The fifth wave of the European Union enlargement: pro et contra
Batorshina, Irina A.

Veröffentlichungsversion / Published Version
Zeitschriftenartikel / journal article

Empfohlene Zitierung / Suggested Citation:
https://doi.org/10.5922/2079-8555-2011-3-7

Nutzungsbedingungen:
Dieser Text wird unter einer CC BY-NC-ND Lizenz (Namensnennung-Nicht-kommerziell-Keine Bearbeitung) zur Verfügung gestellt. Nähere Auskünfte zu den CC-Lizenzen finden Sie hier:
https://creativecommons.org/licenses/by-nc-nd/4.0/deed.de

Terms of use:
This document is made available under a CC BY-NC-ND Licence (Attribution-Non Comercial-NoDerivatives). For more Information see:
https://creativecommons.org/licenses/by-nc-nd/4.0

Diese Version ist zitierbar unter / This version is citable under:
https://nbn-resolving.org/urn:nbn:de:0168-ssoar-329301
This article analyses the principal complex of economic and political motivations of the states of Central and Eastern Europe and the EU members related to the EU enlargement towards the East. Special attention is paid to the discussion on the reasonableness of the EU enlargement and the positions of certain EU members.

Key words: international relations, European Union, enlargement, Central and Eastern Europe.

The fifth wave of the EU enlargement differed qualitatively from the previous ones and exhibited a number of specific features. Firstly, all previous negotiations on integration were held with one, two or three states at a time. Eastern European enlargement was conducted at a larger scale: 10 countries of Central and Eastern Europe (CEE) planned to accede to the EU. Secondly, the processes of the previous enlargement and further integration interchanged, whereas during the fifth wave (which terminated in 2004), they occurred simultaneously. Thus the fifth wave of enlargement is often called a double enlargement. Thirdly, during the previous enlargement countries, acceding to the EU, had a similar socioeconomic level of development and a similar political model. The fifth enlargement involved relatively backward (in terms of their economy) countries and, moreover the states earlier belonging to the socialist camp and undergoing the process of system transformation at the time of enlargement [24; 25]. The economic differences and the differences in the sectoral structure of GDP were quite significant.

According to the data obtained by researchers from the Kiel Institute for the World Economy, GDP per capita compared with the EU average ranged in the enlargement countries from 23% in Bulgaria to 68% in Slovenia. If, in EU-15 (i.e. 15 EU states), agriculture accounted for 2.3% of GDP, in the fifth enlargement countries its share was much higher and ranged from 3.9% in Slovenia and 5.5% in the Czech Republic to 21% in Bulgaria and 40%

1 Russian and international historiography traditionally distinguishes five waves of EU enlargement: 1973 – the accession of Denmark, Ireland, and the UK to the EU, 1981 – that of Greece, 1986 – Spain and Portugal, 1995 – Austria, Finland, and Sweden; 2004 – Poland, Hungary, the Czech Republic, Slovakia, Estonia, Lithuania, Latvia, Slovenia, Cyprus, and Malta. However, some scholars identify four waves of EU enlargement, distinguishing the so called “Southern enlargement” uniting Greece, Portugal, and Spain [26, p. 56—70].

2 Sometimes, this stage of enlargement is called 10+2 in view of the fact that the enlargement states were represented by 10 CCE countries (Poland, Hungary, the Czech Republic, Slovakia, Slovenia, Bulgaria, Romania, the three Baltic Republics – Lithuania, Latvia, and Estonia are traditionally included in this category) and two Mediterranean countries – Malta and Cyprus.
in Romania. In its turn, the service industry averaged 67% of GDP in the EU in comparison with 41.7% in Romania and 53.7% in the Czech Republic. The share of heavy and mining industries was very high and reached, in terms of gross value added 30.7% in the Czech Republic and more than 40% in Romania [14].

Market reforms, including privatisation and the banking system reform, had not been completed in the candidate-countries before their accession. That is why the economic effect of CEE countries’ accession to the EU proved to be limited: alongside a one-third increase in the total number of the EU population, the GDP growth in the EU amounted, according to different estimates, from 5 to 8% [13; 16; 22].

According to the European Commission, out of 105 mln population of CEE countries, 98 mln resided in the areas where GDP per capita did not exceed 75% of the EU average. Thus, in effect, the EU enlargement created a new group of countries, in which the average income did not exceed 40% of the EU average [17].

The aspiration of the fifth enlargement states to participate in the EU enlargement processes was a result of economic and political considerations. From the economic point of view, the existence of a strong and economically developed core structure in the EU ensured welfare growth in CEE states. Obviously, they counted on a massive financial support for socioeconomic reforms carried out in the process of their economy restructuring and the transition from the planned-administrative model to market economy.

According to K. Voronov, L. Medvedev, and A. Sindeev, experts on international history, EU integration was dominated by political interests of the enlargement states. First of all, it was manifested in the implementation of the existential idea of a return to Europe [3; 10]. Europe is associated in the consciousness of Eastern European states with the antebellum pre-socialist development of these countries. So, as the Romanian ex-minister of foreign affairs, Andrei Pleșu, said, for Eastern Europeans Europe is, first of all, a symbol, a symbol of the past. In Prague, Budapest, Belgrade or Bucharest, in Krakow or Sofia, the word Europe evokes dual associations: on the one hand, Europe means a normal state of affairs preceding communist totalitarianism; on the other hand, Europe means life before war, the aggregate of everything that made up “good old days” [2, p. 81].

The existence within the Warsaw Treaty military-political bloc and the socialist economic model over a long period of time were perceived by CEE countries as an imposed form of cooperation, or, according to Václav Havel, last president of Czechoslovakia, „antique forcible robes“ [10, p. 25].

The disintegration of the Soviet bloc and the changes in the geopolitical situation in Europe opened up an opportunity for the states of the Central Eastern region to “return” to Europe. In his speech delivered to the European Council in Strasbourg in January 1990, the Polish Prime Minister, Tadeusz Mazowiecki, stressed that Europe was experiencing difficult times. The half of the continent that had been separated for almost 50 years from its original life source wanted to return to it. Perhaps, one should not talk about a second inclusion but rather about the restoration of the Europe that ceased to exist after the Yalta Agreement [10, p. 24].
Through integration into the EU structures, CEE countries aspired to escape Russia’s influence to ensure soft security, since “today, the European Union is the principal guarantor of democracy both in its member-states, and the neighbouring countries” [7, p. 9]. Political leaders of Eastern Europe stressed that “in Europe we see all the values — motherland, freedom and human rights, we keep on indentifying ourselves with this Europe [10, p. 24].

On the other hand, integration into the EU gave an opportunity to increase their political heft within the world community, eluding the vulnerable role of buffer states between the West and the East. Apparently, that is why some scholars maintain that enlargement countries aspired to accede to the European Union not because of the prospective benefits but rather because of the danger of becoming isolated from Western European integration [24].

The motivation of EU member states for Eastern enlargement was also connected with a symbiosis of political and economic reasons. Despite the fact that the accession of CEE countries to the EU resulted in just a 5—8% increase in the GDP of the EU countries, it yielded some economic benefits. It has to be noted that, as a result of the enlargement, the single EU market grew from 370 to 455 mln consumers, which led to a significant increase in the internal commodity circulation and the investment activity of EU member states, a greater number of joint ventures in the CEE regions and decreased considerably the costs of trading operations. All in all, it was meant to accelerate economic growth in the enlarged EU: “the amalgamation of the old (and slowly reformed) and new (transforming and adapting to new challenges) Europe can give a major impetus for a more rapid development of the whole economy of the continent, as well as the modernisation of the European model [15, p. 4].

However, it is obvious that the integration of Eastern Europe was, to a significant extent, politically motivated both for EU member and enlargement states. The location of the EU in the vicinity of the closed group of post-Soviet states having socioeconomic and ethnical problems and an unstable democratic structure posed a potential threat. The Eastern enlargement was considered an important factor of consolidation of democracy and stability in Europe. Moreover, the accession of Central and Eastern Europe made it possible to increase the political heft of the EU in the world and change its international status, strengthen its positions in a number of organisations, including NATO, WTO, OECD, etc. Thus the Eastern enlargement was highly praised in the West: it was described as a victory over the “Yalta division”, whereas Jacques Santer (the chair of the Commission of the European Communities3 — CEC — in 1995—1999) called this process “a great event in European integration” [6, p. 22], “a gift to ourselves and the candidates” [9, p. 363].

3 The Commission of European Communities, European Commission: the first variant is used in the EU founding treaty. It became the Commission of European Communities after the 1967 Merger Treaty came into force. Today, the most widely used albeit unofficial term is European Commission [9, p. 211].
The Eastern enlargement sparked off heated discussions within the EU, which continued throughout the accession process and demonstrated various approaches to the EU enlargement as such. Italy, the Benelux countries and Germany constituted the camp of optimists, being very enthusiastic about integration. One of the most ardent advocates of the Eastern enlargement was Germany, which was dubbed by the Russian scholars, K. Voronov and E. Iordanskaya the “driver and engine of European integration” [3; 8]. German interests stemmed from the aspiration to strengthen the country’s position with the help of CEE countries. Their trade and economic flows were closely connected with Germany: according to E. Iordanskaya, in 1993—2000, German export to CEE countries increased 2.8 times from 39.9 to 112.6 bln German marks, whereas German import increased 2.9 times from 34 to 101.87 bln marks [8]. Of course, the inclusion of CEE countries into the common European market catered for German interests increasing Germany’s economic potential. Moreover, Germany was an important investment partner of these states; consequently, the Eastern enlargement was capable of strengthening its investment activity. It was emphasised at the 1999 International Forum that Germany, which enjoyed close economic ties with the region of Central and Eastern Europe, will benefit most of all EU member states from the Eastern enlargement [8].

The United Kingdom and Denmark also supported the enlargement but for different reasons. Opposing the strengthening of the political functions of the EU, they hoped that the enlargement process will slow down the establishment of a political union and postpone the settling of this issue for an uncertain period.

The following observation is of interest: the EU member states that actively supported the Eastern enlargement aspired to accelerate the processes of European integration in the course of their EU presidency. So, it was the 1993 Danish presidency, when the principle decision on the possibility of EU enlargement to the Central and Eastern European countries was made and the well-known Copenhagen criteria were devised. During the presidency of Luxembourg, new programmes for providing support for the candidate countries in the process of their preparation for the accession to the EU were introduced at the 1997 Luxembourg summit. At the 1999 meeting in Berlin, one of the most acute issues — the cost of the forthcoming enlargement and the budget in view of the enlarged EU for 2000—2006 — was settled. Finally, in 2002, in the framework of the Brussels and Copenhagen EU summits (during Belgian and Danish presidency respectively), it was announced that the negotiations with ten countries of Central and Eastern Europe on their accession to the EU concluded successfully.

EU member states were obviously interested in certain enlargement countries: Germany supported Poland, Scandinavian countries advocated closer cooperation with the three Baltic states, Greece’s interests focused on Cyprus [19]. However, the Eastern enlargement was not supported unanimously by all member states. For instance France, which was generally in favour of the accession of CEE countries to the EU, was concerned about a decrease in its political influence in the enlarged Union and the strengthening of the position of Germany.
Spain and Portugal, which, after the accession of CEE countries, ceased to be the poorest EU regions, had all the reasons to be anxious that the financial support for the alignment of socioeconomic development through the EU budget would be cut down\(^4\). Spain even threatened to block the Eastern enlargement process unless certain guarantees of further financial support were provided [5].

Moreover, some EU member states that were generally in favour of EU enlargement were still concerned about the accession of post-Soviet countries to the EU, since their accession would increase the cost of enlargement for the member states in inverse proportion and, correspondingly, would have to increase their contribution to the EU budget. Naturally, this increase in EU budget contributions was opposed by the major contributors — Germany, the Netherlands, and the UK. The beneficiary countries (Portugal, Spain, Greece, Italy, France), in their turn, were against any decrease in financial payments\(^5\).

Alongside financial issues relating to the enlargement, the EU member states were anxious about the efficient functioning of the enlarged EU. The need for serious reforms of EU institutions was obvious. Germany, in particular, advocated a stronger political structure of the EU. It caused a negative reaction of the UK representatives: the Conservative MP, Sir Peter Tapsell compared the German vision of Europe to Adolf Hitler’s [3, p. 65]. At the same time, the EU member states were concerned about their decreasing influence as a result of EU institutional reforms, which suggested reducing the representation of the old member states given the accession of new members to the EU.

It is the above-mentioned concerns that shaped the tactics of relations with CEE countries and affected the development of mechanisms meant to ensure the necessary level of development of the candidate countries prior to the accession in order to avoid the destabilising effect of the enlargement on the functioning of the EU.

According to Desmond Dinan, the link between the enlargement and institutional reforms was obvious [19, p. 283]. On the threshold of such a massive enlargement, there was a need to change the quantitative composition of the European community bodies, as well as the voting system. An unchanged voting system posed a threat to the functioning of the enlarged EU bringing together 25 member states — it was fraught with a decrease in gov-

\(^4\) Thus, the 1992 Edinburgh summit reached a decision that the financing of the poorest EU countries (Greece, Ireland, Portugal, and Spain) from the Structural Funds and the Cohesion Funds would be doubled over the next seven years. These measures were aimed at overcoming the opposition during the negotiations on the accession of poorer states [28].

\(^5\) Surveys show that, in 1997, the greatest concerns of the citizens of the member states regarding the enlargement process were triggered by the following circumstances: firstly, the EU enlargement was expected to be very expansive for the old member states (44% of EU residents; 52% considered it inevitable); secondly, there were well-grounded concerns relating a decreased in salaries (50 and 54% respectively) [21].
ernance efficiency and future inability when it came to making political decisions on the voting basis.

Discussions on the heft of the votes of EU member states exposed the existing disagreements between larger and smaller EU states. Germany insisted on maintaining the majority of votes in the European Union; France aspired to equal representation with Germany. The French president, Jacque Chirac, presented the argument of one of the founding fathers of the EU, Jean Monnet, stating that equal representation of Germany and France was a sacrosanct and inviolable part of the French-German agreement at the first stages of integration processes. Federal Chancellor of Germany, Gerhard Schröder, refused to accept this point of view bringing up the demographic criterion, which is to be used in the qualified majority voting. Smaller states (i.e. the Netherlands) also demanded more votes [1; 12; 19; 21].

The Amsterdam Treaty of 1997 solved the problem of institutional restructuring only partially. The agreement signed in Nice (2000) was meant to conclude the reforming of EU institutions in order to ensure its effective functioning after the enlargement. The agreement stipulated the composition of EU bodies, as well as the voting procedure and the application of the qualified majority principle. According to the Nice version of the agreement, the number of European parliament members was increased to 732 people [11]. Germany succeeded in maintaining the majority of votes in the EU Parliament (99 votes). The UK, France, and Italy had to reduce their representation (from 87 to 72 votes). Smaller EU countries also slightly reduced the number of their representatives in the European Parliament [4].

Alongside the “optimisation” of the number of votes, the reform of the voting system took place. In some ‘sensitive’ areas, such as common foreign and security policy, taxation and migration policy, the EU member states reserved the right to impose a veto. As to the voting in the Council, the principle of qualified majority was to be applied in two cases: when the majority of member states voted for the decision, or the decision was approved by a minimum of 232 votes, which accounts for 72.3% of all votes (in the Council, each country has a certain number of votes constituting the total of 231 votes) [23]. At the same time, the four largest states reserved the opportunity to influence the results of the voting: the votes cast should account for at least 62% of the total number of EU citizens.

The second most acute problem for the EU member states was the financing of enlargement. According to Heather Grabbe, “The impact of enlargement on the EU public finances is a political issue rather than an economic one. Ultimately, the cost of enlargement on the public purse depends on how generous the EU decides to be” [21, p. 33—34]. According to some experts, for the EU member states, the enlargement was not exceedingly expensive and, as certain estimates suggest, accounted for approximately 10% of the total EU budget. However, from the very beginning of negotiations on the EU budget, some principal contributors — Germany, Sweden, and the Netherlands — adopted a rigid position deprecating any increase in contributions to the common budget.
The starting point for the solution of financial issues was the EU budget agreement adopted in 1999 in Berlin. According to this document, contributions to the common EU budget could not be increased considerably after an enlargement. In the framework of the 2000—2006 budget cycle, an agreement was reached that financial contributions will remain at the same level and will not exceed the established maximum of 1.27% of the total EU GNP [26].

One of the mechanisms of reducing the cost of EU enlargement was the decision to deny Eastern European farmers direct payments in 2000—2006. Moreover, it was decided that the EU member states will receive financial support from the Structural Funds and the Cohesion Funds at a level not exceeding 4% of their GDP [21]. It significantly reduced the cost of enlargement (one should take into account that those projects should be co-financed by national governments, which limited the opportunities for the new members to use financial resources of the EU). Thus, this principle became something of a compromise between the new and old member states, the principal and the beneficiary states. According to expert estimates, the new EU members could count on receiving financial support at a level of 30% of the total budget of the Structural Funds [20]. All in all, the total expenditure on the new member states, according to the financial plan approved in Berlin in 1999 did not exceed 10—16% of the total annual budget of the EU.

The 2002 Brussels summit reached an agreement on the financing for the 2007—2013 budget cycle, which eliminated the last problem the EU faced on the way to successful conclusion of negotiations on the accession of Central and Eastern European states. The latter made it possible to announce the conclusion of negotiations at the European Council summit in Copenhagen in December 2002. The final document emphasised that “the European Council in Copenhagen in 1993 launched an ambitious process to overcome the … division in Europe. Today marks an unprecedented and historic milestone in completing this process with the conclusion of accession negotiations with Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic and Slovenia” [18, p. 8—9]. The first of May 2004 was announced the day of accession, which completed the grand and unprecedented enlargement of the European Union to the East.

References

6. Ivanov, I. 1999, Rasshirenie Evrosojuza: scenarij, problemy, posledstvija [EU enlargement: a script problem, the consequences], Mirovaya Ekonomika i Mezhdunarodnye Otnosheniya [World Economy and International Relations], no. 9, p. 22—33.

7. Inozemtsev, V. L., Kuznetsova, Ye. R. 2002, Vozvrawenie Evropy. Ob#edennaja Evropa na puti k liderstvu v mirovoj [Return Europe. A united Europe on the path to leadership in the world], Mirovaya Ekonomika i Mezhdunarodnye Otnosheniya [World Economy and International Relations], no. 4, p. 3—14.


**About the author**

*Dr Irina A. Batorshina*, head of the History of the Baltics Research Unit at the "Baltic Region Institute" research and education centre, Immanuel Kant Baltic Federal University.

E-mail: ibatorshina@rambler.ru