

## Europe and the Prospects of Enlargement

*In the aftermath of the French and Dutch “no” to the European constitution many discussions seemed to be dominated by the thought of “enlargement fatigue”. However, enlargement is an essential instrument in European foreign policy. The prospect of accession is a stabilising factor for the continent and the respective countries.*

*Thus, Massimo d’Alema looks ahead. He underlines the necessity to push ahead with institutional reforms, which are the preconditions for further successful enlargement to the Balkans and Turkey. His speech was held in context of a closed door workshop in Rome on “Europe and the Prospects of Enlargement”. As it contains fruitful ideas on how to proceed with the European integration we are pleased to share this with the Brussels public.*

### **Speech by Mr. Massimo D’Alema, Minister of Foreign Affairs and Chairman of Fondazione Italianieuropei**

held on the occasion of the workshop “Europe and the Prospects of Enlargement”, organised by the Fondazione Italianieuropei, Rome 15<sup>th</sup>/16<sup>th</sup> February 2007

#### **1. The two paradoxes of EU’s enlargement**

Let me start with a safe assumption: Enlargement has been Europe’s most successful foreign policy since the end of World War Two. We succeeded in unifying the two halves of Europe which had been artificially separated by more than four decades of Cold War. Our job, however, is not yet finished: **we need to complete the expansion of the Union by taking in the Western Balkans and, in a longer term perspective, Turkey.**

**Italy regards completing the EU’s enlargement to the Balkans as a true national mission. This is so for self-evident geopolitical reasons – a few dozen kilometres separate us from the other side of the Adriatic sea – and because we believe that only the prospect of membership will allow us to avoid renewed tensions and tendencies toward fragmentation.**

These countries of the Western Balkans are keen to leave the past behind them. And the only way for them to achieve such result is to join the European family. Croatia is already well positioned. Serbia’s normalization and integration in Europe is crucial for the stability of South Eastern Europe. Moreover, how do you think we can solve Kosovo’s final status issue if we do not provide concretely such European perspective to Serbia and its neighbours? It is the only way to deactivate and de-escalate the border issue.

Certainly, Belgrade has to meet its long overdue obligations vis-à-vis the Hague Tribunal: nevertheless I think that in meantime we could negotiate an Association and Stabilization agreement, which will enter into force only when Belgrade completes its cooperation with ICTY. We applied this same flexibility to Croatia.

Turkey's presence into the EU would allow Europe for the first time to expand its area of stability and security also 'outside' the European continent. It would make it possible to integrate a great democratic country with a largely Muslim population.

In turn, this would give Europe a much more prominent and active role in the Middle East region. From this viewpoint, solving the Cyprus question is indispensable. Though it may be little noticed, the truth is that the EU-NATO relationship is practically blocked by the unresolved Cyprus dispute.

As a member of the UN Security Council, Italy will work to encourage a new mediation effort by the UN.

But let me make a step backward. How did such EU's continued expansion come about? Its driving force was the 'soft power' of our democratic model, the force of attraction that our model of political and economic development exerted on other societies. You do not attract unless you have something valuable to offer.

However, we face today two important **paradoxes**. The first is that while the EU continues to attract prospective members 'outside', it has become much less attractive to those already 'inside'. Individuals and groups already 'in' increasingly question the added value of the enlarged EU. In fact, they believe that enlargement is just the anti-chamber of the troubles of globalization. We only have to look at the data from Eurobarometer: with the exception of the new members, enlargement now has very few supporters in the continental heart of Europe. In other words, it has been a project of the political elites, but much less a project enjoying a solid democratic consensus.

And when a gap opens up – between political choices and democratic backing – political elites often tend to revert to the line of least resistance – which I believe is a grave mistake. The real task of Europe's political class is not to exploit these fears but instead to show that they are groundless.

The second paradox is, indeed, that the gains and the 'positives' of EU enlargement have almost disappeared from the public debate. The costs and uncertainties brought about by the EU enlargement are underscored, not its benefits. The 'no' votes at the EU referenda in France and Netherlands were superficially attributed to a popular feeling of fear and anxiety for the loss of jobs allegedly provoked by the enlargement - the so-called syndrome of the 'Polish plumber'. Such stories are unfounded. As a matter of fact, in the 2006 European economy has picked up again, unemployment is decreasing. Europe at 27 is a bigger market and a safer place. In economic terms, enlargement has been a success – as your Conference today has confirmed once again.

**The costs of non enlargement - in terms of loss of economic opportunities and fragile stability - would have been much higher.**

## 2. The absolute need for institutional reforms

My thesis is very simple: it is not the enlargement 'per se' that caused the present EU's impasse. It is rather the fact that enlargement should have been better managed. How? With the timely adoption of those institutional reforms which would allow a larger EU to function effectively and address the real problems of an increasingly uncertain and competitive world. Unfortunately we failed to overhaul in time our EU institutions, our EU machinery. We lapsed into a 'reform fatigue' which also concurred to the 'enlargement fatigue'. The latter is a symptom rather than the cause of our problems.

**In other terms: the root cause of our problems is the lack of real institutional reforms.** In the absence of these reforms, Europe at 27 is incapable of making decisions and functioning properly. Therefore, this is my first conclusion: whoever is in favour of enlargement – like Italy – should also be in favour of deepening. Without the Constitutional reforms indicated in the 2004 Treaty, the Union will simply be unable to function. And I'm telling you this as someone who has vivid memories of the Council at 15 (already a very complex machinery, more or less functioning) and who experiences the format at 27 as a sort of shock.

I do not want to dwell too long on this crucial topic. My key point is the following: the 'pause of reflection' is over. It is high time - as indicated by Angela Merkel - to agree on a road map to endorse the necessary institutional reforms before the 2009 European elections. The basis for such reforms remains, in Italy's view, the Rome Treaty, which has been ratified by 18 EU members. We need a longer lasting EU Presidency, a EU Foreign Minister, a more streamlined Commission, a more frequent use of the qualified majority voting, a more practical approach to the so-called flexibility in order to allow a smaller number of countries to work closer together, in certain areas and within the framework of the treaty, leaving the doors open for others to join at a later point in time.

We need to overcome today's 'enlargement fatigue'. But to do that we need first to overcome our 'reform fatigue'. We need to reform our common institutions and adapt them to today's needs. **Italy will continue to be engaged on both fronts: to save as much as we can of the Constitutional treaty and to complete the enlargement process.**

## 3. Strong Europe, clear borders.

However, the idea that the EU enlargement could go on forever is no less misleading of those assumptions that have brought about the present

'enlargement fatigue'. In other words, even if the enlargement process had been properly managed - through the timely adaptation of the EU's institutional machinery- the EU would probably face an 'overstretch syndrome' anyway. There are structural limits to the 'integration capacity' of an organization such as the EU which is very peculiar, because it combines intergovernmental cooperation with supranational integration. It is obvious that the more the EU expands, the more difficult is to maintain such balance between intergovernmental and supranational mechanisms of cooperation. The balance inevitably tilts in favour of intergovernmental cooperation; and, when this happens, the EU becomes more difficult to manage, less effective in implementing its policies, and less reliable as international actor. The world requires a cohesive and effective Europe. In order to be a credible international actor the EU needs also to set its geographical borders. As I said earlier, these borders will have to include the Western Balkans and Turkey. After that, the enlargement process will have to pause for the foreseeable future.

Unless it settles its borders, Europe will remain an ever changing object, hardly recognizable to the outside world. And its identity as an international actor will remain unclear.

The debate on further enlargements takes somehow for granted that the full membership is the only game in town. This, however, is far from being true. The EU has successfully experienced different forms of affiliation with non EU members, such as the common economic area with Norway, Iceland and Lichtenstein, and the European Neighbourhood Policy (ENP). Therefore, I believe **we have to find a way that can reconcile the need to set the EU borders with the need for those non EU members not to feel excluded or left out.**

I think that some mechanisms of 'semi-integration' for our neighbours could and should be devised: a much better working ENP, for example, based on the principle 'share everything, but institutions', would permit the recipient countries to have gradual access to most EU policies, without being part of the EU decision-making process. There is great deal of potential to make the ENP more attractive, via visa liberalization, free trade of agricultural products. There is also the possibility to integrate neighbours with EU energy markets and transport

networks; we could also forge special partnerships with some neighbours in the area of foreign and security policy. This would make the boundaries between EU members and non members increasingly blurred.

#### 4. A common EU's strategy towards Russia

Let me allow one final remark on the EU-Russia relations. I think that **the EU should make an effort to devise a new common strategy on Russia.** I know that we've already tried this in the past (1999), with scarce success. But the international context has profoundly changed in the meantime. Some years ago, just to give you an example, energy security and Iran were neither major issues in the international agenda. Moreover, Russia was in a very different shape and the EU was also a different type of player, more focused on internal rather than external issues, therefore, less of a global power. In sum, I believe that in today's world, increasingly multi-polar and within which Europe and Russia are both emerging as crucial players, a common and comprehensive strategy on EU-Russia relations has become an absolute priority. Clearly, this strategy has to be based on a fair reciprocity and should not discriminate relations with third countries, beginning with Ukraine. But it is time to fill this loophole in our foreign policy. Otherwise, Russia will continue on its path of assertive nationalism and Europe will be, on the whole, less capable of facing its own security problems.

#### 5. Conclusion

Ultimately the three points I have discussed:

- Institutional reforms as precondition to enlarge the EU to the Balkans and Turkey;
- The need to set the EU borders and, at same time, to engage more deeply our neighbours in the EU policies;
- A new relationship with Russia

are all interconnected pieces of Italy's vision of the future EU: a EU strong and cohesive internally, with final borders but open to its neighbours and ready to play a global role. The Union for the future; not the past.