

**DOCUMENTI  
IAI**

**THE BROADER POLITICAL FRAMEWORK FOR AN EC POLICY  
TOWARDS CENTRAL AND EASTERN EUROPE**

by Gianni Bonvicini

IAI9115

**ISTITUTO AFFARI INTERNAZIONALI**

## THE BROADER POLITICAL FRAMEWORK FOR AN EC POLICY TOWARDS CENTRAL AND EASTERN EUROPE

by Gianni Bonvicini

Having to formulate a new policy towards Central/Eastern European Countries, the European Community and its Member States should start from the basic assumption that such a policy has to find its place in a rather complex and highly sophisticated network of an already well-established set of international relations, economic and trade agreements, security and defence constraints.

Since its inception, the European Community and, some years later, the European Political Cooperation developed a broad and important activity both in the field of external economic relations and in that of diplomatic and foreign policy affairs. The so-called acquis communautaire and acquis politique of Europe's external dimension constitute today a significant patrimony, whose existence necessarily determines the limits and potentials of any new initiatives. To this we should also add the process of international economic cooperation in the GATT, the IMF and the Group of Seven, to mention a few.

Beyond the external competencies of the EC and EPC, Western Europe is still comfortably part of a stable context of collective security, which has its main institutional point of reference in NATO and its true substance in long-standing trans-Atlantic relations. Around this core, the CSCE and the other conferences for disarmament represent additional factors of an equation that has to be taken into account when considering possible new patterns of security in Europe.

In short, the interest expressed so far by the European Community in response to the requests and urgent pressures (particularly to obtain security guarantees) coming from the Central/Eastern countries to enter an era of cooperative agreements (or even, in some cases, of real membership to the EC) in the fields of economic, foreign and security policies is constrained by the following:

- A. a series of external economic relations, both with industrialized countries and developing areas (acquis communautaire);
- B. the existence of an acquis politique, given the twenty-year activity within the EPC;
- C. a multilateral system in the field of collective security that limits its freedom of movement.

With reference to these points, some questions should be answered. What priority should be attributed to Central/Eastern European countries' requests for

association with the external economic, foreign policy and security interests of the Twelve? How can these requests be accommodated without affecting the existing set of international relations of the Community? How can the Community implement the process of strengthening its role in the foreign policy and security fields while addressing the needs and requests of stability expressed by Central/Eastern Europe?

Before answering these questions, it is necessary to underline those original and new elements of an EC-Central/Eastern Europe relations which may indicate the direction that should be followed in the negotiation process.

- It is self-evident that the relations between the Community and Eastern Europe have a global significance. Compared with some other policies towards Third Countries (ACP, ASEAN, even Latin America), the EC interest to the East is surely of a different nature. Apart from the rather clear linkage that in this case exists between economic, political and security concerns, we must add the geopolitical proximity and, partly, the common cultural heritage (concepts like Mitteleuropa are unique). The restoring of democratic institutions and the move towards a free market are additional elements of crucial importance for the Community. The concern for the political and security stability in Central/Eastern Europe serves as an incentive for action on the part of Western European governments.

- The process of associating Central/Eastern countries to the Community is going to happen at a time when the entire international framework is under the pressure of systemic but unpredictable changes. In the field of economic relations we are witnessing a tendency towards their progressive regionalisation (North America, Asia-Pacific, EC and its neighbouring economic space); in the security field, the end of a clear duopoly, the absence of rules for managing the out-of-area crises and the still uncertain future of Nato Alliance and of a new European role in it. The need to rebalance the Trans-Atlantic Linkage, is another open question that also affects coordination of US and EC foreign policies. Finally, there is a need to rethink North-South relations in the light of the end of the East-West confrontation, an issue which leads us to the question of the so-called East-South competition.

- The European Community, having emerged as one of the few stable points of reference in the new international scenario, feels the pressure to move quickly towards a deepening in the economic cooperation and towards an enlarging of its original competencies into the foreign and security sectors, thus affecting its external relations. The two intergovernmental conferences have to provide an answer in an urgent situation which is far from being stable and which largely has been influenced and urged by changes that have occurred in Eastern Europe.

These three elements are going to affect rather extensively the negotiation

process between the Community and Central/Eastern Europe because they will influence the following:

1. The priority to be given to Eastern requests for cooperation with respect to other EC international interests; the Community has to address this sensitive issue and decide where its priorities lie;
2. The division of labor between the Community and other international institutions in order to address the needs of the East in the economic, security and foreign policy fields; this means that the EC also has to choose the right approach and framework in which to operate together with its partners and other Institutions;
3. The future institutional pattern of the Community, that is, the necessity to strengthen the concept of Political Union in order to address the new external pressures more effectively.

#### A. The context of international economic cooperation.

In these last few years the EC has set up a series of relationships with the Western and industrialized world (the Summit of the Seven, OECD, IMF and GATT), which together with the Association Agreements of Mediterranean countries and of APC, make up an organic network of the most important economic agreements.

The maintenance of such links is a first priority for the EC.

This raises the question of whether the economic relations with Eastern Europe can be put forward as a potential alternative to all other well-established EC international economic relations. But this is not the real issue; the question must be posed within the framework of what we have called a growing regionalization of international economic relations. In this perspective the European region might take on another dimension and the relations with Eastern Europe assume primary importance. In other words what should be asked is whether an economically privileged relationship would be interpreted in international organisations (Gatt, etc.) as contrary to or consistent with international rules.

This hypothesis creates a series of additional problems, such as the importance to be given to the Mediterranean, North African and Middle Eastern regions, as well as the necessity (not only economical but also political) of maintaining collaborative relations with the sub-areas such as Latin America and the Far East.

Can the EC favor Eastern Europe at the expense of other areas? The answer is that, while Central/Eastern Europe deserves special attention and

preference, the Community should carefully avoid contributing to the transformation of the already ongoing process of regionalization into a set of economic blocks cut off from and in competition with each other. Regionalisation as an alternative to multilateralism of international economic relations is a rather dangerous process. If in theory the emergence of a number of economically integrated Regions might ease the management of the international economic order, in practice we must prevent any measures giving rise to privileged economic zones. In this last case regionalisation could take the meaning of the collapse of the process of globalisation. In conclusion the opening up towards the Eastern Europe must be understood in terms of an integration of those countries within the international economy at large and not merely within the boundaries of Europe.

In fact the EC should try to continue to act along the lines suggested by the Summit of the Seven, that is, to coordinate financial resources and aid towards the eastern part of Europe with the assent of its partners. Especially in the case of the Soviet Union a tight coordination with US and Japan is needed, not just for clear economic reasons, but mainly for political ones. The EC must avoid considering the East as its own area of exclusivity. This also suggests better use, in addition to the new Bank for Development (EBDR), of the other international economic institutions in an effort toward the division of labor under the auspices of the European Commission.

The same criteria should apply to the management of available resources between the East and the South. The risk of focusing primarily on the East at the expense of the South is real. Some even suggest a division within the Community between those member states having to orientate their finances towards Eastern Countries and those giving priority to the Mediterranean Southern Rim. The Community, on the contrary, should maintain a firm cohesion in order to avoid any danger of provoking political and economic competition between areas having different needs and reasons for closer association with EC, but also similar problems (migration, stability at the fringes, etc.). The Mediterranean policy has to remain a strong priority for the entire Community. Special attention should be addressed to the case of Turkey, which is, among other things, also strictly linked to the Balkan question, that is to the future developments in Eastern Europe.

Again in the case of the South we think that a better coordination of international resources and policies towards developing countries is a primary task for the Community.

## B. The international political activities of the Community

Throughout its long experience, the EPC has developed a great number of policies and means that have allowed the Community to develop a significant

international role. It has dealt with almost every important issue.

From this point of view, policy regarding Eastern Europe has rarely constituted a priority for the Community in the past (except Yugoslavia). In real terms, policies regarding Eastern Europe have largely been dominated by security issues; therefore consultations took place within the NATO area rather than in the EC for reasons of competence.

Thus, EPC has preferred to develop its priorities in other areas, such as the Mediterranean, the Middle East, Southern Africa or even Central America. By doing so, it has tried to establish its own autonomous positions with respect to the US, and has done its best to develop coherent policies, using the traditional mix of common declarations and economic means that represent one of the most positive characteristics of EPC. Moreover, in specific cases, such as that of Norway, Europe has also tried to extend cooperation to associated countries, making them participate, a posteriori, in the EPC choices, through the diffusion of information, briefings and bilateral contacts on a regular basis.

The Community must safeguard this important base of international relations, and consolidate it when possible. It should not neglect areas in which there are evident European interests, such as in the Mediterranean and the Middle East. But also, especially if one looks to the future, in South Africa, Latin America and the Far East, European interests are evident.

Nevertheless it is clear that today the hierarchy of issues relevant to EC foreign policy has been transformed, and as regards Eastern Europe the task for West Europeans is particularly relevant. By using economic instruments for achieving foreign policy goals, the EC can perform rather well, extensively deploying its experience of "civilian power" in order to assure stability and security in the East. Thus, nothing now prevents the Twelve from adopting policies and from broadening means of consultation (which have already been used for third party countries) towards Central/Eastern Europe as well. A political dialogue, as has been recognized in the draft proposals for the association agreements, should lead towards a more intensive consultation. One idea is that of inviting the associated countries to special sessions (or part of a session) of the European Council devoted to the discussion of relevant EPC issues.

This kind of "external" consultation of Central/Eastern Countries in the EPC activities should also provide them with the means of improving their active participation in international life.

It is therefore essential that a policy of consultation of Eastern Countries in EPC activities be accompanied by increased coordination with the traditional partners, and particularly with the US through the creation of a mechanism of bilateral consultation that is more effective than it was in the past. From this point

of view, the Transatlantic Declaration of last year has not yet solved the problem of an effective and credible dialogue between Europe and the US.

An EC foreign policy activity towards Central/Eastern Europe has also to be complemented with a consistent policy towards Soviet Union. Today such a policy barely exists. Its main objective should be that of avoiding further violent fragmentation and splitting, both between Eastern Countries (e.g. between Hungary and Romania) and at the fringes of the Soviet Union. We should, again, encourage peaceful changes in USSR. In other words, an EC foreign policy initiative towards the East has to help safeguard the concept of global interdependence and spread models of integration also in that Region.

Finally, an effective EC foreign policy action towards the eastern part of Europe should also be coordinated with Japan, whose contribution in economic and financial terms will become essential in order to shorten the time for economic recovery in the East. The objective to provide security through the use of economic instruments might be better reached if agreed with Japan. In reality, we know that, in order to ensure the success of this common action, EC should first clearly support Japan in its battle to settle the political contention with the USSR on the Kurili Islands.

In conclusion, the clear interlinkage in the field of EC foreign policy towards the East among economic, security and political factors provides an additional strong reason for transferring formal powers of foreign policy to the Community level. The need for a more effective and well-structured Political Union appears to be extremely urgent. This is a precondition for reinforcing the political dialogue not just with Eastern countries, but also with US, Japan and the Soviet Union and to provide stability and security in Europe.

### C. The security of Europe.

This issue is rather complex for the simple reason that there is no single context in which Europeans may act on their security concerns; moreover, the Community does not have the competence to face these problems in their entirety.

The venues in which security is discussed (at least from the European point of view) are roughly three: the pan-European fora of the CSCE and the CFE; the one bound to the existence of NATO; and finally the one that is connected to an embryo of an autonomous European defence (e.g. WEU).

With reference to the first system, in particular, that regarding CSCE and the negotiations which are connected with it, it is not unlikely that the EC may be able to work out a policy of collaboration in relation to Eastern Europe which does

not raise too many problems. The incentives for consolidating a secure situation in Europe are shared by all and it is likely that the search for clearer and stricter rules and the means for appraising these will continue on the basis of mutual confidence which is surely widening. A process of institutionalisation of the CSCE has to be promoted. What really matters in this case is the creation of a framework for crisis management whose primary task is that of providing stability in Europe. The CSCE process should then develop into a regime of collective security.

The EC may play an important role within this framework as it did in the past, providing the necessary guarantees in terms of stability and cohesion in reaching the common goal of security. However, these guarantees are also closely linked to the future of security policy in the EC, if security develops beyond the limits of the present stage of cooperation within WEU and NATO. At the same time, the question of European defence depends upon the future of NATO. Without going into details as regards the various options which have been put forward in these last few months about the future of NATO and European defence, the central problem remains that of understanding how to create an interlocking security system in Europe between old and future new institutions.

With this in mind, the starting point for a policy towards Central/Eastern Europe by the EC and Western powers might prove particularly difficult. With the Warsaw Pact dissolving, Central/Eastern European countries now find themselves in the difficult position between the USSR, which is still a great military power, and Western Europe, which is growing stronger in the field of security.

It is therefore necessary for either a future European Defence Community or a still cohesive NATO, to face the question of security in relation with Eastern Europe, especially in a period in which the risk of instability in the East is still very high. The question is then posed in terms of a partial integration of Central/Eastern Europe within the Western security system and of cooperative relations and mutual confidence with the Soviet Union.

Here again, we have to face the problem of the relations between US and the Community. The progressive cooperation of Central/Eastern Europe to a system of collective security cannot be credible without a reaffirmation of the American military presence in Europe. This presence, to be clear, is requested by Eastern countries themselves. The first task is therefore that of deciding about the relations among NATO, WEU and the EC and their division of labour vis-à-vis Eastern countries. And this should be done by taking into account a future loose cooperation with some countries of Central/Eastern Europe and by letting them know our special concern for their security.

Such a loose cooperation might be foreseen both in NATO and in the WEU. In the latter case, a cooperation could develop into a status of observers without the application of art. 5 of the Treaty. But as a precondition we have first



to change the substance and nature of WEU. Before opening the doors to external observers, IGC must clarify several basic points:

- a) the future relationship between WEU and EC, till their ultimate merging;
- b) the strict coincidence between EC and WEU membership (those who want to be members of WEU must also be members of EC);
- c) once the first two issues are resolved, other countries, such as Turkey and Norway, must also have the right to become external observers.

Any solution, therefore, has to pass through the clarification of the future defence framework of Western Europe and its relations with NATO and our American allies.

In the future, a new approach towards trans-Atlantic burden sharing will be devised, which is no longer limited to the military sphere, but extended to the economic and political ones. The redefinition of the relations between the EC and the US will have to take account of this new balance, assuring the United States that Europeans are not going to create a privileged space with the Eastern part of Europe in the political and economic fields and that the security of Europe will continue to be based on the military alliance between West Europe and US. A European policy towards the East which does not take account of this necessity would risk losing American support for security and weakening the consistency of a possible closer integration between West and East, including the USSR.

This line of reasoning is also valid in the case that either NATO or the future Defence of Europe decides to widen its range of activity in out-of-area operations sectors. Action in such cases -- as the recent Gulf crisis has shown to some extent -- could only be put into practice with some difficulty, unless there is some agreement by the Soviet Union. Whether this takes place under the cover of the UN or in the future under the auspices of an institutionalised CSCE, the fact remains that out-of-area operations cannot remain the aim of the policy of the West and of EC alone.

23th May, 1991.