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Europe

The EU's eastward expansion

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When the Berlin Wall fell, the peoples of Eastern Europe were told that privatisation and the market would bring them economic efficiency and freedom. They were also told that as soon as they set up democratic regimes they could join the "civilised, normal world". In other words, "back to Europe".

As if they weren't Europeans all along. As if the only experience worthy of being called "European" was the West's. As if Maastricht Europe was democratic and "civilised". And as if Maastricht Europe was ready to open its borders in order to share the blessings of unification with the poorer, more agricultural Central and Eastern European countries (CEEC) and the Baltic states. [1]

The collapse of Comecon and the USSR accelerated a radical reorientation of CEEC trade towards the European Union, which Germany was the first to profit from. This was the result of political choices made by the new ruling groups. Central and Eastern Europe's rulers (however much the composition of its governments has shifted back and forth lately) have all portrayed joining the EU as the only possible way forward. Their peoples, whom they never dream of genuinely consulting - about joining the EU any more than about the economic "transition" - express many reservations and worries when they are polled.

As in Western Europe, all the "structural adjustments" already associated with the "transition" are justified more and more often by the need to meet EU "norms". But since the EU exists, and there is no coherent alternative to it, it is the only pole of attraction for these countries, which are economic and ideological orphans. People associate the EU with the hope of economic development - or rather, they are afraid that not joining the EU would mean increasing marginalisation.

The "Visegrad group" (Poland, Hungary, the Czech Republic, Slovakia and Slovenia) constitutes a free-trade zone between those countries that are "furthest along" in the transition. They distinguish themselves in particular from Bulgaria and Romania (both of which have just acquired new governments that threaten to speed up shock therapy).

Expansion is planned

The Copenhagen European Council meeting in June 1993 decided in principle to admit all the Central and Eastern European countries and Baltic states to the EU. The Council meeting in Essen in December 1994 mandated the European Commission to produce a White Paper laying out the tasks that these countries must carry out in order to harmonise their laws and institutions with the Union's. There is no doubt that Central and Eastern Europe have put their shoulders to the wheel. Between now and the end of 1997 the Commission should prepare reports on the various problems blocking East European membership. France's Balladur government has added to these procedures a "Stability Pact", which is supposed to make these countries settle the differences among them by treaty (particularly differences over minority rights and borders) as a precondition for joining.

In practice, Association Agreements have been the only moves to modify the EU's relationship with Central and Eastern Europe (except for the Phare programmes, which are supposed to help restructuring). The Association Agreements move towards establishing a free-trade zone with these countries, from which - judging by Central and Eastern Europe's growing trade deficits - the EU (and within the EU mainly Germany) reaps most of the benefits. We are entitled to ask, in spite of all the hypocritical speeches about openness, whether this is, in reality, the EU

governments' preferred substitute to actually letting Eastern Europe in.

For some countries, including Britain, the broadest possible opening to the East would be a way to reduce the European Union itself to a free-trade zone. Other governments argue that the need for "cohesion" of the "hard core" justifies keeping the Mediterranean countries, let alone Central and Eastern Europe, outside the Economic and Monetary Union.

But at what price?

Measurements of the costs of enlargement, based on the assumption that existing criteria for the Structural Funds (for aid to the Union's less developed regions) and for the Common Agricultural Policy would be applied to the Visegrad group, estimate that the Union's budget would have to double. If the whole of Central and Eastern Europe were let in, the budget would quadruple. Though this would still be only 0.4% of the existing EU's GDP, i.e. much less than the Marshall Plan after World War Two. In any case these "calculations" are more than conjectural. Depending on different hypotheses about dates, the number of countries involved, the unemployment rate, the growth rate, prices, etc., the results can vary by a ratio of 1 to 8.

Such calculations are being and will continue to be used to argue for three kinds of proposals, which we must reject:

Option 1) Postpone the idea of integrating Central and Eastern Europe into the EU until the region is less poor - and meanwhile impose adjustment policies that will make them poorer.

Option 2) Change the Structural Funds rules so that fewer countries benefit from them - this is a way to play Southern Europe off against Eastern Europe.

Option 3) Get rid of any development funds and agricultural policy, according to the logic of creating the least (European) state possible and giving free rein to the market.

In reality the issues involved in eastwards enlargement are the same as those that we raise in general about the EMU and Maastricht criteria:

– European choices must be made openly and democratically. So we must open up pluralist debates about alternative European choices and policies to the peoples involved, including those in the South and East.

– We must support an approach of democratic consultation of the peoples of Eastern Europe, which means full information for them and referendums.

– While we must make known our criticisms of the EU and the social movements that oppose the EU as it now functions, we must equally avoid vetoing any application to join. If this EU is not capable of including peoples who want to join, then we have to change the Union and the way it functions.

– We oppose both the logic of a market without borders and the logic of "Fortress Europe", a hard core functioning on the basis of monetarist convergence criteria. This is just as true for the East as the South.

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- Yes to European structural funds for the reduction of real development lags, for building infrastructure, for education, research and job creation.
- Yes to a redefinition of an agricultural policy that stops encouraging a productivism that devastates the environment, human health, and the least developed regions of Europe and the world.
- Yes to funds that ensure balanced regional development and support the creation and diversification of rural employment.
- Yes to development aid to Eastern Europe, which would ensure people's "security" much more than the billions that will be spent to incorporate them into NATO.

[1] The ten countries that are candidates for EU membership are the Central and Eastern European countries (CEEC) - Poland, Hungary, the Czech Republic, Slovakia, Slovenia (all counted as Central European), Romania and Bulgaria (both counted as Balkan) - and the Baltic states: Lithuania, Latvia and Estonia. As a group they have a total agricultural acreage amounting to about 44% of the existing 15 EU countries, and an agricultural work force amounting to nearly 27% of their total work force (as opposed to 5.7% in the EU today, or almost 20% in Greece). Out of the ten, the country with the highest per capita GDP is Slovenia (nearly \$9000), which is barely half the EU's average per capita GDP today (though close to that of the EU's least developed regions).