trade of human beings, crime linked to the activity of secret immigration channels and the trafficking of stolen vehicles.

The discussion pointed out that for example some 70 % of Asian drugs transit to the EU is

through central and eastern European countries. The associated countries underlined their will to cooperate and to take strong actions in these fields. However, their means are limited. French and British ministers pressed the EU to provide more effective assistance in training and when needed also in the supply of the necessary equipment. The discussion indicated that the diagnosis made by the ministers of interior of the EU and ministers from associated countries is not always identical. The Berlin meeting was thus a point of departure in closer cooperation.

During their separate meeting the EU Ministries had informal discussion on such things as the setting up of Europol. There are still certain differences in opinion if for example terrorism shall be included under organized crime. Germany proposes a gradual approach in increasing the competencies of Europol. The gathering of information shall initially concern drugs, then be extended to car theft and illegal traffic in nuclear materials. Only afterwards the competencies could be for example extended to terrorism. The German Presidency of the Council wanted to discuss the "sharing of the financial burden represented by refugees", but no progress has been achieved

as the position of the EU countries differs substantially and depending on the number of refugees they take in. The German Presidency of the Council confirmed it will submit a substantial report on racism/xenophobia during the Council meeting on November 30, so that the problem may be dealt with during the EU Summit in Essen in December.

The Ministers of Interior and justice from the four EFTA countries (Austria, Sweden, Norway and Finland) joining the EU on January 1, participated in both the meeting of the EU Council, and during the joint meeting of EU

and Ministers of CEEC.

The meeting between the EU Council and the ministers of interior of CEEC resulted in an agreement to cooperate in five fields :

-- **drugs** : this involves ratification of the 1988 UN Convention by countries which have not done so yet, involved use of informants and under-cover agents and assistance concerning training and equipment.

-- **nuclear products** : this involves a comprehensive cooperation and mutual assistance of prosecuting authorities in investigation, intensification of border controls and the use of proper equipment, regulations on the forfeiture of illicit pro-

ceeds from this illegal trade, cooperation in safeguarding of existing stocks etc.

-- **traffic in human beings** : there will be liaison officers working in this area, a manual on legislation and administrative practice in different states will be drawn, statistical data will be harmonized and coordinated.

-- **illegal migrants** : strengthened cooperation, effective border control, penal actions against smugglers, rapid return of illegal immigrants to their home countries.

-- **car theft** : approximation of legislation to speed up the effective return of stolen vehicles. ■

EU PREPARES NEW LIBERALIZATION FOR TEXTILE TRADE

The EU Heads of State and Government during their Copenhagen Summit in June 1993 decided on relatively far reaching additional liberalization in trade with the associated countries of central and eastern Europe. This concerned unilateral improvement for access to the EU markets for goods from Poland, Czech Republic, Slovakia, Hungary, Bulgaria and Romania. In principle they gained free access on the EU market as of January 1995 for their industrial products, except for steel (free access by the end of 1995), and textiles. In textiles, however, it was decided that customs duties on imports into the Community of textile products will be completely eliminated by the end of a five year period *ie there will be no customs duties after January 1, 1998*.

The Council also decided that *"the exemption from customs duties as of from the beginning of 1994 for products concerned by outward processing operations and covered by Regulation No 636/82 will be extended in conformity with this Regulation, duly modified for this purpose"*.

However, while it was in the field of outward processing operations where the associated central and eastern European countries benefited most from improved access on the EU market, the fulfillment of last year's Copenhagen Decision is taking a longer time than originally expected.

The European Commission has made an appropriate proposal to the Council to liberalize trade in the field of outward processing, but the EU Council of Foreign Ministers has been slow to proceed. In fact the first EU Council meeting held in July under the

German Presidency has failed to take a decision.

In July the Council was to approve the proposal from the Commission on measures which will harmonize terms under which member states may allow their clothes producers to send unfinished garments abroad, notably to associated countries of central and eastern Europe, for further processing, and then allow the finished products to return to the EU market without trade restrictions. The decision required approval by the qualified majority in the Council.

Portugal said that it could not accept a distinction between the central and eastern European countries and other countries, which will be more favourable to the CEEC.

Some other EU Member Countries were also not too keen on further improvements in outward processing with the associated countries. In particular, one country wanted that the proposal, if accepted, should also deal directly with the effect that outward processing arrangements for textiles could have on unemployment in the European Union. As a result the Commission's proposal was sent back to COREPER for further examination.

New proposal :

On July 27, the Commission adopted a somewhat modified new proposal to be submitted to the next Council meeting. The original proposal demanded Council to complete the single market in outward processing and to implement the tariff

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concessions to CEEC. The modified proposal is only on the tariff concessions : normally fabric sent to a third country for outward processing is re-imported in the form of finished garments under special quotas (over and above the normal direct import quotas). The associated countries of CEEC already pay no duty on garments under outward processing traffic which are subject to special outward processing traffic quotas. **Thus the modified proposal extends the tariff exemptions to products not covered by quotas. Should this decision be adopted by the Council, the Commission requested that it is applied retroactively from January 1 1994.** It is expected that the Council may return to a vote on the proposal on October 4.

Trade in textiles :

Together in Europe's calculation from the European Commission's statistical data base indicate that trade liberalization since 1990 had a very positive effect on textile trade with the six central and east European countries. In particular the trade was boosted by the entry into force of the Association Agreements. On the other hand, it was the textile sector, and processed food and steel, where trade liberalization advanced slower than for other industrial products. In 1993, the EU's import of all textile products from six associated countries of central and eastern Europe amounted to over ECU 3.7 billion (some \$4.5 billion). Textiles thus share 18.4% of all imports from the associated countries of CEEC.

The absolute increase in EU textile imports since 1990 amounted to nearly ECU 1.9 billion (some \$2.3 billion).

The economic reform in central and east European countries favored similar expansion of EU

exports of textiles. Their value increased from ECU 1.8 billion in 1990 to nearly ECU 3 billion in 1993. The absolute increase in EU exports thus nearly matched the increase in textile imports. The EU, however, still had a trade deficit in textiles of ECU 707 million in 1993. The trade deficit peaked in 1992 during which there was the biggest boost in CEEC textiles exports to EU. Since the beginning of 1993 the trend somewhat changed and the EU deficit decreased, this trend has been even more visible in the first months of 1994.

Before 1990, Hungary was the second most important partner in textile industry (after Poland) but in per capita terms, Hungary was by far the largest textile trade partner in eastern Europe. Outward processing arrangements made in the 1980s were mostly responsible for this. Since 1989 however, textile trade with Hungary developed by the slowest pace: the Czechs and Slovaks were able to increase their exports to the EU from less than ECU 300 million in 1990 to ECU 770 million in 1993. During the same period, Hungary increased her exports from ECU 465 million to only less than ECU 700 million. Poland increased exports of textiles from some ECU 592 million to nearly ECU 1.4 billion in 1993.

Similarly, the Hungarian market was the one whose rise in EU exports was the slowest one. EU exports to Czech and Slovak republics increased by over 307%, to Poland by 138.3%, to Bulgaria by 146.5%, but to Hungary only by 57%. In per capita terms however, Hungary still represents the biggest CEEC market for EU textiles : EU exports textiles worth ECU 60 per head of Hungarian population; the Czech market is worth ECU 45 and the Polish market, which in 1993 took EU textiles worth over ECU 1.2 billion, is worth ECU 30 per capita. ■

INTEGRATION OF CENTRAL EUROPE IN THE INFORMATION SOCIETY

EC Commissioner Martin Bangemann, speaking in Slovenia at a Conference on the Infrastructure of Information and Technologies in the Central European Countries, said that the information society "offers small countries an excellent opportunity to integrate themselves in an international community without losing their national identity and culture".

Slovenian Prime minister Janez Drnovsek opened

the conference which involved ministers and experts from Austria, Croatia, the Czech and Slovak Republics, Germany, Hungary, Italy and Poland.

Bangemann underlined that the construction of adequate infrastructure is a European task. "Effective information networks are becoming the condition of economic development. No one can be

isolated from the exchange of information".

The networks can be financed by the private sector, although according to the Commissioner, there would not be any chance of profit and no private investment without adequate conditions. It is essential, he said, that new telecom monopolies are not created, but existing monopolies must be eliminated, and "private investment attracted".

Slovenia and other central European countries must follow the debate which the EU led on an information society, and the countries have to identify the problems for which a communal solution

with neighboring countries offers more chance of success.

Recalling the EU aid, notably PHARE aid, to Slovenia to develop its telecom networks, Bangemann estimated that "telematiques" will

not remain "a dream for Slovenia. The information society will change the life of citizens and industries in a radical manner. This is not a video game but a real necessity". ■

EU GRANT TO ROMANIA

The EU will grant Romania Ecu25m to upgrade its transport infrastructure. According to a financial memorandum signed with the EU, Romania will get aid to develop its transport network under the PHARE program for 1994. The bulk of the funds is to upgrade motorway sections as part of a project to modernize roads co-financed by the EBRD, the EIB, the World Bank and the Romanian government. The remainder is allotted for technical assistance to help integrate Romanian transport with the European transport system. EU financing for Romania since 1991 amounts to Ecu43m. ■

STRATEGY FOR ACCESSION OF CEEC

On July 27, the European Commission approved annexes to the EU strategy for "Accession of Central and Eastern European Countries". (See Together In Europe No.53 pp1-3).

The annexes contain some concrete proposals especially regarding trade improvements and have been transferred to the EU Council for further consideration this Autumn. In the following, we publish an extract from the chapter on enhancing trade opportunities.

Since 1989 trade patterns between the Union and the associated countries have changed radically. Although the EU now absorbs over 50% of the associated countries' exports they still only account for 4.2% of total EU imports. In spite of the rapid rise in their exports to the Union, the Union's exports have risen even faster causing concern in the associated about the large trade deficit (Ecu5.6bn in 1993).

The Europe Agreements provide such far-reaching liberalisation in industrial goods, even in the sensitive sectors, that it does not appear that further trade measures affecting tariffs or quotas are necessary over the medium term. If the Europe Agreements are all brought into line with those of the Visegrad countries, the Community will offer free trade in industrial goods on January 1 1995, with the exception of ECSC steel products (on January 1 1996) and textiles (January 1 1998). However, a further impetus to exports could be given by developing the

access of the associated countries to EU public procurement as provided in the Europe Agreements.

Anti-Dumping and Safeguards

The strengthening of competition, state aids control and other relevant parts of the *acquis communautaire* which are related to the internal market will help to eliminate the need for anti-dumping and safeguard action. Anti-dumping and anti-subsidy duties do not apply either in the Union or the EEA where this situation prevails.

The use by the Union of these commercial policy instruments is perceived by the Europe Agreement countries as both a political and an economic problem: they believe that the existence of these instruments is likely to have a dampening effect on trade and inward investment. Nonetheless it will be necessary for the Union to maintain its commercial policy instruments until *the associated countries have been integrated into the internal market.*

In the short term, given that these countries are potential Member States which have undertaken to apply EU rules, the Union should offer information and an exchange of views to any Europe Agreement country prior to the initiation of any anti-dumping or safeguard proceeding. Furthermore in cases where dumping and injury are found, the Union could give a clear preference to price undertakings rather than duties in order to conclude the investigation. ■

DEVELOPMENTS WITHIN THE EC

DEBATE ON THE FUTURE OF EUROPEAN UNIFICATION

The Group of personal representatives of Foreign Affairs Ministers asked to prepare the Intergovernmental Conference of 1996 on the revision of the Maastricht Treaty will begin its work at the beginning of July 1995. However, the process of preparation of institutional reform, and the future shape of an enlarging Europe already started this summer with controversial recommendations coming from Germany and France. What justified this was the prospect of further enlargement to the East.

These ideas do not constitute the official policy of the two governments. The German view was outlined in a document on "reflections on European policy" by the CDU/CSU group in the Bundestag, while clues as to the French viewpoint were contained in an interview in "Figaro" with the French Prime Minister Edouard Balladur. The CDU is Helmut Kohl's party, and the Chancellor has not distanced himself fully from their suggestions, although he did concede that the language used was perhaps not "diplomatic".

German Foreign Affairs Minister Klaus Kinkel (leader of the Liberal Party), rejected the CDU/CSU notion of a "hard core" within the Union. In France, Foreign Minister Alain Juppe denied that the two initiatives had been coordinated between Paris and Bonn. Meanwhile, speaking to students at the University of Leiden, Holland, British Prime Minister John Major made a new contribution to the discussion by promoting the idea of "flexibility", but not a "core group".

The CDU/CSU suggests a strengthening of a "hard core" which must be open to "every Member State willing and able to meet its requirement"

The main author of the CDU/CSU "Reflections on European Policy", submitted to the

Bundestag on 1 September by the CDU group chairman Wolfgang Schäuble (who is very close to Chancellor Kohl), was Karl Lamers, the group's spokesman for foreign affairs. The whole document reflects a strong desire to keep the process of European unification on the right path, with the goal of "strengthening the EU's capacity to act and to make its structures more democratic and federal". The document begins by stating that "the process of European unification has reached a critical juncture in its development", and that, "if no solution to the causes of this critical development is found" in the next two to four years, the Union will become "a loosely-knit grouping of states restricted to certain economic aspects and composed of various sub-groupings". Among these causes, the paper mentions the "overextension" of the EU's institutions, initially meant for six countries, different perceptions of internal and above all external priorities (Maghreb or Eastern Europe?) in a "European Union stretching from the North Cape to Gibraltar", an increase in "regressive nationalism" caused by "the internal crisis of modern society and by external threats, such as migration", and the "open question at least as regards the "when" and "how" of the involvement of the countries of central and eastern

Europe in the European Union". The response to the latter challenge will show whether the Union is "able and willing to become the main pillar of a continental order, alongside a democratized and once again stable Russia, and in alliance with the United States", says the CDU.

A chapter of these "Reflections" which many observers have apparently neglected to read is the one on "Germany's interest", a chapter which strongly conveys the message of a Germany which wants more than anything to avoid the temptations and the risks of the past. "If Europe were to drift apart, Germany would once again find itself caught in the middle between East and West", stress the authors, recalling that "Germany's attempt to overcome its position at the centre of Europe's conflicts through hegemony failed", the "military, political and moral catastrophe of 1945" being the "consequence of the last such attempt". Therefore, "the only solution which will prevent a return to the unstable pre-war system, with Germany once again caught in the middle between East and West, is to integrate Germany's Central and Eastern European neighbors into the (West) European post-war system and to establish a wide-ranging partnership between this system and Russia". But, and the suggestions of the German paper flow from the recognition of this fact, without a further internal strengthening, "the Union would be unable to meet the enormous challenge of eastward expansion". The CDU/CSU Reflections therefore call on Germany to be up to its "special responsibility", stressing