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**Perceptions of future developments in the  
European Union**

**Conference report edited by**

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## **PREFACE**

On October 6 1995, the Scientific Council for Government Policy (WRR) organized a seminar in The Hague for a group of foreign and domestic foreign policy experts. The purpose of this seminar was to discuss the main themes of the WRR report *Stability and Security in Europe*, and thereby to contribute to the current foreign policy debate in the Netherlands. In the morning four foreign guests opened the debate with comments on the WRR report: Prof. W. Wallace (St. Antony's College, Oxford), Mr. F. Barry Delongchamps (French Ministry of Foreign Affairs), Mr. C. Schmidt (Member of the Bundestag) and Mr. E. Brok (Member of the European Parliament). The afternoon session focused on the prospects for further European integration and the Dutch position in the EU. The speakers were Prof. P.H. Kooijmans (University of Leiden), Mr. F. Bolkestein (Member of Dutch parliament), and Mr. P. Dankert (Member of the European Parliament). A key-note speech was delivered by Prof. D.J. Wolfson (Erasmus University and WRR). The chairman of the day was Mr. J.P.H. Donner who is chairman of the Scientific Council for Government Policy.

A. Brouwers, M. Kwast-van Duursen, H. Ruijg (editors)

## INTRODUCTION BY THE CHAIRMAN

*(Mr. Donner is chairman of the Scientific Council for Government Policy)*

Welcome to this seminar on the latest report of the Scientific Council, on "Security and Stability in Europe". I particularly welcome our speakers from abroad. Part of the aim of this seminar is to underline that our findings are not just based on domestic considerations, but stem from a wider international context, which we have tried to describe in our report. In this perspective, your contributions will be of great value.

As the program indicates, the day is divided in two distinct sections. The morning session will focus on the analysis of the report: the nature and consequences of the changed security situation. The afternoon session will be devoted to the ensuing priorities for Dutch foreign policy. A certain overlap may be inevitable, but I will try to stick to this division.

I have noted the following points on which we may reflect during the morning session:

1. *The changed security situation:* after the disappearance of the Soviet threat, a fragmentation has occurred in the way the western countries view their security. External threats - albeit of a more limited nature than before - have multiplied, but reactions to those threats are now largely determined by different national interests. The resulting incapacity of the West in general, and of Europe in particular, to react effectively to such threats (i.e. Bosnia) forms an urgent problem. It is this sense of urgency which our report has tried to convey. We could also consider whether the West, and Western Europe in particular, does enough to meet the legitimate ambitions of the countries in Central Europe which have been liberated from Communism.

2. *The more limited engagement of the United States*, which results from this changed security situation. Some of you may think that the (belated) American action in Bosnia, i.e. the Holbrooke mission, proves that we have been exaggerating on this point. Others may, however, feel that this mission fits in with the prospect we have given, not of American "isolationism", but of a much more selective and domestically-inspired US engagement, which in no way implies a return to the former American role as moderator and policy coordinator among the Western allies.
  
3. Finally, resulting from these first two points, *the need to promote the capacity to act* of the European Union or at least of the main countries in Europe. We can discuss the need, the possibility, and perhaps also the desirability to achieve concerted action by means of a core grouping of European countries around Germany and France. Some of you may feel that such a grouping is simply not on, because of fundamental dissensions between Paris and Bonn. If that is true, so much the worse. Others may even hold such a core group for undesirable. No doubt they will provide us with a better alternative.

**STABILITY AND SECURITY IN EUROPE**  
**COMMENTS ON THE ANALYSIS OF THE WRR**

**INTRODUCTION BY W. WALLACE**

*(William Wallace is a professor at the Central European University in Prague and a Fellow at St. Anthony's College, Oxford University)*

"The present situation bears some comparison with that in the years 1948/49, when the outbreak of the Cold War caused the Netherlands to exchange its orientation to the United Nations for a policy based on regionally organized structures of military security and promotion of economic interests. The main difference, however, is that the way forward is now less clear" (WRR report, 9.3.2). I take this to be one of the underlying messages of this excellent report. We know that all of our Cold War assumptions of foreign policy are now outdated. We were extremely unclear where we found our formulations from. We face the need to reconstruct the European system after the collapse of the economic and security order of socialist Eastern Europe: as formidable a task as that which faced our parents and grandparents fifty years ago.

Our task is made more difficult than theirs by several significant differences. First, we no longer have the United States as a benevolent hegemon, extending security and providing financial and political leadership. We have to attempt to create some mechanisms for effective collective leadership among ourselves. Second, we lack the immediate urgency of postwar devastation and reconstruction, reinforced by the perception of a common external and indeed in the 1940s internal threat. Third, as a consequence of this absence of a sense of urgency or threat, it is far more difficult for governments to mobilize our citizens, to capture their imaginations sufficiently to persuade them either to accept a major change in international strategy or to shoulder the additional burdens required to make that strategy effective. Fourth, as the report makes clear, we face this sharp discontinuity in European order against the destabilizing context of longer-term processes of economic, technological and social transformation: the globalization of production, marketing and services; instant communication at regularly-falling prices; and a demographic explosion outside Europe as disruptive in its effects as was the 19th

century European population explosion both for Europe itself and for other continents to which Europeans migrated. I was, incidentally, surprised that the report made so little reference to long term changes in the global environment and implications for Dutch foreign policy: a transformational trend which seems to me to pose dilemma's for European foreign policymakers as acute as any other, dilemma's which after all may be particularly acute for the Netherlands, if some of the predictions about global warming turn out to be correct.

Because I agree with the main thrust of this report and of its conclusions, I want to concentrate on a number of points where it seems to me the report has hesitated to spell out the full implications of its arguments, or has underplayed the difficulties of the problems we face. The greatest value of reports such as this, I understand, is the contribution they make to public education in the broadest sense: alerting the interested public to new issues, drawing attention to developments so far scarcely observed in the press, setting out hard choices which politicians naturally try to avoid. To be useful, they must be provocative, to paint their unfamiliar landscapes in sharply contrasting colours. There is a touch of academic caution in this report where there should be thought-provoking assertions. So let me try to provoke a little further.

The Netherlands has balanced between the Anglo-Saxons and Germany for most of its independent history. The most radical, and most explicit, message of this report is that such a balance is no longer possible. The Americans are going home, the British are lost in a crisis of post-imperial identity. The Netherlands must therefore choose Germany, hoping thereby also to tame Germany, containing the uncertainties of German politics and the contradictions of German foreign policy within an effective core group of committed West European states, most important among which is France.

I would go further in stressing the fundamental shift in American policy away from Europe, and in redefining the central core of Europe within which the Dutch must aim to exert influence. I am profoundly sceptical of attempts to revive or expand

the NATO Alliance, to negotiate a new transatlantic treaty or create a transatlantic free trade area. The American commitment to Europe was a commitment to defend democracy against communism. That battle has now been won; and American political rhetoric has moved on to task about other objectives, mainly domestic. The commitment was made, forty-five years ago, by an America still dominated by the descendants of Northern European immigrants - English, Scottish, German, Dutch - looking across the Atlantic from New England and the eastern states. Since then the balance of American population, wealth and politics has shifted south and west, looking much more across the Pacific and the Gulf of Mexico. The ethnic mix of America's population has also altered radically. More immigrants entered the USA in the 1980s than in any other decade in American history, except the first ten years of this century. This surge of immigration brought in East Asians and Latin Americans, together with smaller numbers of Africans, Arabs and South Asians.

The Harvard campus today is thronged with Chinese and Koreans, outnumbering English and Germans; American Asians are rapidly establishing themselves in American business, politics and intellectual life. The Anglo-Saxon elites with which we felt so comfortable represent an older generation: their children less oriented towards European roots and European culture, more preoccupied with America's own severe domestic problems. I want to suggest that West European governments will have to adjust their foreign policies not only to manage without American leadership but - well beyond that - to cope with the USA as a problem in world politics. American society displays evident divisions and tensions which must increasingly preoccupy federal policymakers. The American economy has structural weaknesses, compounded by the widespread perception that the USA's relative loss of competitive advantage is the result of foreigners refusing to play international trade according to the American-designed rulebook. American society has become suburban, structurally dependent on cheap gasoline and private cars: environmentally damaging, sucking in oil imports as domestic American oil production declines. A quarter of the carbon dioxide emitted in the world is generated by the 5 percent of the world population which lives in the USA. As climate change

becomes a more important issue in multilateral international relations, West European governments will find themselves making demands of the United States which it will be extremely difficult for Americans to accept.

It would therefore be prudent to assume that the relationship between a widening Europe and the United States will grow more distant - and *should* grow more distant. NATO was a creation of the Cold War, not easily transformed into a different creature to survive in a transformed environment. The debate about NATO enlargement which we have been through during the last year should alert us to the contradictions into which we are slipping. Amidst all the pressures from Washington (driven in large part by electoral politics) for early enlargement to Poland and other East-Central European states, the question of how any US Administration would manage to assemble a two-thirds majority in the Senate to ratify an enlargement treaty, had not been addressed. Certainly the process of ratification would provide an opportunity for the post-Cold War generation of American politicians to ventilate their discontents with Europe and to demand higher financial contributions in return for maintaining any significant US presence. Within the next ten years the European allies must learn to manage without the USA in security and defence; which raises awkward questions about what structures of forces are needed, how common resources - satellite intelligence, long-range airlift and the like - should be provided and paid for, about command and control over one of the most sensitive areas of state sovereignty.

### *Core Europe*

On the question of core Europe I wonder whether it is wise to assume that the Franco-German relationship, which has served as the motor of West European integration, will or should remain *the* central axis around which a transformed and wider Europe will revolve. Certainly for the next three to five years it will remain crucial; but over the next ten it is likely that Germany's relations with its neighbours will become more diffuse. If we take the commitment to eastern enlargement seriously, the position of France becomes less central. The Bonn Republic naturally looked across the Rhineland to France as its most important partner; a senior

official in the *Auswärtiges Amt* once reminded me that we were sitting, in his office, within the boundaries of Napoleon's France. The Berlin Republic of united Germany will look north and east as much as south. Some German policy analysts already talk of Germany as balanced between France and Poland; the link between Germany and a democratic and prosperous Poland should after all become one of the central factors in a European order which stretches much further east. The whole question of how we absorb Poland in the European Union (EU) should, I suggest, have been given rather more importance in this report. Sweden and Austria, like the Netherlands dependent but significant neighbours of Germany, may well also develop into important players in a reoriented European Union. I like the phrase "semi-small countries" which the Swedish European minister has coined, to distinguish between insignificant and significant smaller players in a 20-25 member EU. The Netherlands is the archetypical semi-small country. Before committing itself irrevocably to a reconstituted Charlemannic core group, Dutch diplomacy should explore the potential for closer understanding with Germany's *other* neighbours, who face a similar choice: between influence exerted over German policy from within a close and highly structured framework, or dependence without influence outside. I also feel the report should perhaps be a bit more critical about the core group debate. What one hears both in France and in Germany as an undertone in the core group debate is to some extent a denial of the fundamental changes which we are going through. I remember Giscard D'Estaing's long articles in *Le Figaro* last January in which he said that a core group had many, many advantages, including that one could maintain the Common Agricultural Policy unchanged in its current form. I hear those within the CDU talking as if a core group will enable them to expand eastwards, without changing the current *acquis*. That is suggesting that somehow we can have our cake and eat it. I think the Dutch position in this should be more radical and should suggest their French and German neighbours that we *have* to change the *acquis*. The problem of reformulating a European order is not merely a matter of adding two, three, four, five states to an unchanging EU.

*The British position*

I wish I could disagree with the report's comments on Britain; they are sadly accurate. I was however surprised that they were not followed by proposals for a more active approach to changing British perceptions and attitudes. The Netherlands is a significant country, with a great many links into British society, the British economy, the British elite. German policymakers have actively intervened in British political debate, primarily through the well-funded activities of the party foundations, but also through the activities of the regular visits of chancellor Kohl and others, as they have intervened in political developments within many other European countries, particularly those to the south and east. Perhaps the Netherlands should be considering a more active cultural and exchange programme as an integral part of its new international strategy. The Franco-German relationship has been built partly through intensive youth exchanges over 30 years. The Dutch have put impressive resources into such activities in eastern Europe. You should perhaps consider whether to bring Britain, Sweden, Austria and perhaps Finland within such a politically-inspired programme. A European core would be less effective in the security field without Britain. The Netherlands would be more dependent on the Franco-German relationship. So it is in the Dutch interest to engage the British elite of all parties, in an active debate about your long term interests and theirs. To explain to the British that they in their turn have to manage without the Americans as well.

The Schäuble/Lamers paper produced by the CDU parliamentary fraction last year made much of the dangers of a north/south divide within an enlarged EU, and of the need to maintain the Franco-German hinge to allow the two divergent regions to move in response to different imperatives without moving apart. As the Visegrad countries begin to come through the worst traumas of transition, it is becoming clear that the most delicate areas for West European foreign policy are not those immediately east of Germany but those to the south: the south of Spain, France and Italy, and those which stretch south and east beyond the Visegrad countries themselves. Europe's new frontline states are Italy and Spain, Greece and perhaps

Austria. Germany remains however the target for the ambitious and the desperate struggling to slip through Europe's borders.

*The Dutch position*

How should the Dutch react to this shift of insecurity from Central Europe to Southeastern Europe? The Netherlands - like Britain - is now more secure from military threat than at any time in its history. There is no role for its armed forces in Germany, or in the North Sea. Dutch troops, if used at all, will unavoidably be used as part of an multinational force, under foreign (or collective) command. This raises major problems of sovereignty and of public acceptability. We saw something of this in the Dutch-British Marine force in Northern Iraq, we have seen a more painful example of the problems posed in Bosnia. How should Dutch forces be most effectively integrated with their likely partners in action? Are Dutch taxpayers prepared to spend money for a common defence of a Mediterranean and Balkan borderline, or to spend more money per head than the Italians, or the Spanish? Is it conceivable to relinquish Dutch sovereignty in favour of an effective integrated European defence capability?

The report touched on the population explosion to the south. Here again, I thought it should have been more painfully explicit to talk about the unavoidable implications of the population explosion in North Africa and the Middle East for a prosperous Western Europe. One prediction which can be made with absolute confidence is that every country in Western Europe (not just France) will have a larger Muslim population in 10 years time than today, a much larger population in 20 years from now. Man-smuggling is a well-developed activity in the Mediterranean and the Balkans, supplying a demand which is driven by the vast surplus of talented youth and the disruptive effect on their countries of origin of simultaneous rapid population increase and the great transformation from traditional to urban industrialized society.

Here is an issue of great delicacy, directly linking domestic politics to foreign policy. Turks across Western Europe - many of them Kurds, some others linked to

opposition groups - complicate the management of relations between Turkey and the EU very considerably. Algerians and Moroccans, Pakistanis and Palestinians similarly straddle European society and European foreign policy. How West European countries collectively manage the bundle of issues which range from asylum policy to border control, citizenship for minorities (and for the children of immigrants, legal or illegal), relations between the countries of origin and underlying resentments between native Europeans (so to speak) and recent arrivals will provide some of the most difficult tests for common action. This is becoming an increasing source of anxiety for German foreign policymakers: the control of Europe's outer borders is for them the deface of German society. The Dutch may be less directly affected than the Germans at present, less anxious about the ethnic character of their nation-state. But as this report argues, German anxieties must also become Dutch anxieties if Germany is the key to Dutch foreign policy.

From the perspective of the man in the street in Amsterdam, I imagine that Romania or Bulgaria - let alone Macedonia, Moldova or Ukraine - are almost as remote as Azerbaijan or Armenia. How do Dutch political leaders intend to persuade their citizens to take the Balkans beyond former Yugoslavia on board, either as future members of the same political community or as recipients of financial transfers, trade concessions and military guarantees? I am at a loss to know how Western Europe should manage its relations with this region: awkward partners (following the Greek example) if allowed into the EU, troublesome neighbours if left out. The contradictions of the EU's stance towards enlargement are scarcely explored in this report: the pains of agricultural adjustment, the need for a new financial trade-off, the undertone in the "core Europe" debate of welcoming the new members formally into the EU while busily constructing a smaller inner core group from which they will be excluded.

The report is most shy when it comes to the financial implications of the agenda it sketches out. It suggests that "the Netherlands should be prepared to contribute to necessary adjustments in the burden sharing among states" (WRR report, 9.3.1), that it is "the northern countries who would fund the lion's share of these financial

transfers (5.5), that "Bonn's EU partners will seek [...] avidly to pass on the costs of supporting these countries to the Germans" (5.4.2). An all-party/non-party report could best help politicians to face the wrath of their tax-paying voters by spelling out more brutally that any effective European international strategy is going to cost the comfortable and prosperous countries of Northwest Europe a lot of money, and that this is a necessary investment in long-term stability and security. That is a deeply unpopular message, particularly in a country which luxuriated for so many years in the happy (and morally unjustifiable) position of being a net beneficiary from the Community budget, to find itself so recently transported into the position of major net contributor. I note with some interest the remarkable shift of Dutch attitude to this in recent years. It requires a collective response, negotiated with other prosperous countries, with politicians from these countries speaking to each other's domestic audiences as well as their own to justify the long term financial transfers needed.

#### *Dutch attitudes*

Which brings us to the most difficult question of all. We may agree within this room as to what needs to be done, perhaps even as to what institutions are needed to manage the task. But how do we persuade those outside - the Dutch public, the wavering German public, the largely unprepared French public, the grossly misinformed British public - to support the transfers of resources and authority required? In member state after member state the statesmen with their understanding of the subtleties of European diplomacy are threatened by the populists who decry the conspiracies of Brussels, the underhand deals struck by foreign governments, and the unjustified undermining of national sovereignty and national interest. Not even the Netherlands is immune to such sentiments. The task of educating our masters, the voters, about the complexities and necessary burdens of foreign policy in post-Cold War Europe is the most challenging of all those which we face. I hope that this report and the vigorous debate which its reception should achieve, will contribute significantly to that education process, at least within this important semi-small state.

Treaty in referendums in France and Denmark. Only a few months after the successful referendum on Sweden's accession to the EU, the turnout at elections to the European Parliament in Sweden was extremely low. A large number of those who did vote, voted for parties opposed to the EU.

Opinion polls in Germany show that up to 60% of respondents are undecided or have no opinion on specific European issues. This reflects a greater remoteness from European affairs, and a greater lack of understanding of their complexity, than is the case in any other policy area. A positive attitude towards European integration is declining and this is a problem. Besides the many technical issues waiting to be solved, overcoming citizens' remoteness from Europe is the greatest challenge we face. In my following remarks, I will limit myself essentially to questions of foreign and security policy, including enlargement of the EU, and will not look in detail at financial or monetary issues.

#### *The Intergovernmental Conference in 1996*

The Maastricht Treaty affirms the EU's goal of development of an ever closer union among its members. It is up to us to give substance to this aspiration and to counter any tendency to limit the Union to a more or less loosely knit grouping of states cooperating in a sophisticated free trade area. Every endeavour to foster European integration must address major problems and challenges. The EU's institutions were originally set up for six member countries. They must now cater to a membership of fifteen. In the foreseeable future that number may rise to twenty-five or even thirty. The EU's structures must be adapted in such a way that the Union can continue to function effectively as it grows. Differences in the level of socioeconomic development are leading to a growing differentiation of interests among member states which threatens to obscure the basic commonality of interests.

Perceptions of internal and, above all, external priorities (e.g. Northern Africa, Eastern Europe) differ in a EU stretching from the Arctic Circle to the Straits of Gibraltar. I would like to add that the German-French cooperation, or the Franco-

German couple, also has to face this discussion. Germany does not sufficiently reflect the problems coming from the Mediterranean and Northern Africa, especially Algeria, as a threat to the stability of France and the whole EU. Time by time we do feel a lot of understanding for the German engagement in Eastern Europe. The French have an interest in a stable Eastern Europe. The Germans also have an interest to prevent turbulence in North Africa, because (for example) the immigration issue will affect Germany as well. Social stability and well-established social systems are endangered by the consequences of profound structural economic change (such as mass unemployment). The experience in my constituency is that much of the working places go east because of the lower wages. This is a serious question for our unemployment situation and for our economy.

An increase in "regressive nationalism" can be observed in (almost) all member countries, which is the product of deep-seated fears and anxieties caused by the internal crisis of modern society and by external threats, such as migration. Fear and anxiety tempt people to seek, if not a solution, then at least refuge in a return to the nation-state and all things national. The question of "when" and "how" to expand the EU towards Central and Eastern Europe has to be answered. Against this background, thought is being given in various quarters to the future developments and shape of the EU. From the point of view of my parliamentary group, this means that the IGC must make progress in rendering the EU capable of more effective action in the field of foreign and security policy and in further developing the Community foundations of policy in justice and home affairs.

#### *The Common Foreign and Security Policy (CFSP)*

In the few years since the end of the East-West conflict, the task of establishing a CFSP, including a European defence policy and defence, has proved to be even more important and urgent than envisaged in the Maastricht Treaty. The territorial integrity of most of the Union's member states is guaranteed by NATO and its system of collective defence, and must remain so in the future. I think we have to state that NATO should be also in the future the number one player in security policy. Maybe we can come in the discussion afterwards to the point whether there

is chance to have this. In our point of view there is no European possibility to have a security policy without NATO and the North American allies. In order to ensure that each EU member states enjoys the same status in terms of security, there is no alternative to pursuing the goal of all EU members becoming members of NATO. The NATO study on eastward enlargement published on 28 September also ultimately comes to this conclusion.

In Europe, however, security can no longer be defined solely in military terms. Security also encompasses efforts to create economic stability, foster democratic structures, promote respect for human and minority rights, avert threats to the environment, fight international crime, and prevent the proliferation of weapons. Today, the ability of national states to guarantee the security of their citizens from external threats is limited. For this reason, the ability of the EU to make a military contribution of its own to safeguard peace in Europe and protecting its members against pressures from outside is an indispensable factor in creating an EU identity which at the same time leaves room for the individual identities of the member nation states. Therefore, building a European peace order and a Euro-Mediterranean partnership on the one hand, and developing a comprehensive transatlantic bond on the other, are the most urgent tasks and challenges facing the CFSP. There are four areas in which the IGC must make progress as a precondition for a successful CFSP.

First, improvements in the decision-making process will be necessary. Decisions on matters of foreign and security policy with no military implications should be taken by a qualified majority (when defining the term "majority", a way must be found to take into account both the interests of the smaller and semi-smaller member states and the idea that a majority vote should also represent a majority of the EU's population). So we have suggested in our second paper that we should have a double majority. Decisions on matters of foreign and security policy with military implications, and on the use of military means in particular, should be taken in such a way that, whilst a minority of member states cannot prevent a majority from taking joint action, no member state can be obliged against its will to participate in

such joint action. The solidarity of non-participating states must manifest itself *inter alia* in their contribution to the joint funding of such actions.

Second, organizational and institutional measures should be taken. With regard to formulating the EU's foreign policy, capacities already exist in the Commission, the Council, the WEU and, last but not least, in the member states. They must be brought together in a suitable way. A number of options are being discussed as part of preparations for the IGC. Ultimately, the aim must be to create appropriate planning instruments for the Council and to ensure that the EU presents a united front in its external relations. I do agree with the paper of the High Ranking Experts from the European Commission on this issue.

Third, the budget of the EU must make provision for funding the CFSP. This goes in particular for operational expenditure for joint actions, which must be decided on a case-by-case basis.

Fourth, the EU must in the future also encompass defence. The WEU must in the medium term be integrated into the EU. It is probably unrealistic to expect the IGC to achieve this objective. However, the IGC could agree on a fixed timetable for integrating the two organizations.

Responsibility for collective defence lies with NATO, which remains the indispensable bedrock of European security. Europe's defence and security identity must therefore serve to strengthen the transatlantic Alliance. Developing the European pillar of NATO into an equally important mainstay of the Alliance does not run counter to this objective. The USA's willingness to maintain its commitment in Europe must be ensured. The EU must, therefore, take transatlantic interests into account when making fundamental decisions on security policy, including the question of enlargement.

Europe must, however, be able to act wherever such action is possible in view of its weight and the means at its disposal. The EU/WEU will make a military contribu-

tion of its own in accordance with the Petersberg Declaration in cases where NATO is unwilling to act but where concerted action is in the interest of the EU. To be sure, in Germany we can come step by step to fulfil the possibilities of the Petersberg Declaration, probably in the multilateral corps, the Netherlands-German corps, the French-German corps, the Eurocorps.

In this context, the WEU must be developed into a common European defence structure capable of implementing actions defined in the Petersberg Declaration. Establishing the operational capacity of the EU through the WEU includes putting the finishing touches to the concept of Combined Joint Task Forces. This arrangement allows WEU member states, or a coalition of willing EU member states, to make their own contribution to peacekeeping, or humanitarian missions, using the joint installations and capabilities of NATO after consultation with the North Atlantic Council but under European command. The role of the WEU will be restricted to that of an executive organ which acts on the basis of policy guidelines laid down by the EU. In crises, a single decision-making structure on a high political level in the EU will be required. Strengthening the EU's capacity for effective action must be accompanied by measures to further develop channels of parliamentary control. Since the introduction of majority voting in the CFSP field may restrict the scope for control by national parliaments, mechanisms allowing the European Parliament to have a say in this area should be further developed.

### *Justice and home affairs*

As Europe grows together to form a political union, further and closer harmonization of member states' policies in the fields of justice and home affairs will be necessary. Citizens will accept the EU and its institutions only if there is an expansion of closer cooperation in fighting organized crime, terrorism, drug trafficking and money-laundering. Hence there is no denying that we need common European institutions in these fields. The only point at issue is whether intergovernmental cooperation will be sufficient to build such institutions. I am firmly convinced that this is not the case. Take, for example, matters such as the granting of asylum, dealing with refugees, or fighting crime. In certain areas intergovernmental

cooperation already exists, as under the Schengen Agreement. But merely putting this agreement in place took a great deal of time and effort. In my view, this experience gives us grounds to call for common policies based on majority voting in areas covered by the third pillar of the Maastricht Treaty as well.

### *Enlargement of the European Union*

The countries of Central and Eastern Europe are right to demand a share in the stability, prosperity and security the West has achieved through European and transatlantic integration. This is also in the interest of the West. Initial negotiations on accession will commence following the IGC. Admission of these new members will require a special effort on the part of the EU. Adjustments in the fields of agricultural and structural policy will be unavoidable. The candidate members will have to be granted lengthy periods of transition, which is also in our interest. Even if there is no causal link between the two, considerations regarding EU enlargement will inevitably have to be accompanied by similar considerations with respect to NATO. The enlargement of the EU, the WEU and NATO must be based on the principle of equal security. Congruence of membership in the EU/WEU and in NATO should be strived for.

At the same time, in the interest of Europe, and in line with Russia's status as a great power, it will be necessary to establish a comprehensive and balanced partnership between the EU and Russia. Such a partnership will benefit European security, economic cooperation and political stability. Just as a more intense partnership should be sought between NATO and Russia, so too should economic cooperation be expanded beyond the EU's cooperation agreement with Russia. This presupposes, however, that Russia continues to pursue reforms aimed at establishing democracy and a market economy, and that it respects international law and human rights and observes the objectives and provisions of the OSCE and the Treaty on Conventional Forces in Europe (CFE).

Constant enlargement of the EU will create centrifugal forces. To counter them, the cohesion of those countries inclined to deeper integration and closer cooper-

ation must be further strengthened. It must be made clear to other member states that no one is excluded from closer cooperation but that it is open to every member state able and willing to meet its requirements. The formation of a core group of countries, which was proposed last year, is not an end in itself but a means of reconciling the two ostensibly conflicting goals of widening and deepening the EU. In the past, Germany and France were the driving force behind European integration. This did not preclude differences in interests and perceptions. Following the end of the East-West conflict, the importance of Franco-German cooperation has not diminished but grown.

Their cooperation is not meant to exclude other countries. On the contrary, it is meant to attract other countries which share the objective of fostering joint action within the EU and of launching common initiatives to promote the development of the Union. I very much welcome the proposal in the paper before us to the effect that the Netherlands should become more actively involved as a partner in Franco-German cooperation. Cooperation must focus in particular on the new fields added by the Maastricht Treaty. Cooperation under the Schengen Agreement and the creation of the German/Dutch Multinational Corps illustrate that this kind of integration is well under way.

#### *Conclusions in light of the proposals put forward by the WRR*

From the above outline of German interests and from the *Report on Stability and Security in Europe*, it is clear that, as regards the analysis of the issues and the identification of the need for action, there is consensus between Germany and the Netherlands in many fields. Threats to security in Europe are no longer the result of confrontation between East and West. Rather, they emanate from a diverse range of smaller risks. In many cases, they have put an end to the indivisibility of security in Europe. Therefore, the need to ensure effective coordination of foreign and security policy in Europe, and to endow Europe with a credible capacity for action, is all the more urgent. A further area of common interest emerges, in my view, from the realisation that the USA, although showing a tendency to reduce its commitment in Europe, remains an indispensable partner in guaranteeing our

continent's security. Special efforts are therefore needed to strengthen and expand transatlantic cooperation.

Political and ideological confrontation has been replaced in large measure by economic competition. The Netherlands rely just as heavily on exports as Germany and both countries have focused their trade efforts on Europe. Therefore, ensuring that the preconditions for Economic and Monetary Union are met and that the countries of Eastern Europe are integrated into Europe's economic structures, is equally important for both countries. With regard to institutional reform, the interests of the Netherlands and Germany of course could diverge. However, in fair acknowledgement of the need not only to take into account the interests of smaller member states but also to ensure that the citizens of larger member states are not placed at a disadvantage in influencing and shaping Europe's future, the proposals already on the table for easing the process of decision-making in the Community should produce an outcome acceptable to all sides. I do not think that the solution will be to go back to unanimous voting in the Council. Instruments must be found to meet both requirements. In this context, I feel it is especially important to point out that consistent application of the subsidiarity principle, which Germany in particular has vigorously advocated, will provide a safeguard, above all for the smaller member of states of the EU, against unnecessary rules and regulations.

May I in conclusion take up a quote from the report: "Germany is both too large and too small: too small to be able to control its own surroundings, and too large to be welcomed unreservedly as a partner". I would have preferred the sentence to run: "Germany is both too large and too small: too large to have its interest ignored, and too small to safeguard them unilaterally." The experience of this century shows that the worst that could happen to Germany is a *Sonderweg*. So, German policy must be a very high level of integration in the European framework. Not only in the monetary and economic sector but also in the sector of foreign and security policy. I do not think that anybody would be prepared to have Germany defining a national foreign and security policy. I would prefer to have a strong CFSP in which Germany is an equal member in a coalition.

**INTRODUCTION BY F. BARRY DELONGCHAMPS**

*(Francois Barry Delongchamps is Directeur-Adjoint, Direction des Affaires Stratégiques de Sécurité et du Désarmement, Ministère des Affaires Etrangères, Paris)*

Many things have been said here with which I could agree, so I will concentrate on the topics which to my mind are most important, and whose analysis and solutions are without doubt the most complex. I think the European security conditions should not be seen only in light of domestic European problems or those of the Mediterranean and the Middle East, but in a truly global perspective. Owing to the diversity of the nations composing Europe, and on account of its opening to the world, Europe is probably the continent most sensitive to the evolution of the international context. Our continent, of course, felt most immediately and most strongly the consequences of the end of the Cold War. We know the fortunate results of this, which include the end of the division of Germany and of Europe, and the fact that the fright of a massive attack from the east has disappeared. Mutual understanding and cooperation can now prevail and promote a bigger solidarity between Europeans. Yet, this is sometimes doubtful for various reasons, one of which is that, at Maastricht, priority has been given to the procedures and mechanisms of common actions rather than the very substance of these actions.

Far be the idea from me, however, to pass over the uncertainties of the new risks which characterise the security environment of Europe in the world. The Yugoslav conflict (but also others, such as in the Caucasus, in Moldavia), demonstrated how very threatened some regions can be. These risks have led my country and the EU itself to propose a Stability Pact, whose conclusion in Spring constituted a good step. The experience of France itself in its relations with Germany, which has become its closest partner and friend, indeed shows that the meaning of borders can change completely and that they can become the best places for exchanges and friendship. This is for Europe, but risks can also appear within the territory of the former Soviet Union. Our interest is to favour the stability and the development of Russia, in order to give a solid base to the establishment of democracy and also of

a fruitful cooperation between this country and all its neighbours. But we cannot neglect the uncertainties of this region. Risks of conflicts remain and we should also not be blind to the fact that, for a long time to come, there will be several thousands of strategic and tactical nuclear warheads in Russia. For these reasons I think we should attach permanent importance to the Organisation for Security and Cooperation in Europe (OSCE); not only to its role in preventive diplomacy, which has to be saluted, but also to its efforts to elaborate a common security model for 21st century Europe. The OSCE is a very important framework for cooperation and dialogue for all European countries, their allies of North America and the CIS member countries.

Going a little further beyond, we have the regions whose evolution is of the highest interest to European security, namely the Mediterranean Basin and the Middle East. The disappearance of the logic of blocks has wiped away the breaks that could hold back conflicts, various economic tensions, and upsurges in demographic pressures and religious fundamentalism. We must be aware of these risks and of the fact that relations between the two sides of the Mediterranean could involve our vital interests, and this must prompt us to favour the development of these countries.

Also, among the fundamental factors of the evolution, I must really mention China. The remarkable economic development of this country with considerable potential will clearly have consequences for security in Asia and in the world. In this context, the all-round modernisation of the Chinese armed forces and the state of relations between China and Russia, for example, will be of crucial importance, also for Europeans. I think the report could have been more accurate on this point.

Finally, and this is also a worldwide problem, despite the success of the Non Proliferation Treaty and the decisions of countries like Brazil, South Africa, and Argentina to cancel their nuclear military programs, serious reasons for concern remain regarding nuclear proliferation. The phenomenon has not been checked yet and the end of the Cold War makes it easier to have access to nuclear materials.

We can therefore measure all the more clearly the importance of the decision of this year to extend the Treaty indefinitely. But at this critical juncture, we most not weaken our vigilance: risks are still present and we must cope with them.

The choices we have in front of us must mainly be concerned with the development of European defence, disarmament and *deterrence* - which is a word I have not yet heard today and haven't read much in the report, but which still appears to me to be a very import issue. The coming year in Europe will be that of the EU's Inter-governmental Conference. On this occasion, the development of the European defence pillar must receive a new impulse. The most important point in this respect is certainly to give Europeans the military means to apply their CFSP. This will not be easy, since collective actions sometimes provoke frustrations and security options are not homogenous within the EU. The defence spirit is not shared in the same degree among the member countries. Still, we do not wish to develop a European defence policy which will simply meet the development of the EU without regard for the consequences that this could have for the Atlantic Alliance. It is possible to have a transatlantic policy without having a European policy. It is not possible, and we can talk from experience, to have a European policy without having a transatlantic policy.

Transatlantic solidarity indeed constitutes an irreplaceable asset for Europe. To be unaware of this fact would be contrary to the Maastricht Treaty, and would run against European security interests. On this point, I think it is a very good opportunity to clear up any ambiguity: it is therefore the objective of France to strengthen the commitment of the United States in Europe. We do not really share views according to which the Americans are interested in leaving Europe. But still, we do not want to take any risk on that, and we want at the same time to develop the European pillar. There won't be any European pillar of the Atlantic Alliance, and therefore no European defence, without an alliance itself, consolidated and (this is an important word as well) adapted to today's and tomorrow's world.

This is the reason for some propositions for a new transatlantic charter which would renew the American commitment to Europe. Following from the very nature of things and from geography, the joint destiny of Europe and North America will assume a new dimension quite soon in the strict sense of the term when the Atlantic Alliance is enlarged. This prospect, which is the natural complement of the enlargement of the EU itself, must be welcomed with serenity throughout the continent. When it takes place, enlargement will not constitute a factor of division and it cannot be perceived as such if we do it with certain precautions.

I think at that occasion a clear message has to be given to Russia. This is a great country, and also a great partner that plays a fundamental rôle in the security of our continent, which must be integrated in the security system of Europe. This implies mechanisms of rank force cooperation, the strengthening of all bilateral relations, but also a bigger role for the OSCE and the development of relations between NATO and Russia. The EU has already expressed itself quite clearly on this point, in suggesting the establishment of some kind of treaty or agreement between Russia and NATO in order to establish a mechanism of consultation.

At the same time, in order to create the European defence identity in the Atlantic Alliance and a defence identity within the EU, which in my mind should be exactly the same (in that respect I am very close to our German friend here), I think it will be necessary to pursue the development of European operational capabilities. As for military forces, couldn't this development take the form of a European multinational joint staff, common to the European units? It could be interesting to study such a prospect, while bearing in mind that the means of the Atlantic Alliance are not to be duplicated. Such a staff should also participate in the collective defence system, and should consequently be made available to the allied command if article 5 of the Washington Treaty were called in to play - just like all the European multinational units already are available. Another important subject is that of the development of space military observation capabilities. They are essential to give Europe an autonomous information and assessment capability in the management of crises. This is the meaning of the effort made by some countries, including France, in the HELIOS program.

Generally speaking, I think we have to develop the role and the capabilities of the WEU, which must become the EU's instrument for defence questions. For this purpose, the military means available to us must come both under NATO and under the WEU. The Alliance must be able to count on the collective and individual efforts of its members, but it is equally necessary for Europeans to be able to draw upon NATO's military capabilities. For this reason, we hope that the January 1994 summit policy statement will materialize. The work to date to implement the concept of Combined Joint Task Forces has still not been very successful, and I hope that its actual implementation will play a role in the adaptation of the Alliance structures and procedures and the development of the European pillar.

The second key idea to have in mind is that the construction of a European defence will not be complete as long as it leaves nuclear questions completely aside. I know the prejudices of many partners of France concerning nuclear weapons, but let's not misunderstand each other. I think nuclear disarmament is of paramount importance. Our security and that of the whole of Europe indeed requires an intensified effort regarding disarmament and the fight against proliferation. One of the fundamental revolutions related to the end of the Cold War is in fact a movement in favour of nuclear disarmament. France is participating in it, all the more since its objective has always been to bring the existing nuclear arsenal at its lowest possible level compatible with its security. I think that, in due time, this approach will fit into the framework of multilateral discussions between the nuclear powers. Yet, the two biggest of them must of course accomplish the reductions which they agreed upon in the START I and II agreements.

Our security policy clearly intends disarmament. But we should recall just as clearly that disarmament without security is tantamount to capitulation. It is prepared today and more or less inevitable sooner or later. So the security of Europe means deterrence. The geostrategic environment of Europe still requires nuclear deterrence. This is a fact which may be regrettable, but which cannot be avoided. Like everyone else here, I am conscious that nuclear deterrence is not a valid option for many crises, like the one in the former Yugoslavia, but nevertheless it is

necessary to preserve the credibility of deterrence capabilities without compromising efforts against proliferation.

We have seen that European defence is built upon the development of concrete solidarity to common projects like the Eurocorps and the HELIOS program. This solidarity must progressively cover all the fields of our defence policy. I think nuclear deterrence will in due course be involved in that prospect. Naturally, we have a particular solidarity with the United Kingdom, but that doesn't change the special character - and I would even say the pivotal role - of the Franco-German friendship for the European construction. We should in due time draw the consequences of that. I think a certain number of changes are already occurring in front of our very eyes. We must head in certain precise directions: I mentioned in this respect the commitment of the Atlantic Alliance to a reform effort which would allow the European pillar to develop concretely and visibly, while maintaining the advantages of collective defence within the United States and Canada. As for the WEU, this will naturally be the EU's military instrument. Finally, I think that the WEU will accompany the enlargement of the Alliance.

In my final remarks, I would like to comment on some other points of the report. I have already mentioned China: it would have been interesting to try to go beyond the present conclusions about China. The report refers to the unpredictability of developments in China and to the limited capacity for influencing them, certainly on the part of the Netherlands but also on the part of Europe. I think this is a little bit insufficient. I would like the Europeans to be able to see their security interests far beyond their own borders. This leads me to the point about France and Britain. I have been surprised by the suggestion in the report that in due time we would leave our permanent seat in the Security Council to the EU. I see a real contradiction between the idea that Europe is not yet ready for a defence policy (and even less a common defence) and the proposal that the EU would have a permanent seat in the Security Council. Security Council decisions could involve defence decisions. Such decisions cannot be taken according to the present procedures of the EU, and I don't see for the foreseeable future a decision mechanism on

defence issues in the EU by something else than consensus. Consequently, I find it difficult, just intellectually, to imagine that the EU could really manage a permanent seat without being a member country of the United Nations and without being a political body able to take decisions in a very short time. The question is not very different from other problems, for example those related to nuclear deterrence. I think it could be interesting to try to develop this point, because it really touches upon the very prospects of the EU in its political and security and defence future.

**INTRODUCTION BY E. BROK <sup>1</sup>**

*(Elmar Brok is a member of the European Parliament, and a member of the European Union's Groupe de Réflexion, which prepares the Intergovernmental Conference of 1996)*

In the Reflection Group, one of the major questions concerns the second pillar (CFSP). The Maastricht Treaty was successful in getting the Economic and Monetary Union on the way, but only partly a political union. This was one of the reasons the IGC was called for: to have further steps especially on this aspect of political union before we come to the final stage of EMU. I think that this original idea should be remembered if one wants to understand why, for example, the German government is pressing so much for a successful IGC in 1996. In the Reflection Group, we have now finished our second round of debate on all issues on the agenda and prepared a proposal for a report on the final discussion that will take place in the course of November. In this final report, we have to explain why we need European competence on many issues, especially in the field of CFSP.

What challenges does Europe face, and does Europe have the proper instruments to deal with these challenges? I think it does not, as can be seen in Bosnia. It was only possible to reach progress after the US took an initiative. We, as Europeans, have not been able to influence developments there towards peace. This shows that we have to acquire additional abilities to deal with questions of peacekeeping and peace-enforcing in front of our own door. I think that it is not yet fully understood in the political debate in Europe, and especially among the public, that since 1990 we have a totally new foreign and security policy environment in Europe. It has not been understood until now that we have had peace until 1990 because war in the time of military blocks meant nuclear war, and therefore was not possible.

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<sup>1</sup> "Protocol of speech held freely".

Since 1990 we are faced with the situation that regional conventional wars are possible. We see it in a part of Europe where the old circle of violence between ethnic groups, nationalities, and border questions arises again - with the danger of greater wars arising. That circle of violence has been characteristic of the age of nation-states in the last three hundred years. In Western Europe we tend to forget this also because after the Second World War we have found a new method of dealing with each other. The EU, coming out of the Coal and Steel Community, has developed a policy of controlling each other without discrimination; of combining interests and getting to trust each other. This development has had the result of making war impossible between member states of the EU. This development is so clear and so successful that nobody remembers it anymore, but out of that arises a certain danger.

What we have to do now is to develop a policy that can spread these achievements successfully from within Western Europe to other parts of Europe. The instrument of enlargement and that of a CFSP should give us the ability to ensure that war cannot erupt again at our borders. As to the relationship to the US: they still have interests in Europe. But on the other hand, it is very clear that they have only interests in a strong Europe; a Europe which takes its own responsibilities, which can be a real partner in the full sense of burden sharing. Only then American politics can be successful to convince the people of the United States to stick to such an alliance.

The Yugoslav catastrophe has shown us one main problem: we do not have a common analysis for foreign policy. We start every foreign policy issue with fifteen different analyses from fifteen different foreign services. This is an important difference with the normal EU legislation in the first pillar. In the classical Community issues, the Commission develops a proposal out of a common point of view and delivers this proposal to the Council of Ministers. The Council of Ministers can approve or reject those proposals, but the basis for negotiations is a common one. There is no need to try to merge fifteen different positions. We have to incorporate this quality of taking into account the interests of the Union as a

whole also in the foreign and security policy. The Reflection Group cannot develop a CFSP. It can only suggest possible principles for the creation of an institutional framework, a shell in which the political will for a real common policy worth the name can be developed over the years.

The proposal for a planning and analysis centre is very important because common planning should be done together on a European level. The nation states, as members of the Council, have the right to reject it. But intellectually it is very important to start from a common point of view. There are different proposals on the table, as far as the construction of such a centre is concerned. One proposal is to merely bring the different political directorates together to have another COREPER (Comité de Représentants Permanents) for foreign policy. Others propose to fully incorporate the centre into the Council-Secretariat, with the Secretary General of the Council acting as president of the analysis centre. This, I think, will not bring about major progress in the sense of starting from a common point of view which I regard as being essential. Still others, for example France, say: let's have a special "Mr. PESC" who is responsible for the planning, presentation and implementation of a common policy. One could also make him not only head of the centre, but also Secretary General of the WEU.

Finally, there is the proposal to combine the planning and analysis centre with the Commission. This proposal deserves very positive attention, especially because of the special decision-making procedures in foreign and security policy. Foreign relations include many issues, such as trade and economic sanctions, where the Commission has competence (i.e. the right of initiative) and where decisions in the Council are taken by majority. The Maastricht Treaty states that a common policy must be decided unanimously, but its implementation can be done by majority voting. Experience has shown that even in questions where majority voting is possible, it has not been applied anymore because these questions were part of packages of different measures. If other parts of these packages needed unanimous decisions, majority votes were not applied anymore. These mixed decision-making procedures have even increased blocking situations on certain questions where we

were sometimes faster before Maastricht, since there was no question of applying unanimous voting.

There is another reason for a close involvement of the Commission in the planning and analysis centre. In early October, for example, the General Council had a debate about EU action towards Bosnia. There was a Commission proposal as well as a German-French proposal on the table, and because it was not combined there was a dualistic situation with no result at the end. We have to avoid these dualistic situations. We have to make the Commission with its competences part of the development of common proposals. A suggestion has been made that the head of the centre should be the Secretary General of the WEU and at the same time a Vice President of the Commission. He should be selected by the European Council, just like the President of the Commission. Other methods to link this person closer to the Council than is usual for members of the Commission should be developed.

Last but not least there is the debate about majority voting; which is seen as a necessary general rule by a majority in the Reflection Group; with the exception of military issues, as it has been proposed in the paper of the CDU/CSU group. In defence, there is an interesting development among some of the neutral and non-allied countries. We know that some of these countries are not becoming members of WEU or NATO, because they cannot convince their population that they should sign article 5 of the WEU Treaty. But these countries could consider joining in to common planning and analysis in decision-making on the EU level, with an opt-out possibility when it comes to the stage of military action. In Ireland, I have heard another proposal with the same result: on military questions there would not be an opt-out, but a situation where everyone can "opt-in", which is psychologically easier.

This would mean that we can keep the unity of the institutions: get an institutional framework, a shell, so that we can develop a common political will, bringing together all countries for a CFSP, while at the same time keeping enough flexibility to make it easier for some countries (with their traditional neutral position) to join in the execution of such a policy. We believe that there could be a chance to avoid

the hard core Europe, and to develop a common policy in the real sense: to achieve, from that point of view, effectiveness on this question for Europe in order to be a good partner of the United States.

## DISCUSSION

Mr. Bolkestein would like to hear from Mr. Brok the exact meaning of a political union. He recalls that the German government and chancellor Kohl have made it very clear that they will not relinquish the D-Mark to enter into the EMU without there being a European Political Union. What exactly is meant by EPU? Does that mean that the second and third pillar should be integrated into the first? Does it mean the old federal ideal of a United States of Europe modelled after for example the Federal Republic of Germany, or something else? And what does this condition of the German government on the EMU amount to?

Mr. Brok responds: First, the competences in certain sections must develop on a European level, and therefore the development of foreign and security and defence policy on a European level plays an important role. Second, even for the inter-governmental parts of the Treaty, European institutions and procedures should be used as much as possible, including even majority voting. There could also be mixed situations in the third pillar. For example, it is questionable that asylum, visa, and immigration issues would be put in a normal Community framework. Police cooperation should stay intergovernmental, but using majority voting where possible. For the whole framework it is very important, especially because we face enlargement, that the Union keeps the ability to develop. Therefore you need a better decision-making process, which means effectiveness in the Council, which means majority voting. Majority voting, not in so-called constitutional questions (like decisions on enlargement, resources, treaty changes, and on article 235), but on most of all the other legislative questions. And you need to have a more transparent Union. One of the real problems is that the people in Europe do not know who is responsible. Most of the people will not agree to more integration because they do not understand it and they are afraid of it. Therefore we have to simplify the decision-making procedures and make them more transparent, for instance through qualified majority voting in the Council and co-decision with the Parliament. The Parliament should assent in third country treaties and should be consulted on foreign and security policy.

If we bring it down to these few procedures, in some time people can adapt to that and know who makes a wrong decision, who is responsible for what and with which motives politicians in Council, Commission or Parliament have handled the subject. Such an environment is very important for the further development of the Union, and needs to be created *before* we have more than fifteen countries.

The chairman recalls that most of the speakers stressed the importance of the international situation as a factor that should influence Dutch or European policy, but that views differed on the future participation of the US in European affairs: while Mr. Wallace was very clear in his position that it is never going to be as it was again, and that it is better so, Mr. Barry Delongchamps took a very transatlantic position. Another question under discussion is whether European policy can be based, in the longer term, on a view of the transatlantic community and whether or not Franco-German cooperation provides a sufficiently stable alternative leadership for European policy, not only internally, but also externally.

Mr. Wallace points out that the US will of course be economically very much involved in Europe as a region. In his opinion, the rebalancing of American foreign policy clearly means that after the highly exceptional period of the Cold War - in which the US kept a very high proportion of its military forces committed to Europe and spent the largest proportion of its foreign aid for the first twenty years after the Second World War on Europe - the US is now returning to what was the thrust of American foreign policy until 1940: the regions of the Near South and across the Pacific. He feels this trend is reinforced by the extent to which California, Texas and Florida have become more important in American politics, at the expense of New York, Pennsylvania and Massachusetts, as well as by the reorientation of American trade, the influx of Japanese investments and the rise of China. This does not mean that the US are going to withdraw completely from Europe, but it does mean that the situation in which we naturally assumed that the relations between the US and Europe were infinitely closer than the other relations, has now gone. Mr. Wallace is very sceptical about a transatlantic treaty because it is driven by the idea that we can recreate that exclusive relationship, excluding the Japanese

and keeping the Chinese at bay. He concludes that this would be quite undesirable for both sides of the Atlantic.

Mr. Schmidt agrees with this analysis. He notes that we will not be able to maintain NATO as the defence alliance if we only go on a sentimental journey. But he also sees new challenges in which US and European interests meet, such as nuclear proliferation and terrorism coming from the southern border of Europe and the Middle East. The peace process in the Middle East can only be maintained through US-European cooperation. According to Mr. Schmidt, the future American policy towards Russia will be of crucial importance: will it be a "Russia First" policy, or a little bit of containment? There are so many uncertainties in Russia that the US has an interest, for the sake of stability, in maintaining a military presence in Europe. He adds that one of the report's statements already needs to be up-dated, namely that the Clinton administration does not act in former Yugoslavia. Mr. Schmidt does agree with Mr. Barry DeLongchamps that on our side it is necessary to show the Americans that we are prepared to settle and handle future regional conflicts by ourselves.

Mr. Barry DeLongchamps restates his belief that the US and Europe will also have interests in common in the future. It is a very deep commitment, including not only common strategic interests concerning Europe but also with regards to many parts in the Middle East and China, which will be even more important in the future. It is the interest of the US and Europe to have the present size of American forces in Europe, but it could possibly be organized under different arrangements in NATO. In this respect, Mr. Barry DeLongchamps views the establishment of a European military pillar side by side with the American forces in Europe as necessary. With respect to the Franco-German relationship, he notes that this is not supposed to lead Europe; it is a necessary ingredient and engine for the development for Europe, but it will never be sufficient by itself. It is not supposed to overshadow the agenda of other countries. There are at least three important countries in Europe, and medium-sized and small countries in Europe have to be accommodated as well.

Franco-German cooperation is taken for granted in France; it is clear that it will work and it will be updated to face the new problems.

A seminar participant recalls a recent German article which stated that at this moment the level of conceptual agreement between France and Germany about the future of the EU is at a very low level. He asks Mr. Barry Delongchamps whether he could be more substantive about where France and Germany think the IGC should lead the EU to.

Mr. Barry Delongchamps states that Germany and France have the same vision of the future of Europe, despite the fact that there are diverging interests because the two states have a different history and because one is a nuclear state and the other is not. Between France and Britain there are the same interests, but not always the same visions. He sees no serious German-French differences over matters such as integration, decision-making, or majority voting in defence matters.

Another participant observes that Mr. Barry Delongchamps neglects a fact pointed out by Mr. Schmidt, namely that the behaviour of Americans in the European theatre may very well depend to a certain extent on the European behaviour vis-à-vis the Americans. He warns that a new deal would become less and less attractive for the Americans if Europe doesn't take a greater share of the responsibility, especially in security matters but also in relation to its links with Central and Eastern Europe. The participant is not inclined to believe Mr. Wallace on the point of the American commitment to Europe, as this is the theatre where they will meet the Russians ultimately. While he feels that Mr. Wallace is too deterministic and less voluntaristic in discussing the future of our relations with the Americans, the participant does share his scepticism about a free trade agreement across the Atlantic. Still, it is clear that something must be done to reshape our relations with the US, and that supposes that we are able to organize ourselves better than we have done so far.

A third participant remarks that some thoughts in the report and the discussion are provocative, especially with regards to the description of the United States. He agrees that matters are more complicated without the disciplining fact of a nuclear threat, but that does not mean that US interest in Europe has diminished. He points out that in Europe nowadays the threat of instability and insecurity has increased and that, while these threats may be harder to define, it does not mean that the US has any less interest in the outcome. The participant observes that, looking at connections between our societies, transatlantic relations are in fact booming and that it is not too early or too idealistic to talk about the beginning of the emergence of a Euro-Atlantic community. He notes that the Clinton Administration pursues a comprehensive strategy in Europe which is based on American interests, and includes the transformation of NATO and its enlargement, the integration of Russia and Central and Eastern European countries in this structure, the strengthening of the OSCE, and the support for European integration. These policies are grounded in American society, and public opinion polls show that US attitudes towards a global role have not really changed. For these reasons, he views the recent US policy in Bosnia not as an anomaly but as part of this more comprehensive strategy. He does not see a US which is disengaging from Europe.

Another seminar participant continues on this topic with the remark that, speaking about US disengagement implicitly means that the European side *does* have that particular engagement to Europe in the broader sense. He wonders whether this is the case. He recalls that there is only one commitment at this stage in the security field, namely the commitment to self defence (Article 5). There is no American commitment with respect to stability in Europe implied in the NATO Treaty; in the non-Article 5 area there is no commitment on either side. This is the reason why efforts have to be undertaken to reach a new deal. Europeans have to find out whether they can develop common strategies amongst themselves, as well as with the US, to deal with present risks and dangers. Europeans should not give the impression that they are taking over and that the US is indeed disengaging, because we have not organized ourselves in a way so as to enable us to do that. The participant doubts whether there is a collective, common political will to do that,

especially in a more global sense. In agreement with Mr. Barry DeLongchamps, he feels that Europe does not look enough at the global context, which is precisely where we have common interests and should cooperate with the US.

Mr. Wallace notes that European policymakers usually talk to the Washington policy community, but they should realize that the dynamics of the US Congress are driven by events outside of Washington. If Europeans get their act together, this of course enables them to make their case with the Washington policy elite more effectively. But how on earth can we reach the American public outside, given the way in which American media now present the outside world, and in so far the outside world is presented at all? This is an immense problem, calling for an active European cultural information policy across the US of an hitherto unknown scale. Mr. Wallace's scepticism about a transatlantic treaty is increased by the fact that some of the drive behind it may come from the anti-Japanese lobby who want to have an exclusive relationship with the Europeans, so that the rules of international economic integration can be defined together, without the Japanese. He is doubtful whether that is an European interest. On the whole, Europeans need to anticipate looser ties with the US. Europe will be of concern to the US, but not the prime international concern. He acknowledges overlapping interests in the Middle East, but at the same time recognizes that the US are driven in that region by other concerns than the Europeans (who have large Muslim populations). The US will continue to intervene in European affairs, driven often by domestic circumstances, and with a world perspective which is different from ours.

The chairman summarizes that it is clear from the discussion that transatlantic relations will in any case depend on whether we get our act together in Europe, on the power and political will and ability to organize Europe. This leads him to the second question: how to do this in a correct way. In this respect, the question of French-German relations becomes important. Is this at least the core, or should we first have a large discussion on how to organize it, and in the meantime let time and developments slip through our fingers? Does it really matter? If we do not do anything would it change very much?

Mr. Schmidt observes some differences concerning issues on the agenda for the IGC, such as increasing the power of the European Parliament and majority voting in non-military foreign policy actions. This is the basic issue for the promotion of European integration. Another issue is whether the EU will be able to define joint European interests. In a wide range these interests are the same, although there should be room for special national interests and special operations either inside a European framework or outside, especially for France. Bringing to mind the discussion in Germany about participation in out-of-area operations, he notes that it is a problem in German politics and among the public to discuss the issue of multilateral defence policy beyond NATO's Article 5, and he wonders how this discussion will evolve in case of a NATO request to take part in the multilateral peace-enforcement or peacekeeping troops in Bosnia. Germany can only overcome this point in the context of European measures and instruments to do this. Mr. Schmidt agrees with the proposal of Mr. Barry Delongchamps concerning the Combined Joint Task Forces, and hopes that French policy, which has been a little bit restrictive on this issue over the past year, is changing.

A participant recalls a statement of Mr. Wallace on the Franco-German relationship: that Germany may need France for the next five or ten years, but after that period it has other choices. He doesn't believe this is true. Nevertheless, this Franco-German relationship is needed in those crucial four or five years, in which all the basic decisions about the future of Europe have to be taken. Recent developments include the non-implementation by France of the Schengen agreement (which was a crucial field of cooperation to Germany in the Maastricht negotiations), as well as doubts over whether French financial policy will enable EMU within the deadline foreseen. Thus there are a number of issues in the short term in the Franco-German relationship which make it doubtful whether they will succeed in finding solutions that are necessary in order to keep things together.

The chairman agrees that we are to a certain extent living on borrowed time; that the present Franco-German relations depend on the Bonn Republic and that we

cannot be sure that the same view will prevail when the whole apparatus in Germany changes over to Berlin.

According to Mr. Wallace, the question of how the Franco-German relationship develops is related to the question of how serious the member states are about eastern enlargement. Are they aware of its long term implications? Germany is serious about enlargement, especially regarding Poland, the Czech Republic, Slovakia, Hungary and Slovenia. But what about other member states, including the Netherlands and France? Mr. Wallace detects many hesitations in Paris, and the Mitterrand Confederation idea was a delaying tactic. One hears in Paris: "of course we are committed to enlargement, but it will not happen in fifteen or twenty years". He already detects the economic reintegration of certain eastern areas - between Bavaria, Austria, and Hungary, between North Bavaria and Bohemia, and between East Germany and Western Poland. In long historical terms, this is also relatively natural. A recent report on the future economic development of Berlin states that in fifteen years time the suburbs of Berlin will reach the Polish border. He would like to hear from Mr. Schmidt how the integration of the former DDR affects German views on the future of Europe and the balance between Germany's western and eastern partners.

Mr. Schmidt confirms that the move to Berlin could also be a move of policy and political attitude. The *classe politique* in Germany is very dedicated to maintain the western look and to try to integrate its eastern neighbours into the western style of integration. If in the next four to five years the EU can come to some effort in the question of integrating the eastern countries, there is a good chance to conserve the German policy as it is today. If not, disappointment with the West among its eastern neighbours could also infect German policy and politics and create a feeling of responsibility in Germany for the welfare of these states. It could also provoke a mood that multilateralism is not any further on the agenda, which would be very problematic. Therefore it is important to make progress at the IGC towards integrating the eastern countries. Mr. Schmidt concludes by saying that a real EU is on the agenda at the IGC, namely the core of Europe (not the core of the Schäu-

ble/Lamers paper). The French, British and Dutch should be aware of the need to monitor these expectations, and probably disappointments in the eastern countries of Europe, because they could infect and affect Germany.

A seminar participant reflects on the need for a sense of realism. Eastern enlargement will happen, and a Community of more than twenty member states will be basically different from the present Community. This means (and the public needs to realize that) that the possibilities for developing common policies in the second or third pillar on the basis of consensus are an illusion, just like the idea that it could be done by qualified majority decisions binding on EU member states. Europe can only get its act together and develop as a credible partner to the United States in case of a much smaller group of the main European actors. Even among these main European actors, there are still very important differences on objectives and the necessary instruments, but that could change. The creation of a study group and a common general staff might be helpful, but these are only instruments. The participant states that the main question is whether the governments involved are willing to combine their efforts, not only in discussions or statements, but in developing action in that field. He believes that we are still very far away from that situation and that we should be willing to acknowledge this fact.

In light of this, another participant asks the panel members whether they see a reasonable chance that the EMU will become a fact of life within the current timeschedule. He asks Mr. Schmidt whether he agrees with Mr. Barry Delongchamps' comment that there are no major problems between France and Germany, and that there will exist common ground between the most important candidate countries for the EMU to create this strategic project.

Mr. Wallace observes that there are at least three strategic items on the agenda - EMU, CFSP, and enlargement - and part of the problem is that they present some real contradictions. Monetary union suggests a core group of five to seven countries, but the common foreign and a security policy requires a rather different group: Britain clearly has to be a member. It actually absurd - given the origin of

the likely threats - to have neither Spain nor Italy in a CFSP. With regards to the strategic issues there are hesitations and contradictions within all member states, and nobody has found a solution yet as to how to reconcile them. On EMU he notes that amidst the confusion of his own government on this issue, the British chancellor is following a policy designed to make sure that Britain will fit the criteria for EMU membership in 1999. EMU can be achieved round about the year 2000, but if those who are not immediately included are not encouraged to come up to the level of a core Europe, but permanently relegated to a second tier, we will actually be redividing Europe. We have to confront the dangers of widening and narrowing at the same time.

Mr. Schmidt states that without a time schedule and the requirements which discipline national policies, there will be no chance to reach monetary union. There will be no EMU without France: this would be a greater Deutschmark zone, and few people think that it would be sufficient to have Germany and some semi-smaller countries around it linked to German financial policy. He expects serious problems in the public discussion of EMU in Germany, but notes that there is a serious will to achieve it, and that Germans are waiting for the French and then the British to come along.

The chairman concludes that one of the main obstacles in European cooperation is that we are waiting for the other to take the first step. He recalls the discussion about the changing transatlantic community and on what factors this change depends: is it a purely deterministic development or is it also dependent on the capacity of Europe to organize itself? Although the problems are clear and there is some common sense of direction, he doubts whether, as Mr. Barry Delongchamps said, there is really a common vision. He concludes by saying that in this discussion you see at least a true Dutch characteristic: we talk about French-German relations, but we do it in English.

**KEY-NOTE SPEECH BY D.J. WOLFSON**

*(Dirk-Jan Wolfson is professor in Public Administration at the Erasmus University in Rotterdam and a member of the Scientific Council for Government Policy)*

*Stability and security from behind the dykes*

What's a simple economist like me doing in a place like this? The answer appeared slowly, in the course of the morning. Would not it be nice if diplomacy started making choices, instead of avoiding them? And economics *is* about choice. Economics is the *grammar* of choice. Add the syntax of psychology, add a whiff of the voodoo of history, disregard international law, and you have a foreign policy. Ask the French.

I mean, ask the French, because *we* don't have a foreign policy. Us Dutch have a *domestic* policy. A domestic commitment to avoid choices. Instead of choosing to make friends with one of the Asian Big Four, this summer, we were late for their 50th birthday party, bringing a planeload of veterans, adding insult to injury. It would have been *so* nice to play *Alte Kameraden* there, right after the national anthem, preferably. No, no, let's not talk about our war crimes in Indonesia now, that would detract from what *really* matters: the apologies due by the Japanese. Do I sound a bit confused? Don't blame *me*, I am only explaining domestic policy.

So much for diplomacy. How about security? For forty years, we made a credible effort in NATO, doing what we were *told* to do: securing the German plains, providing air cover, and tracking the odd submarine. After Gorby, however, we had to start thinking for ourselves, and so domestic policy took over, here again. In the early nineties, we bought the domestically ever so welcome peace dividend with new toys for the boys, promising them the virtual reality of an airmobile brigade with which to wave our little finger somewhat more martially around the world. Boy, were the boys pleased! Finally a coalition between the finger and the stick! They had one more wish, though: to have the virtual nature of it all camouflaged - I think that's the appropriate word - by not having a virtual French chopper off the

drawing board, but a cool billion dollars worth of Apache, a very real and very mean weapon indeed, suggesting we meant *business*. That, of course, was a misunderstanding, as our politicians had already made clear by an earlier decision to send a virtually unarmed "airmobile" battalion into Srebrenica, without choppers, without a cast iron guarantee of a bail-out in case of need, but with that good warm domestic feeling that our little finger was stopping the floods in the Balkans. After what happened there, I doubt that anybody in The Hague still thinks Apache.

What happened there is carefully worded in defence minister Voorhoeve's letter to Parliament of August 28: "the expectation of NATO air support did not come true"; in plain English: we've been *had* by our allies, who needed a fall guy to get them out of a mess. I am not getting excited about their treason; we could have known, that's how it is in the world of decaying European power. Yet, in *my* favourite cowboy movies, the ingenue never gets raped. *How come we did not see it coming?* With the UN and the European NATO-partners sitting on their hands, the routing of Dutchbat had become a matter of time only. Once it was clear that the UN was in for a bit of map-cleansing, letting Mladic tick off our observation posts one by one, *why* did not we succeed in negotiating the only "peace with honour" that mattered: our withdrawal against the safety of those left behind? Look how the Brits got out of Goradze. As Mum used to say: don't play poker unless you know how to cover your debts. But no, our foreign office, our cabinet and our parliament decided to go cruising for a bruising. When will we ever admit that Srebrenica was *not* a military affair, but a political and diplomatic disaster? It was the *political* defeat of our daydreams, indeed.

Our foreign guests have recognised me, by now, as a true-blood Dutch, cloaking his self-righteousness in self-incrimination, pointing, in turn, at himself and others, but *always* pointing. Quite. But *what's* the point, then, in a seminar that is supposed to be on Maarten's report [WRR report 'Stability and security in Europe', ed.]? The point is that *we should stop biting off more than we can chew*: don't burden your relationship with Indonesia with petty domestic policy-plays; leave Bosnia to the macho's, we are not cut out for that sort of thing anymore, three hundred years

after our last military victory, over the British, at Chattam. As a matter of fact, it *pleases* me to be a citizen of a country and a culture that has matured to the point of not being cut out for that sort of thing anymore. Seek - here is your economist again - always seek your *comparative advantage*.

In a geopolitical sense, our comparative advantage is in that part of Europe that will qualify for the EMU core group, and more particularly in the brokerage between Germany and France on the one hand, and Britain on the other hand (and, perhaps, on the other side). For obvious reasons, Germany wants kid brothers to subscribe to the political correctness of its leadership. We fit the bill, just look at our monetary cooperation, and listen to the German commentary on the joining of forces in a common army corps. Chancellor Kohl is right in stressing the need to link EMU to closer political cooperation, we serve our own interest *and* that of Europe by supporting him all the way. In terms of geopolitics, again, it so happens that Benelux and Germany outweigh France by at least a factor 2 in every indicator; on the other hand, Benelux and France, when teaming up together, create an equilibrium vis-à-vis Germany. Why is there no Belgian speaker here, Mr. chairman? The first order of *Dutch* business is for the *Benelux* to get their act together, so that France may recognise that she better look north of Brussels as well, if she does not want to play second fiddle forever. And so that our Wallonian friends may realise that forever turning the pages for the second fiddle does not make for much of a career in the European Song Festival.

Am I preaching a power play, having concluded a minute ago that we are not cut out for that kind of thing anymore? No. I am seeing a role for the Netherlands and, preferably, for Benelux, as an honest, discreet but well-placed broker, a referee with his own interest in fair play, an investment banker in good relations, if you wish. A broker that can help pave the way for the legitimate aspirations of Germany; that can save France from the otherwise inescapable nervous breakdown that will follow from an ever-increasing unilateral dependence on Germany; that can keep the backdoor open for the United Kingdom when the British finally look what time it is, and find out that they are late, as usual. The strong point of Maarten's

report is not that it states the obvious, but that it appears at a point in time when Belgium and the Netherlands, once more, can play the role of Spaak and Beyen, to help settle the core business of Europe. So let's make hay while the sun shines, and use our influence before being dwarfed again, as the EMU eventually widens its membership.

By that time, however, it will transpire that there is *more to politics than geopolitics*. That is the good news that I want to stress today. While the first order of business is, indeed, to get European integration moving again, nobody at the foreign office seems to recognise that *regionalism* will take over once *states* are unified. In the longer run, unification is an irreversible process, if only because newly emerging nations such as China and India have no time and no taste to deal with submerging nations such as France and England individually, let alone with the smaller European states. With geo-politics unavoidably gravitating towards the EPU-level, day-to-day Europe will increasingly be a Europe of economic and cultural regions. That opens a totally new perspective in international relations, a perspective we have not explored in our report, and that the foreign office better start thinking about. In such a regional setting, Nordrhein-Westfalen may be more important to us than Germany, and certainly more important than France. It has the same size and potential, which makes it a suitable and comfortable partner. Note, incidentally, that Germany has more highschool kids taking Dutch as a second or third language than we have enrolled in German classes. And that translations from the Dutch language sell second only to those from the English language in Germany, better than translations from the French or the Spanish. Does *that* provide the eye-opener our friends at the Quai d'Orsay need, to look beyond Brussels?

Speaking about comparative advantage, I think we can hold our own in the *economic* field, and do substantially better than that in the *cultural* arena than in the snakepit of geopolitics. Traditionally, the Dutch speaking lands constitute the land of painting, just as the German-speakers gave us music and the English the theatre. Our collectors knew, thanks God, how to deal with that heritage, so that our musea can play the Champions League in the cultural exchange business, and

bring us whatever we want to see. In the performing arts, our symphonic tradition rivals only with that of the German-speakers and the best of America, and our ballet is stage setting. So let us get rid of the self-inflicted inferiority complex of belonging to a medium-sized language area, and build on the comparative advantage of being the cultural *force naturelle* that gives us a *poind* in the community of opinion makers that matters. To begin with, that means doing something about the self-referentiality with which our foreign office keeps jumping up and down to be noticed on the geopolitical scene. We need to rethink our foreign policy to promote ourselves in the world on the considerable strength of our cultural inputs, and forget about the cheese, the windmills and, pretty, pretty, *please*, the Apaches. Let's give those to general Janvier, on the condition that he *uses* them, next time.

**STABILITY AND SECURITY IN EUROPE  
CONSEQUENCES FOR DUTCH FOREIGN POLICY**

**INTRODUCTION BY F. BOLKESTEIN**

*(Frits Bolkestein is member of the Dutch Parliament)*

According to article 237 of the Treaty of Rome any European state can request admission to the EU. That treaty lays down, therefore, that the ultimate limits of the Union are fixed by geography, i.e. the North Cape, the Urals, the Mediterranean and the Hebrides. Would it be possible though to stipulate more substantive criteria for membership?

The European Commission has said that European culture is the necessary basis of the EU. But that only shifts the problem, for what exactly is European culture? The Commission has answered that our culture is characterised by a "pluralist humanism based on democracy, justice and freedom". This will not do. Let us suppose that Japanese society is characterised by a pluralist humanism based on democracy, justice and freedom. Does that make Japanese culture European? Of course not. European culture is more than the sum of the elements the European Commission has mentioned.

In order to know what this addendum is we must look deep into European history. Which factors have been of essential importance during the long history of European culture, in the sense that they have made their influence felt over a large part of Europe but not outside? Let me mention three. In the first place the Latin form of Christianity, which ever since the Middle Ages has been proper to West and Central Europe and distinguished that area from the world of Orthodox Christianity. Secondly, the Renaissance which has influenced by and large the same area and not the world outside it. And thirdly, from the 15th to the 18th century, say from Erasmus to Voltaire, the world of humanist science, when the "Republic of Letters" was common to the countries of West and Central Europe but not to regions beyond.

If one would accept this line of thought, one would arrive at the conclusion that the eastern most limit to the EU should be fixed roughly along the line St. Petersburg-Triest. The southeastern border would be coterminous with that of the old Austro-Hungarian empire. The Ukraine and the Balkans would be out; Poland, Hungary, the Czech Republic and Slovenia would be in. Is this an argument to deny Romania and Bulgaria membership of the Union? I do not think so. But it does underscore the undeniable fact that if one would include the Balkans, if one would go beyond the heartlands of European culture, one would irremediably change the nature of the Union. By and large what would be possible within the European heartlands becomes impossible if one goes beyond. And since both political circumstances and article 237 oblige us to do so, we are well advised to limit our ambitions and eschew what is not feasible.

A word on Turkey. In April 1990 I addressed the Turkish Institute for International Relations in both Istanbul and Ankara. I said I was opposed to Turkish membership of the EU. I mentioned four reasons. (1) The difference in the levels of income is too great. (2) The population of Turkey is too large. (3) The culture is too different. (4) The considerable Turkish populations in Germany and the Netherlands together with the freedom of movement would act as magnets with unpredictable consequences. My point of view was not appreciated by these audiences. Still I believe Turkish membership would be a mistake and we might as well be clear about it.

We are now looking at a EU of twenty-four or more members and, as I have said, it will not be possible to integrate those twenty-four or more countries to anything like the same degree as might be achievable with fewer members. How do we know, then, what is and what is not feasible? Here I must introduce the notions of negative and positive integration. Negative integration means taking away obstacles to integration; positive integration is putting new common policies into place. The four freedoms of the Treaty of Rome belong to the category of negative integration; the Common Agricultural Policy to the category of positive integration, as do the various funds. The distinction is not absolute for the internal market (negative

integration) must be completed by a common trade policy according to article 113 (positive integration) as well as by the antitrust policy of articles 85 and 86 of the Treaty of Rome. The same holds for the EMU, about which more later. But the distinction remains useful as a frame of reference.

Now the beauty of negative integration is that it can be extended almost indefinitely. Once in place, it needs care and maintenance but it leads to far fewer of the zero-sum-game-fights that characterise positive integration. To me it is clear that negative integration could be extended to the Balkans and maybe even to the Ukraine. With Turkey a customs union will shortly take effect and quite rightly too. But positive integration? That is an entirely different kettle of fish.

Let me deal in short order with: the CAP, the structural funds and the cohesion fund, the EMU, foreign policy and immigration, justice and home affairs.

It stands to reason that the Common Agricultural Policy must be reformed before Poland, Hungary and the Czech Republic can enter the Union. If this were not done, it would cause the Union to go broke. This means also that member states which do not want to reform the CAP have a convenient instrument to block entry of the East European countries. How serious is the French government about changing the CAP?

The *structural funds and the cohesion fund* are based on the wrong kind of reasoning. It is supposed that free trade is a burden for which less developed countries must be compensated. But this argument does not hold. Free trade is good for all. The NAFTA agreement does not include any kind of compensation for Mexico. If only for this reason these funds ought to be reduced. Thus if new members want to draw on them, after their accession to the Union, their gain must be cut out of the hide of the present recipients. There will therefore be quite a zero-sum-game fight in the years leading up to 1999. The sooner that fight starts, the better. Next year's IGC is a good occasion.

The guilder is hard, our inflation is low and so are our interest rates. We should not exchange our currency for anything less stable. So we should not let the criteria laid down for membership of *the EMU* be tampered with. Giscard d'Estaing recently called for a political gesture in order to make Spanish and Italian membership possible. That is just not on. I realize that the risk of a split between a Northwestern and a Mediterranean Europe thereby becomes greater. But the EMU cannot afford to take weaker currencies aboard.

That also goes for this country. The ratio of our national debt to our GPD is now 78% and shows no sign of coming down soon. We therefore fail to meet an important criterium for membership of the EMU. If we were let in, what argument would we have for keeping the Italians and the Belgians out? As Groucho Marx once said: "I would not want to become member of a club that would admit me". A last word on the EMU. For reasons that always have remained dark to me, chancellor Kohl has always insisted on a political union as a prerequisite for relinquishing the D-Mark. But what does he mean by a political union? A federation after the German model? That will not come into being. There is no European people, no European legal system, no European language and no European public opinion. Does the chancellor mean the integration of the second and third pillars of the Treaty of Maastricht into the first? He will not get that either, as I shall explain shortly. So what exactly is he after? What I do know is that Mr. Delors himself, if the report and the recent article is correct, thinks that the EPU is after all not such a good idea. There is a great area of mystery around this German precondition, and since we are getting steadily nearer to the date that we shall have to decide also here in The Hague, about the EMU, I should like to know what the EPU of Mr. Kohl boils down to.

Yes, we need a common *foreign policy* but our experience in Bosnia has shown that we must be modest. All our attempts at mediation came to nought. The European mediator Carl Bildt was not even received by two of the three warring parties. It was the American initiative that broke the logjam. A common foreign policy eludes us. There is no common purpose and there is no common will. The best we can

hope for is a coalition of the willing, as came into being during the Gulf War. As to the European defence identity, modesty is even more in order. A defence identity without nuclear weapons is not likely to impress the Russians. Whose nuclear weapons could we rely upon? The French? Should these French nuclear weapons then not be kept up-to-date? Would it not be better, after all, to rely on NATO?

At this point a word on NATO's expansion. Often we, at least in Holland, seem to pursue policies which turn out to be contradictory. In the sixties we strove for British membership of the EC *and* for more supranational policies. But the one aim contradicted the other. We have often said we want to broaden the Union *and* deepen it. But these two aims are also contradictory, especially if deepening is taken to mean integrating the second and third pillars into the first. And now we say we want to extend NATO *and* improve our relations with Moscow. These two aims, again, are at variance. Russia now has the smallest size since Katherine the Great. The government in Moscow is intensely frustrated and irritated by the loss of its "Near Abroad". Is this the time to place the pin on their noses and have the integrated international fighting machine - which is as they see NATO - roll forward to the borders of White Russia and the Ukraine? Remember we need Russia for a host of problems, from Bosnia to the export of nuclear material. Also, are we prepared to defend the river Bug, which is the eastern border of Poland? Are the Americans willing to extend their nuclear guarantee to Poland and Slovakia? To the Baltic countries? *Pourquoi mourir pour Vilnius?* Yes, the Visegrad countries perceive a security vacuum. But they are not now threatened. Their membership of the Union *plus* the Partnership for Peace programme is as much as we can now prudently offer. An aggression against a member state of the Union will not be lightly undertaken.

In penal law, Germany follows the legality principle, the Netherlands the opportunity principle. It will not be easy to reconcile these two. How we should arrive at a Union-wide legal system defies the imagination. Yes, cooperation among police forces to fight crime remains important and no doubt the European Court of Justice has a useful role to play here. But *legal affairs* will overwhelmingly remain

an area of intergovernmental cooperation. The same holds for *home affairs*. The much abused subsidiarity principle should prevent this domain from going *communautaire*. Exception should be made for immigration policy, for the influx is of common concern while the repatriation of unwanted aliens is a common problem.

Where does all this leave a Union of 24 or more member states?

- The internal market, the common trade policy and the antitrust policy must be maintained and improved at all costs, they are the heart of the EU. Much still remains to be done here, in particular with respect to national subsidies.
- The EMU must come into being but members must strictly comply with its criteria. Also, sanctions to be applied to misbehaving members ought to be strictly construed, for the pain they inflict must exceed the gain of misbehaviour.
- The Common Agricultural Policy must be revised before new members can enter.
- The funds must be reduced.
- A practical *modus operandi* must be found for enforcing the principle of subsidiarity, for the European Commission - in common with all bureaucracies - exhibits tendencies of endogenous expansion.
- The second and third pillars are not to be integrated into the first. That is now also the position of the Dutch government. Both pillars will overwhelmingly remain areas of intergovernmental cooperation.
- The European defence identity - in so far as it exists at all - should not undermine NATO, which is the only international military machine that functions properly.
- We ought to be chary of extending NATO to include East European countries. In practice membership of the Union will offer them the security they desire.

The question now arises what the implications are for the day-to-day policy of the Dutch government. Should it - for example - align itself with a so-called Bonn-Paris

axis? I think not. There are various axes in Europe. There is a defence axis Paris-London, which is based on the fact that both of them they are nuclear states and that the German government for historical reasons is leery of foreign entanglements. Perhaps more importantly, there is a free trade axis which opposes the Mediterranean states with a catholic tradition, which are mercantilist inspired, to the free trading Northwestern Europeans. The same division - and the same cause - separate those member states which want to stress negative integration (and thus reduce CAP and funds) from those that emphasize positive integration (and are therefore reluctant to cut these budgets). Colbert's shadow is long.

The Netherlands should not tie itself in any way to a supposed axis Bonn-Paris. And it should certainly not proclaim that this is its intention. We should defend our interests by organizing coalitions according to the needs of the hour. Yes, we should, if we can, hew closely to German policy for Germany is our most important neighbour and the most important memberstate. For those who have read the documents, I may sum up my view by saying that I feel more comfortable and at home by the study of Posthumus Meyjes than with the study of the Council. But we should never forget that the interests of the United Kingdom and now of the Scandinavians often run parallel to our own.

**INTRODUCTION BY P. DANKERT**

*(Piet Dankert is member of the European Parliament)*

On the question of deepening and widening it is of course rather presumptuous to use the European Parliament as a basis of judgement. You easily would think that everybody is in favour of deepening down there, but if I go according to nationalities, than I have to say that the Germans (the Christian Democrats), are in favour of deepening before widening. The SPD is deeply split and would, I think, in the end prefer widening to deepening. The French? Socialists and centrists, that's about it; the British: a few Conservatives, some Labour members; the Italians yes on average; the Spaniards? Yes, but less than a few years ago. The Dutch and the Belgians: yes. The Greeks? The Greeks, depends on the political situation in Greece and what they can get out of it. The Danes, the Luxembourgers, the Finns? The Austrians? They don't seem to be able to move an inch. The Swedes? They prefer to get out as soon as possible! So, even in the European Parliament I would say, just a few months before the opening of the 1996 IGC, pessimism seems to be the trend.

In too many countries there is strong resistance to the idea that the EU should organize itself to cope with the problems created by the breakdown of the Soviet Empire and the consequences of the internal market. At the same time there is the other, more general, but equally paralysing feeling that the EU is not up to its tasks, that it is letting its citizens down, whether it be in ex-Yugoslavia or in the fight against crime. The Union has entered a new phase in its history, where external circumstances (the collapse of the USSR, the increased reluctance of the US to deal with European regional problems) and internal ones (the consequence of the internal market: EMU, internal security) oblige it to make decisive steps forward. It cannot do so without committing a sizeable part of a public opinion, which so far could live with Europe by being committed to the nation-state. The dilemma is clear: in making a big step forward we will risk loosing part of the family, in not making it we may well lose the EU.

There is no escape: the agenda has been set. In 1996 the follow-up conference to Maastricht will start. Because of the elections in 1997/98 it has to be finished under the Dutch presidency and be ratified rather quickly, at least in some member states. In 1998 the list of the participants in the third phase of EMU has to be established. In that same year, Mr. Bolkestein's debate on the financing of the EU after 1999 and on the adaptation of existing EU policies in view of Central and Eastern European enlargement has to start, to be concluded in 1999.

It is clear that Maastricht II or Amsterdam I runs a serious risk of not being ratified in one or more member states: either because it is considered as too much or as not enough, or because of considerations related to the other problems on the European agenda which have a negative impact on the vote. Carlos Westendorp's progress report on the work of the Reflection Group makes quite clear that until the British elections of spring 1997 not much progress is possible in the IGC. I would add that I don't expect much more after those elections. An important question is if we can live with a minimal result of the IGC. Mr. Posthumus Meyes is pleading for such a minimal result and warns that a more ambitious program will create such far reaching controversy that the EU, as it functions now, will be negatively affected and that forcing such a decision will do more harm than good. His advice: wait until better times, eastern enlargement is still at least ten years away and even with EMU we can wait until the UK and Denmark are ready for it. Mr. Kohl, last week in the Parliamentary Assembly of the Council of Europe, sounded rather differently: "I do not think that the opportunity to unit Europe will come back in the near future if we miss it now!" And: "A monetary union alone cannot unite Europe." I think he is right on both points.

Since I share the analysis of the Donner-WRR report ("Europa, wat nu?"), that national governments in Western Europe are no longer able to create the conditions for stability and security, new or important common efforts are necessary. At the same time it should be clear that the common product of the past is far less *acquis* than we generally pretend since Gorbachev failed to keep his empire together, NATO lost its role as the sole guarantor of peace and security in Europe,

Germany became a power in its own right and the EU was forced into a political role for which the EEC had not at all prepared it.

Our IGC problem is not so much that we have to prepare for enlargement - it is that we have to prepare the EU to be able to exist as an entity that can take responsibility in external relations and efficiently deal with its own, increasing, internal problems. Where Maastricht failed Amsterdam should succeed. On CFSP, as put on paper in the Maastricht Treaty, Westendorp writes: "The group points out that the new situation in Europe poses new challenges to the Union's external dimension and it acknowledges shortcomings in the question of Title V and problems of a lack of overall consistency in coping with the new challenges". As the permanent representative of one of the large member states said to me a few months ago: "CFSP is not about CFSP but about our lowest common denominator"; it is Ireland running the Yugoslav crisis. So we can agree with Westendorp that "the response to the challenges posed by the profound changes which have taken place outside the Union, in the political and security context as well as in the economic and commercial sphere, needs to be based on reinforcement of the instruments set up to achieve the highest possible level of external stability and security." It is not difficult to see that with today's fifteen member states at least four or five will stick to CFSP as the policy of the lowest common denominator.

On Title VI of the Treaty - cooperation in the field of justice and home affairs, the situation in the Westendorp group is comparable to that of Title V: "The group considers that there is a clear demand on the part of the public for greater security for citizens within the Union in the face of phenomena such as economically motivated crime and terrorism." The group agrees on the functioning of Title VI: "the magnitude of the challenge is not matched by the results achieved." The Group disagrees "on the method of achieving further progress". In the meantime a Commission report has concluded that the EU customs system is on the point of breaking down. And in France they are already opening the war against Rotterdam, which is held responsible for that breakdown.

Even if we could achieve some progress on external or internal security with fifteen, it would never be enough to cope with the problems, let alone with the expectations of the EU citizens. Mr. Stoiber, prime minister of Bavaria and known as a Euro-sceptic, claims fundamental decisions on Title VI as a condition for Bavarian support! It is a new sound, but it does not change a treaty which stipulates that IGC decision-making is by unanimity. It does however increase the risk that, whatever the outcome of the IGC, its results will be rejected.

In four policy papers, the Dutch government has set out a rather modest and not always coherent approach towards the IGC. The ineffective pillar structure remains basically intact, legislative procedures are only very partially democratised. Nevertheless, in the Westendorp Group it makes us belong to a majority for progress. It is understandable that the Dutch government so far has not been very explicit on what has to happen if that progress is not achieved: *Amsterdam oblige*. That the Dutch political parties have been even less explicit than the government is more difficult to understand. There has been a lot of talk in this country on having closer alliances with neighbouring countries, but on a two speed Europe, variable geometry and core groups the politicians have been remarkably silent. Mr. Bolkestein has just spoken: it is clear that he is against. The moment of truth is approaching.

It is now decided that in that year we have to decide on EMU. The debate leading to that decision was a highly interesting one, not only because it made clear that Italy and probably Spain won't be there in 1998 because Germany insists that at least those two have to respect the criteria, but also because it left in the dark whether the French government will have put its own house sufficiently in order before that time.

Two options remain open: an EMU with France, Germany, the Benelux and possibly a few others, or a D-mark zone comprising Germany, the Netherlands, the Belgian/Luxembourg monetary zone, Denmark and Austria. These two options clearly represent the crossroads the EU will be confronted with around 1998: either

we go the way of a EMU core group politically based on Franco-German leadership (but not feasible without Benelux) or the Dutch accept German leadership first in monetary and gradually also in other terms. It is of enormous political interest that the first option is realized in 1998/99. Delay would put it at considerable risk - in France as well as in Germany.

I tend to agree with Tietmeyer, Duisenberg and Kohl: a monetary union cannot survive without a political union. So if the French and others meet the 1998 deadline the question will be: did the IGC achieve sufficient political union to make for a stable EMU system? I have already given the answer: the IGC will not achieve sufficient progress. It is more difficult to indicate what the minimum requirements for such a political union are. It is not illogical to assume that the German government, in its approach to the IGC, has formulated what it considers to be the minimum requirements in the field of internal and external security. In the field of the internal security, changing the Treaty is not absolutely indispensable: Title VI allows for agreements between a limited number of member states. A kind of Schengen option can be accepted. Should France however persist on the non-application of the Schengen Treaty, then we would have a real problem. Monetary union without France is unthinkable. The same is true for closer political union.

On CFSP it is more difficult to see how political union can be brought about in a manner acceptable to the smaller member states. They won't be pleased with a Franco-German or a Franco-German-British directorate, but probably, as with the Contact Group, they will have little choice other than to accept in the EU what they have accepted for decades in NATO. From a democratic and an institutional point of view this is highly unsatisfactory. Therefore institutional structures have to be built, rules agreed and safeguards formulated to enable the smaller member states to participate in such a foreign (and later defence) political union. Here again I agree with the WRR: the participation of a country like the Netherlands often will make it more easy for our German neighbour to assume his part of the responsibilities.

Political union is related to EMU. Therefore it has to cover wider fields than internal and external security - it has also to ensure stability in the internal market. It is indispensable that next to monetary union we will have a political organization at the European level, which can create a kind of counterbalance in order to make the political system function. Even among the most probable candidates for EMU in 1998 the tax-systems, the environmental and social policies, and the social security systems differ too widely to prevent new regional problems in the field of employment. Here as well, it is unlikely that the necessary agreement to harmonize can be reached with fifteen member states. I agree with the WRR: the necessary decision-making in a smaller group might well break up the internal market. But can that otherwise be prevented? Sterling, lira and peseta already have undermined the level playing field. The implementation of internal market rules in protectionist southern member states leaves a lot to be desired.

It is of great importance to keep the cohesion countries in the internal market and in CAP. With a better use of the structural funds and further reform of CAP, this should not be impossible. With a bit of luck it might help some of them to join EMU within a reasonable period of time. So once again I agree with the WRR: The Dutch tend to concentrate on what they think they lose, they should not forget that the internal market pays back their contribution more than once.

**INTRODUCTION BY PROF. MR P.H. KOOLJMANS**

*(Peter Kooijmans is professor of International Law, Leiden University)*

After the informal meeting of the European Council in Mallorca, a high European Commission official said, according to the Herald Tribune (referring to the cracks in the relationship between France and Germany on the establishment of the monetary union): "If they can't talk to each other in confidence how the hell are we going to do business?"

This is the present state of the EU and it's nothing to be joyful about. I share the view of the Scientific Council that the main focus of Dutch foreign policy, maybe Dutch policy in general, should be on the strengthening of the further integration of Europe and on the promotion of binding elements. There is a simple explanation for this stand. The Netherlands has nothing to gain from a return to geography and history and the rebirth of nationalism as depicted in the Council's report. I think we have to realize that the possibility of a return to history in the sense of independent policy making for the Netherlands, is an illusion. The alternative to further integration, is for the Netherlands as for the other neighbouring countries of Germany, an increasing dependence upon the Federal Republic, a process which I would like to call, a creeping "appendicization". That is not in the interest of the Netherlands and it is also not in the interest of Germany, as was made clear to us by Mr. Schmidt and Mr. Brok.

I also share the opinion of the Council that, in view of the increasing number of uncertainties, systematic contingency planning is desirable. Such contingency planning however, should never develop into an independent policy line itself. It should be pursued simultaneously with the main policy line just mentioned, namely the strengthening of European integration and the promotion of binding elements. The purpose of contingency planning is simply that sometimes you have to face the undesirable and you have to come to grips with it. But if you prepare yourself too much for such contingency planning, this will inevitably be to the detriment of the

persuasiveness or credibility of your main policy. The government's White Paper on the "recalibration" of Dutch foreign policy is betting too much on two horses. Maybe it is possible to bet on two horses and sometimes it is even possible to ride two horses simultaneously. You need to be a circus artist to do it, but even a circus artist is powerless if the horses run in opposite directions. In my opinion, as I said on another occasion, you cannot prepare yourself for a move into the 21st century and step back into the 19th century at the same time. And that is exactly what the government does in the White Paper: stressing the need for further integration and at the same time introducing the elements of a renationalization of foreign policy.

It is clear that for the foreseeable future, further European integration will to a large extent be dependent on Franco-German cooperation. I simply give this as a statement of facts, because there is no other motor which can move the European integration forward. Too close a Franco-German cooperation may be menacing, but the halting cooperation between those two countries is even more menacing. The policy goals of these two actors are not identical but at least they are complimentary: France wishes the establishment of an Economic and Monetary Union, Germany wishes the creation of a political union as a condition for the establishment of that monetary union. It is highly important that those policy goals are in line with Dutch interests. I quite agree with Mr. Bolkestein that it is not yet clear what a political union will look like. But different from him, I have the feeling that Mr. Brok at least sketched sufficiently clear the contours of such a political union, as did the chancellor in the past. As is often the case in politics, it may be the case here too: you will recognize the political union when you see it.

It may be called a blessing in disguise, that the EU made itself its own hostage by providing for the establishment of the monetary union in 1997 or in 1999 (in all probability in 1999), since neither France nor Germany will easily take the blame of having wrecked it. The core group, as provided for in the Maastricht Treaty, creates possibilities for an active Dutch policy since the Netherlands will in all probability be a member of that core group. A core group is, however, only acceptable in the initial phase because there should not be a two tier membership

of the Union. And although Dutch interests are more in line with the German policy goals, both from a substantive as well as from an institutional point of view, the main focus should be on keeping the fire burning. In my opinion that is not the same thing as joining the Franco-German axis, or (to use that rather distasteful expression which is used in Dutch jargon) "positioning yourself in the armpit of the Franco-German cooperation". It is the independent interest of the Netherlands to keep that fire burning and there is therefore no reason to follow either French or German policy, although in many instances, and I quite agree with the Council in that respect, our interests are identical with or similar to the German interests.

I also share the Council's view that this renewed commitment to the EU may make it necessary to readjust our traditional policy. It will not be necessarily simply more of the same. To keep, or rather to make a Union of fifteen member states and in the future probably more than twenty members states manageable, to improve the decision-making capacity and to make the Union move forward, may for the time being be more important than to make it truly democratic. I know that this is at odds with much what is and always has been dear to our heart, but I find it extremely difficult to explain to our citizens that it is important to democratize a machinery which is grinding to a halt or is not making progress. Therefore the emphasis should be on making it move forward and only after that has been realized the necessary democratic reforms can be taken care of.

The supranational Monnet concept, so dear to our Dutch hearts, may remain a beckoning ideal and it should remain so, but for the moment the Spaak concept must have priority. In view of Germany's vital interests, it is inevitable to also give top priority to the inclusion of the Central European states in the Union, although this will certainly take a number of years. We have to prepare ourselves for enlargement of the Union, as something which is not only inevitable but also desirable. To give you an example: it may have been imaginable for a number of members of the European Parliament to vote against the accession of Sweden, because it was not accompanied by an enlargement of the competences of the

European Parliament. But to vote against the accession of Poland a few years from now because of the same reason, would be sheer political folly.

The strongest element of the Monnet concept was that it established a *Communauté de Droit*. In spite of the fact that it fits better in the Monnet concept than in the Spaak concept, it was nevertheless maintained in the latter. In times of stagnation it was the European Court of Justice which kept things at course and sometimes even forced politicians to move forward. This is such a precious element, that it should be given due attention also in the coming years. In its report to the government, the Advisory Council of Peace and Security pleaded for the laying out of a passarelle from the third pillar to the first pillar on certain subjects and certain issues, thereby bringing a number of issues under judicial control. I am fully aware of the fact that it is easier for the Court to prevent member states from following a nationalist policy - which is very often the case under the first pillar - than to force them to carry out a common policy, which is necessary under the third pillar. However the Court has been so inventive in the past that in my opinion it could easily be entrusted with that task as well. I have missed in the Council's report a reference to the function of the Court as an independent locomotive bringing things ahead.

I have some doubts on the desirability of a number of core groups of a variable composition each with its own rules of the game, as suggested in the Council's report. The report of the Advisory Council of Peace and Security pointed out that a variety of core groups in all probability will lead to a further fragmentation, which in the end may even effect the functioning of the internal market. A *géométrie variable* with all undesirable effects may be the result. And only where a basis for common decision-making in the foreseeable future is clearly absent, like for instance in the field of defence cooperation, the formation of a core group may be inevitable. In all other instances, there should be at least a common basis of decision-making (whether by majority or by unanimity vote is another matter), allowing a group of able and willing states to form an ad hoc coalition.

The CFSP remains one of the weakest elements in European cooperation. Nevertheless it is here that in my opinion, German interests and wider European interests coincide. Without a CFSP, Europe will not be capable of taking care of sources of instability at its frontiers. The fact that Europe was and is virtually absent during the present peace offensive in the former Yugoslavia is painful and telling at the same time. Even the Contact Group, in which three member states of the EU participate (not as the representatives of the EU) has lost its grip on the situation. This is telling too. The suggestions Mr. Brok made this afternoon in order to facilitate a true CFSP are important. I think he was also right when he said that at present the CFSP consists of the analysis on a desirable policy of the viewpoints of fifteen different nation states. Sometimes I have the feeling that without joint membership of the Security Council by the EU, it will not be possible to forge that CFSP. Such a joint membership would be a tremendous stimulant to the forging of such a policy, since it would force the member states to a common position on vital issues. The only country which can make such a proposal in a credible way, is Germany. But Germany is only able to do so in a credible way if it has obtained its own permanent seat in the Security Council. And in view of the fact that the Security Council is perceived by other countries in this world as being dominated already by western interests, it will be difficult to find a solution for the question of the admission of Germany as a permanent member, unless additional permanent seats are created for other regions. I definitely do not agree with the view that only after the establishment of a CFSP it will be possible for the EU to take a joint seat.

The elaboration of a CFSP in my opinion is also vital for the strengthening of the Atlantic ties. Much has been said about this subject this morning already, but the necessity of a strong Atlantic partnership is amply borne out by the experiences in the former Yugoslavia. At the moment we do not have such a strong Atlantic partnership. It is of the greatest importance that the United States maintain a permanent interest in Europe, if only because of the unpredictability of developments in Russia. What is clear, however, is that a condition for this continuing American interest is the capability of Europe to get its own act together.

The gateway to a permanent Atlantic partnership is further European integration. This also may create tensions for this partnership, in particular in the economic field. The alternative, however, is no partnership whatsoever. In view of the long term interest in close transatlantic relations (an interest which again we have in common with Germany) the main focus of our policy should be on strengthening and furthering European integration. The time of tension between an Atlantic policy and a European policy are long past.

## DISCUSSION

The chairman summarizes the positions of the three afternoon speakers and proposes to concentrate the discussion on the question whether it is possible to stay at the present level of integration and whether this is the best option for Dutch foreign policy.

A seminar participant states that the merit of the WRR report is that it presents a coherent vision in a time of great uncertainty and a rapidly changing international environment. He is convinced that the issue of the EU's capacity to act is of a fundamental nature. In relation to this he asks Mr. Bolkestein about his strong attachment to the free trade area on the one hand, and his wish to leave the concept of positive integration - although with some differentiation - on the other hand. He doubts that with the current stage of integration we can simply maintain a free trade area, without at the same time undermining a large amount of positive integration that has already been achieved. The experience in NAFTA shows that even a free trade area which is neither a customs union nor an economic union, cannot be set up and maintained without positive integration. The Clinton administration entered into side agreements on environment and labour. Secondly, a monetary union means economic conversion, which implies social and economic cohesion. The Treaty of Maastricht clearly imposes such conversion not only as a political but also as a legal condition. He wonders whether a standpoint which defends a free trade area, while not taking into account economic cohesion, can be a good starting point for negotiation. Thirdly, he asks Mr. Bolkestein whether enlargement can be bought by simply redistributing the current amount of structural funds. By making this a major condition for enlargement, Mr. Bolkestein takes a position that reminds one of the French stance on CAP. He basically blows up the financial point. Finally, this participant criticizes the Dutch position that the second and the third pillar should not be adapted to the communitarian structure, which brings the Dutch government unhappily in clash with the German government.

Another seminar participant wants to do justice to the explanation of Mr. Brok which was very clear on the minimum requirements to satisfy the German desire for the so-called EPU. He feels strongly that this was a very clear answer and Mr. Bolkestein should not repeat every time that nobody knows what the German view of EPU is. In his eyes, the world of Mr. Bolkestein is a rather simple one. The main merit of the WRR report is to have stressed one thing, namely the importance to "counter fragmentary forces, and to support everything that increases cohesion". That is a clear guideline, and if we stick to it we have a nice policy approach.

A third participant would like to address his question to the chairman. Today, the audience has been invited twice by the chairman to formulate an alternative to the approach of the Scientific Council. The speaker endorses the logic of the position of the Council, i.e., the likely outcome of the core group. He is convinced that the Netherlands would join if France and Germany were to come up with a proposal for a structured core group. In that respect there is no alternative. But he resists the suggestion made by the chairman that in the broader and more complex reality, there would be no alternatives. He sketches out very briefly some points of an alternative policy: first, continue to reinforce the decision-making capacity of the Union and continue to implement the EMU and be sure that the Netherlands is ready for it. It is important to engage as many member states as possible since a small group would do more harm than good. It would be better to postpone the introduction of the monetary union if this could enable a larger group of countries to participate in EMU from the start. With regard to Eastern Europe, one should be clear and honest. It is not possible for the EU to embrace all of the Eastern European countries within the very near future. We can start with small numbers, one or two at a time. Interim solutions would perhaps give temporary satisfaction. With respect to the second and the third pillar, the speaker agrees with Mr. Brok. In general, there is still a great deal of work to be done in improving the EU, without overloading it. The Netherlands should maintain its commitment to promote cohesion in the present Union. The Netherlands should be active in seeking out coalitions of the willing, not necessarily a core group, but changing and

variable coalitions. More should be done to project the Netherlands as a factor of influence in Europe, and to increase the Dutch profile. All of this constitutes a viable and credible alternative, maybe not as heroic and not as impressive as the one that is sketched in the WRR report, but one that is at least as challenging, and in the end more promising, and certainly more in line with the traditional position that this country has taken.

A fourth participant in the seminar draws the attention of Mr. Bolkestein to the CDU/CSU papers which have appeared after the Lamers/Schäuble paper. They contain detailed descriptions of what political union should entail according to the CDU/CSU party, as well as very concrete proposals on how to reach it. The CDU/CSU think the EU could not be as intensive as necessary in the absence of a political union. This is a point on which Dutch and German interests meet. It is not the only point of agreement, but a central one. As to Mr. Bolkestein's question with regards to the precise position of the chancellor, the EU is still in a phase of negotiation and one needs some space for manoeuvre. Finally, this speaker comments on the point made by Mr. Kooijmans that democratization is probably not as important in the present situation as the need to strengthen the decision-making process in Europe. He agrees because it is necessary that the IGC will result in a EU which is able to act. The Yugoslav crisis has alienated the European people from European integration. There is no need to talk about the question of why political union is necessary, since this is the very substance of European integration.

A final question is directed at Mr. Bolkestein: what will his Europe look like? What will be its capabilities and what will be the added value of this Europe, except from being a handsome economic block? Does Mr. Bolkestein really believe that the ad hoc intergovernmental solutions are able to cope with the challenges facing us?

In his response, Mr. Bolkestein agrees with the first speaker that free trade has to be accompanied by a common trade policy and measures on environmental and

labour standards. These serve to contribute to a level playing field and promote the exercise of free trade. A free trade area, and therefore also its accompanying measures, are much more readily extended to a large area than other measures that fall under the caption of positive integration, such as the CAP and the funds. With regards to the point on the restructuring of the funds in light of enlargement, Mr. Bolkestein reiterates his statement that the CAP must absolutely be reformed before membership of countries like Poland can be accepted. The theory underlying the funds is wrong: countries that enter a free trade area don't have to be compensated for free trade, because it is also to their benefit. Free trade creates an international climate for investment, which is one of the main motors for economic development. The funds will be a bone of contention for years and years to come, and they must be reduced.

Concerning EMU, Mr. Bolkestein agrees that it remains very much to be seen whether economic conversion will indeed occur. Mr. Bolkestein agrees with the condition of economic conversion, as outlined by one of the speakers, and states that this is the very reason that the EMU will have a very difficult birth.

With regards to the comment on government policy towards the second and third pillar, Mr. Bolkestein cites the *Herijkingsnota* which states that it is not expected that the area in which the Community operates will be extended to include new elements. He doesn't know whether this is the government's calculation of the only possible outcome or its desired policy.

As for the CDU/CSU views on political union, Mr. Bolkestein agrees that the first pillar should become more transparent. Concerning majority voting on broad policy decisions in the second pillar, as stipulated in the Maastricht Treaty, he recalls that he voted in favour of the Maastricht Treaty. The third point, on immigration, Mr. Bolkestein has made himself. If this is what EPU amounts to, he can shake hands with the chancellor. But the chancellor wants something to show to the German public, as a *quid pro quo* for relinquishing the Deutschmark. These elements will not convince the German public. The whole concept of political union has raised

fears and expectations which obviate the picture and which will give the EMU in Germany a very difficult passage.

On the remark that his world is very simple, Mr. Bolkestein states that the speaker in question doesn't know much about his world. He considers his world to be terribly complicated. There are so many uncertainties coming from the outside that we should try to reinforce all elements that provide cohesion. First of all we should preserve, maintain and improve what we have: the internal market plus articles 85, 86 and 113, and (if possible) the EMU. To go beyond that may well create risks that will boomerang and aggravate our problems.

On the remarks about the core group, Mr. Bolkestein reports on his conversation with Mr. Lamers, whom he told that in his opinion a core group cannot be communautarian by definition, except if the possibility would be opened for other countries to join later on. But that is a theoretical possibility because the mere existence of the core group will increase the divide between this core group and the rest. Mr. Bolkestein is not averse to any kind of core group as long as we realize the risks involved, which should not be taken too lightly.

In response to the question about the kind of Europe Mr. Bolkestein envisions, he answers that matters concerning the internal market can be extended and become more transparent. On the second pillar he is sceptical: there is hardly more possible than the present coalitions of the willing. On the fight against crime he doesn't see a possibility for going beyond intergovernmental cooperation.

Mr. Dankert wants to comment on the alternative policy proposed by one of the speakers. He can agree with many aspects of this alternative, because it's not an alternative. His proposition is in fact a reinforcement of the decision-making capacity. Mr. Dankert expects that the IGC will not bring a satisfactory agreement on this point. The decision-making capacity of the Council is an increasing disaster; it simply cannot execute its agenda. How will the situation be in Ecofin when we have the EMU? It will be a double-hatted Ecofin. How should this be incorporated

in the system? The speaker in question mentioned as part of his alternative the delegation of executive powers held by the Commission. Mr. Dankert doubts strongly if any agreement on this subject will be possible among the fifteen. On the second pillar, Mr. Dankert doesn't expect agreement on Mr. Brok's proposal for a common analysis system. The British will not participate in it because it would undermine their independence. On the third pillar the report of the Westendorp Group concludes that there is no unanimity possible on matters to pursue. Mr. Dankert agrees with the agenda of the speaker, but the problem is that we will not attain it. The question then arises of "what should we do next", and that was in fact his introduction.

Finally, Mr. Dankert wishes to comment on the remarks made by Mr. Kooijmans with regards to decision-making and parliamentary influence. He agrees on a slight postponement of democratization in favour of improvement of the decision-making capacity. But he worries that the strengthening of the decision-making capacity will only be possible by further delegating to the bureaucratic level, because otherwise ministers have to be in Brussels throughout the week. There is a real and growing problem, which is that instead of the system becoming more transparent, it is indeed getting more and more inscrutable. There are problems with allowing a more effective decision-making system which goes down in the bureaucracy and does not really come to the political level, and at the same time leaving democracy. We have to find the right balance.

Mr. Kooijmans gives a brief reaction to the speaker who proposed an alternative policy to that of the WRR report. He agrees that if you are overambitious some precious things may be lost. But he shudders at the thought that the rest of Europe may be instrumental in forcing Germany to go it alone against its own will. That is one of the elements which we have to keep in mind constantly.

The chairman finishes the seminar and enumerates the following questions as the main result of the discussions. First, the question if we can presently still organize Europe on the assumption of a continued American commitment to the internal

problems within Europe. It was clear from the discussion that the answer to this question depends partly on the developments in the United States and partly on the capacity of Europe to organize itself and become an adequate partner.

The second question concerns the issues Europe has to face up to. There was a particular difference between the morning and afternoon discussions. In the morning, challenges from outside the Union were the main topic. In the afternoon the discussion was focused on the development of relations between European states. There were two clear positions: on the one hand that of Mr. Bolkestein, which stressed the need not to go forward too fast and to organize internal relations which in the end could prove to be unstable. The consequences of falling apart as a result of the EMU and core groups schemes will be worse than the advantages. On the other hand there were the positions of Mr. Dankert and Mr. Kooijmans who stressed that there is no other solution available.

The chairman admits that he was rightly corrected: we should not try to introduce the report's policy recommendation as the only alternative available. Europe slowly slumbers into a situation where Germany and Italy found themselves at the end of the Napoleonic Wars and even before. We are now trying to deal too much with our internal relations while the world outside is changing. Europe needs the capacity to act, to influence those changes.

## APPENDIX

## 1. LIST OF PARTICIPANTS

**Participants Seminar 6 October 1995**  
**Scientific Council for Government Policy**

Berg, D.J. van den	(Foreign Office, The Hague)
Beugel, E. van der	(Professor)
Bletz, J.C.F.	(WRR)
Blaauw, J.D.	(Dutch Parliament)
Bos, B. van den	(Dutch Parliament)
Brands, M.C.	(WRR)
Brinkhorst, L.J.	(European Parliament)
Brouwers, J.A.	(WRR)
Bruijn, T.J.A.M. de	(Foreign Office, The Hague)
Dimond, P.	(British Embassy, The Hague)
Donner, Mr. J.P.H.	(WRR)
Eenennaam, B.J. van	(Foreign Office, The Hague)
Geen, F.M.L. van	(Foreign Office, The Hague)
Graaf de Márchant d'Ansembourg, J.M.V.A.	(Foreign Office, The Hague)
Graaf, T. van der	(Min. of General Affairs)
Haas, W.	(German Embassy, The Hague)
Heldring, J.L.	(Journalist)
Hoekstra, R.J.	(State council)
Holman, O.H.	(WRR)
Huisman, mw. J.C.	(WRR)
Iersel, J.P. van	(Chamber of Commerce)
Jansen, E.	(Press Office EP)
Klosson, M.	(American Embassy, The Hague)
Koch, K.	(University of Leiden)
Krop, M.	(Foreign Office, The Hague)
Kwast, E.	(Defence Ministry, The Hague)
Kwast-van Duursen, mw. M.E.	(WRR)
Majoor, F.A.M.	(Foreign Office, The Hague)
Morsink, R.	(Social Economic Council)
Ollongren, mw. K.H.	(Min. of Economic Affairs)
Penders, J.J.M.	(former MEP)
Posthumus Meyjes, H.C.	(prev. Foreign Office)
Riviere, M.N. de	(French Embassy, The Hague)
Rooij, mw. Y.C.M.T. van	(Dutch Parliament)
Rozemond, S.	(Clingendael)
Ruiter, J. de	(Foreign Office, The Hague)
Rutten, M.H.J.C.	(prev. Foreign Office)
Ruyg, mw. H.M.	(WRR)
Sawyer, J.	(British Embassy, The Hague)

Schaik, R. van	(prev. Foreign Office)
Siccama, J.G.	(Clingendael)
Szász, A.	(University of Amsterdam)
Tromp, B.A.G.M.	(University of Leiden)
Valk, G.	(Dutch Parliament)
Vercauteren Drubbel, P.	(Belgian Embassy, The Hague)
Venema, A.	(Atlantic Commission)
Vigeveno, G.W.F.	(Foreign Office, The Hague)
Wagner, G.A.	(prev. Shell)
Weisglas, F.	(Dutch Parliament)
Wellenstein, E.P.	(prev. Foreign Office)
Wolfson, D.J.	(WRR)

2. **PROGRAM****PROGRAM***Seminar on the WRR-report Stability and Security in Europe;  
the changing foreign policy arena*

Friday October 6, 1995  
 Carlton Ambassador Hotel  
 Sophialaan 2, The Hague, the Netherlands

- 9.00           Arrival and Coffee
- 9.30           Opening by the Chairman of the Seminar J.P.H. Donner  
 (Chairman of the WRR)

**STABILITY AND SECURITY IN EUROPE - COMMENTS ON THE ANALYSIS  
 OF THE WRR**

- 9.40           William Wallace (Fellow St. Anthony's College, Oxford)
- 10.00          Christian Schmidt (Member of the Bundestag CDU/CSU)
- 10.20          François Barry Delongchamps (Ministry of Foreign Affairs, France)
- 10.40          Coffee break
- 11.00          Elmar Brok (Member of the European Parliament and Member of  
 the Reflection Group); a view in the context of the IGC
- 11.20          Discussion
- 12.30          Lunche on (keynote speech by Dirk Wolfson, member of the  
 Council, WRR)

**STABILITY AND SECURITY IN EUROPE  
CONSEQUENCES FOR DUTCH FOREIGN POLICY**

- 14.00 Frits Bolkestein (former Minister of Defense, Parliamentary Leader of the Dutch Liberal Party)
- 14.20 Piet Dankert (former State Secretary for European Affairs, Member of the European Parliament)
- 14.40 Peter Kooijmans (former Minister of Foreign Affairs, Professor of International Law, Leiden University)
- 15.00 Teabreak
- 15.15 Discussion
- 16.15 Conclusion by the Chairman of the Seminar
- 16.20 Drinks