The Political Dimension of Enlargement – Looking Towards Post-accession

In the run-up to the Laeken summit, a group of renowned scholars from Western and Eastern Europe has published a report on enlargement under the chairmanship of former Prime Minister of Belgium, Jean-Luc Dehaene.

This independent report summarises the discussions of a special “Reflection Group” on the *Political Dimension of Enlargement* set up jointly by the Robert Schuman Centre of the European University Institute in Florence and the Group of Policy Advisors of the European Commission.

The report assesses the impact of enlargement across a broad range of policy fields and comes up with the following recommendations for successful enlargement.

- **Enlargement opens the door for dynamic development and new opportunities: they must be seized**
- **Divergence is manageable, despite the import of greater diversity, but new creative policies are needed**
- **The concept of solidarity must be reinforced and reaffirmed: successful enlargement requires an investment**
- **Good governance is of crucial importance in steering the EU to a “successful” post-accession stage: a technical approach to negotiations cannot replace political engagement**
- **Enlargement requires a radical re-thinking of the institutions and structures of the Union: the time for minor incremental changes has passed**
- **The EU must develop an integrated neighbourhood policy, otherwise it will be unable to meet the pan-European challenge**

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The report is available at [http://www.iue.it/RSC/pdf/dehaenereport.pdf](http://www.iue.it/RSC/pdf/dehaenereport.pdf). For further information please contact Professor Helen Wallace, director of the RSCAS or Ricardo Levi, director, Group of Policy Advisors. A more detailed background note summarising the report is attached.
The Political Dimension of Enlargement – Looking Towards Post-accession

This is the key moment for broadening the focus for discussing the future scope and character of the EU. The enlargement process is bringing the Central and East European countries (CEECs) into the EU and it has helped to provide the framework for fundamental political and economic reforms. Enlargement also represents the long-awaited reunification of Europe after the divisions of the cold war period. However, with enlargement the EU will face a new challenge: that of reinforcing its internal cohesion so as to move beyond a quantitative enlargement to a Union that is both efficient and democratic. The EU will have to more clearly define its political ambitions and its role as an influential global actor. Enlargement will change the Union and the Union must prepare now for this change.

- Enlargement opens the door for dynamic development and new opportunities: they must be seized
  We believe that the benefits of enlargement reach further than a simple win-win situation with the current status quo remaining largely unchanged. Enlargement will lead to greater economies of scale in a larger market with a greater variety of goods and services. Greater investment, an increase in productivity and the benefits of more efficient allocation of resources and greater economies of scale will increase the rate of growth in the CEECs while current members, especially those bordering the CEECs will profit from the increased wealth and consumption in these countries. A public information campaign is needed now to address both EU members and candidates, not simply explaining the technicalities, facts and figures of enlargement, but aimed at meeting the emotional dimension (hopes, fears, perceptions, stereotypes) of enlargement.

- Divergence is manageable, despite the import of greater diversity, but new creative policies are needed
  Diversity need not mean political, economic or social incompatibility. The values and goals of the EU have been adopted in the Charter of Fundamental Rights, as proclaimed at the European Council in Nice, and this should be made binding. In the enlarged Union both old and new members will have a joint responsibility to ensure that norms and practices on minority rights and rules against extremism are clear and adhered to by all parties.

In judging the performance of CEECs too much emphasis is put on low levels of GNP and too little on the health of CEEC economies. These are countries with considerable potential for growth and with the right policy mix should be able to achieve the sort of performance seen in Ireland or Finland since those countries joined the EU. The CEECs can also be seen as a place of socio-economic experimentation from which valuable lessons can be drawn by current members, many of whom are also faced with the need to adapt their welfare systems to changing circumstances.

- The concept of solidarity must be reinforced and reaffirmed: successful enlargement requires an investment
The EU needs to be generous and not grudging if it wants to have new members that are constructive and communitarian in their approach. In order to overcome differences and reduce disparities in terms of per capita income and development, the concept of solidarity must be reinforced and reaffirmed. This requires mutuality, reciprocity in terms of trust and cooperation but also transfer of resources so as to create conditions for economic dynamism (FDI) and, last but not least, political commitment.

If the EU is to finance enlargement within the existing ceiling of 1.27 percent of GDP, it will need to make a radical reallocation of structural and cohesion funds. However, if structural funds were to be overwhelmingly diverted to the CEECS, this would strain European solidarity. We thus believe that more funding will be needed in the longer term, requiring a raising of the EU’s own resources ceiling if the new members are to receive the same structural, cohesion and agricultural payments from the EU as the current members receive. Budgetary transfers should be aimed at financing investment and promoting self-sustaining growth. The development of healthy and competitive economies is more in the Union’s interest than over-reliance on the transfer of structural and cohesion funds, however well intended. The transfer of funds should not lead to a culture of dependency in any EU country.

To avoid new lines of division in Europe, new forms of cooperation should be developed between members and those countries left out of the first wave of enlargement to encourage greater economic and cultural interaction in border regions, especially in cases where there are strong cultural and ethnic links. There needs to be a reassessment of intra-community initiatives such as Interreg and external assistance programmes such as Phare in relation to regional cooperation. All funds should be put together in one single package for more targeted and tailor-made regional policy programmes in relevant border areas.

- **Good governance is of crucial importance in steering the EU to a “successful” post-accession stage: a technical approach to negotiations cannot replace political engagement**

We believe that the lack of mutual trust and reciprocity as well as shortcomings in implementation may have greater disruptive effects on the functioning of the internal market than incomplete adoption of acquis. The difficulties of implementation and the administrative complexity of rules present considerable challenges even for long-standing member states, which also have gaps in implementation. More attention should be paid to the candidates’ ability to cope effectively with implementation of core acquis and less on sometimes overly technical issues and detailed implementation of accession criteria, so that there is a qualitative leap forward in the level of negotiations. We also need to be aware that good governance is not only a question of the EU laying down standards for candidate states. The EU itself must make sure it lives up to its own standards.

- **Enlargement requires a radical re-thinking of the institutions and structures of the Union: the time for minor incremental changes has passed**

To date most proposals for dealing with a politically and socio-economically diversified EU have been defensive - aimed at preserving the existing status quo. Enlargement requires a radical re-thinking of the institutions and structures of the Union. The introduction of EMU and the strengthening of foreign and security policy, which will sharpen the role of the EU as a significant global actor projecting collective power, reinforces this requirement. It is therefore essential for the European Union to define the objectives and methods of integration.
and to agree on a common political project that reaches beyond enlargement and reflects the EU’s role in the post-cold war world.

The future members need to be involved now in the debate on Europe’s future. The EU needs to be politically generous in allowing future members to play an integral role in decisions that will affect them. At the same time, full inclusion of candidates in the debate will encourage them to take a constructive stand and place more responsibility upon them to accept and implement decisions that are taken.

- **The EU must develop an integrated neighbourhood policy, otherwise it will be unable to meet the pan-European challenge**

The enlarged EU should not result in the creation of a newly divided Europe. Candidate countries left out of the first wave of enlargement should have the possibility to deepen cooperation in decision-making in areas, which do not have a direct impact on the internal market. A possible solution might be to offer them a seat at the Council table on a par with full members in specified and limited policy areas such as the common foreign and security policy and justice and home affairs. In the future this could possibly be extended to states that are part of the European Conference, *i.e.*, near neighbours. In such a case, the fundamental basis of the Union would have to be defined, on the edges of which there could be more flexibility providing for various forms of partial membership or closer cooperation.

EU borders have to be managed in a way as not to raise new divisions in Europe. Continuing assessment of how to manage the external border, making it more “user friendly” should be undertaken. Security should not only be understood in defensive terms, but should be considered as part of a wider neighbourhood policy. An element of such a policy would be to promote greater cross-border cooperation to counter the widespread perception that organised crime and immigration are strongly linked and the notion that immigration is a cost rather than a potential benefit. Security concerns could be addressed by the creation of an anti-terrorist pact and a greater degree of police and judicial cooperation between current member states, candidates and third states bordering the enlarged EU.

The EU should guard against isolating itself from its neighbours, many of whom are historically and culturally linked to Europe. In order to ensure peace and stability, being a part of Europe should not be synonymous with being a member of the EU and it is essential that those who remain outside are not seen as second-class Europeans. With so many new neighbours, the EU needs to define its relationships with them and consider developing alternatives to membership that will be attractive enough to enable it to maintain a manageable size.
This is the key moment for broadening the focus for discussing the future scope and character of the EU. The enlargement process is bringing the CEECs into the EU and it has helped to provide the framework for fundamental political and economic reforms. Application of the acquis communautaire has been an important tool in this process. Enlargement also represents the long-awaited reunification of Europe after the divisions of the cold war period. However, with enlargement the EU will face a new challenge: that of reinforcing its internal cohesion so as to move beyond a quantitative enlargement to a Union that is both efficient and democratic. The EU will have to more clearly define its political ambitions and its role as an influential global actor. Enlargement will change the Union and the Union must prepare now for this change.

We believe that enlargement opens the door for dynamic development and new opportunities. The CEECs have followed a broad EU framework for democratic, social and economic reform. Divergence is manageable, despite the import of greater diversity. However, certain conditions will have to be met. The reunification of Europe must be a two-way process, taking account not only of the interests and requirements of current members but also the interests and capabilities of the candidates. The fears and prejudices of the public must be addressed and actors must be prepared for a greater degree of burden-sharing. First, the concept of solidarity must be reinforced and reaffirmed. Second, good governance is of crucial importance in steering the EU to a “successful” post-accession stage. Third, enlargement requires a radical re-thinking of the institutions and structures of the Union. Fourth, enlargement has an external as well as an internal dimension. The EU must develop an integrated neighbourhood policy.

- Enlargement opens the door for dynamic development and new opportunities: they must be seized

So far the enlargement process has been a positive-sum game for both candidates and member states. Indeed, the benefits of enlargement reach further than a simple win-win situation with the current status quo remaining largely unchanged. The net economic gains of enlargement to the Union are estimated to be greater than the potential costs. Enlargement will lead to greater economies of scale in a larger market with a greater variety of goods and services. The trade and investment climate will further improve once remaining tariffs and other barriers are removed. Greater investment, an increase in productivity and the benefits of more efficient allocation of resources and greater economies of scale will also increase the rate of growth in the CEECs while current members, especially those bordering the CEECs will profit from the increased wealth and consumption in these countries.

Nevertheless, large sectors of public opinion, both in the EU and the CEECs, are worried. The concept of “the other Europe” lingers on in the EU publics’ minds. The CEECs are often seen as being somehow different to the current members by reason of their history, level of development, and lack of democratic traditions. There are also more specific economic
worries. Powerful actors: sectoral interest groups, regions and even countries fear an increased burden, and one they are not sure they are prepared to meet, at least in the short term. There are persistent public fears of importing crime, large-scale migration and “social dumping”. It should be remembered here that very similar worries were expressed when the European Community enlarged to include Greece, and later Portugal and Spain. Such fears turned out to be largely unjustified, and most studies on the effects of the current enlargement argue that the negative impacts should not be overstated. For instance, the overall scale of migration from candidate countries is likely to be low, although concentrated in border areas. Indeed, most workers from the CEECs will be temporary migrants or cross-border workers, relying on their national social provisions. Many are already working in the formal and informal economies of member states, with little effect on labour markets or social cohesion. In any case, restrictive immigration policies may actually be counter-productive in the emergent new labour-market context. Many current member states are already facing labour shortages, both for highly-skilled labour and for flexible and cheap labour. Public opinion in the member states needs to be reassured that enlargement is not a threat to the Union but an opportunity, and despite the import of greater diversity, it is manageable, although choices will have to be made requiring new and adapted policies.

Citizens from the CEECs are also worried about the effects of enlargement: that their customs and traditions will be eroded by the imposition of permissive “western” norms and values; that their weaker economies will be undermined by intense competition, and that their social welfare systems will further deteriorate or simply become too expensive for the ordinary citizen. Public opinion in the candidate states needs to be reassured that the CEECs will be treated as full and equal partners, not second-class members. Despite the conditionality imposed by the EU, especially with respect to the acquis, this is a much more voluntary and flexible model than these countries experienced under the Soviet system. Indeed, there is no single model and a considerable degree of autonomy remains in domestic decision-making. Just as the current members, various CEECs will have different institutional solutions adapted to their circumstances.

A public information campaign is needed now to address both EU members and candidates, not simply explaining the technicalities, facts and figures of enlargement, but aimed at meeting the emotional dimension (hopes, fears, perceptions, stereotypes) of enlargement.

- **Divergence is manageable, despite the import of greater diversity, but new creative policies are needed**

Diversity need not mean political, economic or social incompatibility. Stable democracies have emerged in Central and Eastern Europe. Various empirical studies have shown similarities across Europe in the political values and behaviour that are essential to democracy. The CEECs have forms of government and electoral systems that fit comfortably within the range of institutional solutions found among the current member states. Indeed, with recent experience of constitutional debates and with constitution making still fresh in their minds, CEECs could make a significant contribution to the debate on European constitutionalism. In the enlarged Union both old and new members will have a joint responsibility to ensure that norms and practices on minority rights and rules against extremism are clear and adhered to by all parties. The values and goals of the EU have been adopted in the Charter of Fundamental Rights, as proclaimed at the European Council in Nice, and this should be made binding. For the CEECs, membership of the EU is sought not only because it represents the hope of support for faster economic development through structural
and cohesion funds but because it is represents reintegration and development in social and cultural terms after almost fifty years of exclusion from the European mainstream.

The limited size of CEE economies (the total size of the GNP of the ten CEECs comes to under 5% of that of the EU-15) means that they do not pose a great danger for economic or monetary stability in the EU as a whole. In judging the performance of CEECs too much emphasis is put on low levels of GNP and too little on the health of CEEC economies. The level of development of financial and economic institutions in most candidate states are appropriate for their level of development and in some cases are better than could be expected. Moreover, percentages of industrial output and agricultural production in GDP do not fall much outside the range of differences found between current EU members. Thus in terms of economic structures, they do not add more diversity than already exists among current members and most have virtually completed their transition from a command to a market economy. These are countries with considerable potential for growth and with the right policy mix should be able to achieve the sort of performance seen in Ireland or Finland since those countries joined the EU.

Most CEECs have now adapted their welfare systems from the state socialist minimum safety net and some have introduced quite radical reforms. Indeed, the CEECs can be seen as a place of socio-economic experimentation from which valuable lessons can be drawn by current members, many of whom are also faced with the need to adapt their systems to changing circumstances. Nevertheless, in the short-term, radical social reforms have proved politically costly for the candidates. Many of these reforms are difficult for the public to accept and understand. So far social tensions in most countries have remained relatively low, but further restructuring to improve competitiveness and the need to implement even the limited social acquis is likely to result in rising unemployment and a resort to the informal sector. All this makes social welfare more costly to run and more difficult to finance. The challenges faced by the CEECs in striking the right balance between increasing the competitiveness of the economy and the cost of social security should not be underestimated.

The concept of solidarity must be reinforced and reaffirmed: successful enlargement requires an investment

The EU needs to be generous and not grudging if it wants to have new members that are constructive and communitarian in their approach. In order to overcome differences and reduce disparities in terms of per capita income and development, the concept of solidarity must be reinforced and reaffirmed. This requires mutuality, reciprocity in terms of trust and cooperation but also transfer of resources so as to create conditions for economic dynamism (FDI) and, last but not least, political commitment. In this context, it is worth remembering the immense positive impact of the Marshall Plan on post-war western Europe, which was based on the recognition that substantial additional help would be needed for Europe to overcome its erstwhile political, economic and social problems. Moreover, aid was linked to the concept of self-help.

Enlargement will inevitably lead to calls for greater public investment, particularly through the application of structural and cohesion funds. Although enlargement to include all 10 CEECs would increase the population of the EU by over one quarter, in terms of GDP the weight of the CEECs is only about 6% of the Euro area alone. Average real incomes in the candidate states are about half of those in member states. The low level of GDP in the CEECs means that their relative contribution to the EU budget will be rather small.
If the EU is to finance enlargement within the existing ceiling of 1.27 percent of GDP, it will need to make a radical reallocation of structural and cohesion funds so as to apply the current criterion of 75% of EU average GDP. In other words, the richer countries will have to pay more for transfers and the poorer current member countries will receive less. Some major recipients of structural funds in the EU-15 would no longer be eligible. For the CEECs, who will be beneficiaries of funds, issues may arise about rules for national co-financing due to the difficulty some of the new members will have in assigning adequate resources for this.

However, if structural funds were to be overwhelmingly diverted to the CEECS, this would strain European solidarity, leading to resentment in poorer regions of the EU-15 who would see withdrawal of funds in circumstances where their real economic situation has remained unchanged. We thus believe that more funding will be needed in the longer term, requiring a raising of the EU’s own resources ceiling if the new members are to receive the same structural, cohesion and agricultural payments from the EU as the current members receive. Nevertheless, even with greater resources, the consequences of enlargement on the EU budget will depend on how structural and cohesion funds are allocated, and even more particularly on developments in the Common Agricultural Policy (CAP), which still comprises about 50% of EU budget expenditure.

Past experience in the EU shows that the emphasis on promoting greater cohesion leads to mutual advantage for both richer and poorer member states. Structural and cohesion funds will help the poorest states to develop and at the same time provide greater opportunities for the richer countries in terms of trade and investments. If the acceding states’ economies continue to grow, the addition of 100 million consumers to the European single market should serve as a motor of growth throughout the EU. Both sides stand to gain, but the factors of divergence have to be well-managed to ensure that the single market produces overall growth rather than stimulating uneven development and even greater regional disparities.

Budgetary transfers should be aimed at financing investment and promoting self-sustaining growth. The development of healthy and competitive economies is more in the Union’s interest than over-reliance on the transfer of structural and cohesion funds, however well intended. The transfer of funds should not lead to a culture of dependency in any EU country. The infrastructure, both physical and in terms of education and training, provided by direct or indirect transfers to weaker economies should also encourage private investment flows. Foreign direct investment (FDI) offers the opportunity to strengthen CEEC economies both structurally and financially. Public-sector assistance should be focussed in such a way as to encourage private-sector investment.

The prospect of enlargement has already brought about profound economic consequences in the CEECs and the more successful candidates have reaped the benefits of being perceived as frontrunners. Those lagging behind are in danger of emerging as “double” losers. They still have significant hurdles to overcome in their transition to a market economy and they will be negatively affected if they are not included in the first wave of EU accession. A special set of policy measures should be set up for those countries left out of the first wave of enlargement as well as for the countries that have been offered Stabilisation and Association Agreements, i.e., potential candidates for membership. There is a need to understand their sensitivities and to address the problems that will arise from being (temporarily) left out. To avoid new lines of division in Europe, new forms of cooperation should be developed between members and (potential) candidate members to encourage greater economic and cultural interaction in
border regions, especially in cases where there are strong cultural and ethnic links. There needs to be a reassessment of intra-community initiatives such as Interreg and external assistance programmes such as Phare in relation to regional cooperation. All funds should be put together in one single package for more targeted and tailor-made regional policy programmes in relevant border areas.

- **Good governance is of crucial importance in steering the EU to a “successful” post-accession stage: a technical approach to negotiations cannot replace political engagement**

The relationship between the EU and the CEECs has been highly asymmetrical, with the EU laying down political and economic conditions and an extensive set of formal rules to be implemented. The challenge of developing appropriate institutional (administrative) capacity to implement the acquis in the CEECs is indeed considerable. Moreover, there is a lack of faith on the part of current member states in the CEECs’ ability to overcome this problem.

We believe that the lack of mutual trust and reciprocity as well as shortcomings in implementation may have greater disruptive effects on the functioning of the internal market than incomplete adoption of acquis. The procedures for implementation and control mechanisms of the acquis communautaire are getting exceedingly bureaucratic. The difficulties of implementation and the administrative complexity of rules present considerable challenges even for long-standing member states, which also have gaps in implementation. More attention should be paid to the candidates’ ability to cope effectively with implementation of core acquis and less on sometimes overly technical issues and detailed implementation of accession criteria, so that there is a qualitative leap forward in the level of negotiations. A post-enlargement system of monitoring of progress on remaining problem areas could be introduced. The Commission’s 1995 White Paper on Pre-Accession gave a reasonable definition of core acquis for the single market, which could be taken as a starting point.

Obviously, the core acquis that is essential for the functioning of the internal market must be fully and properly implemented from the moment of accession. Nevertheless, the ability of the candidates to implement (and finance) some sections of the 80,000 page long acquis is debatable as is the wisdom of insisting on full compliance of parts of the acquis which could be implemented at a later stage. The gap in the level of development between most member states and the candidate states means that the cost of implementing parts of the acquis in some policy areas may be disproportionately high for the candidates, even to the extent of negatively affecting their competitive positions. The very scope and detail of the acquis means that it may not always adequately address the specific problems and levels of development of given candidate states. Applying some aspects of the acquis could make economic convergence more rather than less difficult.

We need to be aware that good governance is not only a question of the EU laying down standards in candidates. The EU itself must make sure it lives up to its own standards. In this respect, the proposals on the principles of good governance in the Commission’s recent White Paper on European Governance are a good starting point and should be followed up.

- **Enlargement requires a radical re-thinking of the institutions and structures of the Union: the time for minor incremental changes has passed**
Enlargement will significantly increase the number of countries in the Union as well as introduce a larger element of socio-economic diversity to it. So far, the accession of the CEECs has been dominated by technical negotiations in a process similar to that of previous enlargements. However, with this technical process drawing to an end, we now need to look beyond this to a post-accession EU.

To date most proposals for dealing with a politically and socio-economically diversified EU have been defensive - aimed at preserving the existing status quo. Various proposals for creating a core EU, an avant-garde or multi-speed EU bring with them the danger of institutionalising divisions. Enlargement requires a radical re-thinking of the institutions and structures of the Union. The introduction of EMU and the strengthening of foreign and security policy, which will sharpen the role of the EU as a significant global actor projecting collective power, reinforces this requirement. It is therefore essential for the European Union to define the objectives and methods of integration and to agree on a common political project that reaches beyond enlargement and reflects the EU’s role in the post-cold war world.

The future members need to be involved now in the debate on Europe’s future. There will be a Convention to discuss the options for the future structure of the EU leading to the 2004 Intergovernmental Conference. Candidates should take an active part in discussing the options with delegations of similar composition and weight as those of member states. The CEECs are countries of small and medium size that understand well the advantages of European integration. They have repeatedly expressed their desire to participate fully in EU policies. The EU needs to be politically generous in allowing future members to play an integral role in decisions that will affect them. At the same time, full inclusion of candidates in the debate will encourage them to take a constructive stand and place more responsibility upon them to accept and implement decisions that are taken.

The calculation of costs and benefits of enlargement should not be confined to the economic sector alone. The security and political gains are likely to be as high, if not higher than the short-term economic gains. Enlargement also has a moral dimension which underlies the various political, economic and even technical aspects encountered in the pre-accession strategy and in negotiations. It entails a re-affirmation of the values of freedom and democracy, of shared historical and cultural identities and the solidarity principle upon which the Union is based. This is all the more urgent given the greater uncertainty and unpredictability in the world following the terrorist attack upon the United States.

- **The EU must develop an integrated neighbourhood policy, otherwise it will be unable to meet the pan-European challenge**

With the institutional, political and economic challenges that will inevitably accompany enlargement, there is a danger that pressures will increase to make the enlarged EU more inward-looking. This should not result in the creation of a newly divided Europe, with the division merely moved a few hundred kilometres to the east and south. The EU is thus faced not only with questions of how and on what terms the first new members will be let in, but also how to deal with those left out of the first wave of enlargement. Moreover, it needs to focus more attention on the problems of close neighbours who have expressed concerns about negative trade and political implications of enlargement. They are worried about the implications of sharing an external border with the EU in terms of trans-border trade, cooperation, seasonal workers, and daily commuting. The CEECs are no less worried. New divisions will damage the image of the EU in the East and undercut the position of pro-
western reformers. Any deterioration in their economies will lead to increased poverty, greater instability and a further weakening of democracy.

Candidate countries left out of the first wave of enlargement should have the possibility to deepen cooperation in decision-making in areas, which do not have a direct impact on the internal market. A possible solution might be to offer them a seat at the Council table on a par with full members in specified and limited policy areas such as the common foreign and security policy and justice and home affairs. In the future this could possibly be extended to states that are part of the European Conference, i.e., near neighbours. In such a case, the fundamental basis of the Union would have to be defined, on the edges of which there could be more flexibility providing for various forms of partial membership or closer cooperation.

The EU needs to have borders to define its territory, legal system and policies, but these borders have to be managed in a way as not to raise new divisions in Europe. Citizens of neighbouring countries should not be made to feel that they are being treated as potential criminals under the pretext of security. This will only serve to underline the difference between those who find themselves within the area of freedom, security and justice and those left on the outside. Hard borders make it more difficult for bona fide travellers and businesspeople to cross them while largely failing to stop criminals and illegal migrants.

Continuing assessment of how to manage the external border, making it more “user friendly” should be undertaken. Secure borders should not make cross-border cooperation more difficult nor should they exacerbate specific local conditions where members of the same ethnic group (co-nationals) are found on either side of a new hard border. This is not to argue that border controls should be lifted. However, security should not only be understood in defensive terms, but should be considered as part of a wider neighbourhood policy. An element of such a policy would be to promote greater cross-border cooperation to counter the widespread perception that organised crime and immigration are strongly linked and the notion that immigration is a cost rather than a potential benefit. Security concerns could be addressed by the creation of an anti-terrorist pact and a greater degree of police and judicial cooperation between current member states, candidates and third states bordering the enlarged EU.

The EU needs more active involvement with its exterior borderland neighbours to the east and to the south. It should develop more effective external economic policies than those it has implemented so far. New forms of regional cooperation could be drawn up in partnership with bordering third countries as a way of reducing differences in levels of development on either side of the border. There may also be scope for greater political and security cooperation.

The EU should guard against isolating itself from its neighbours, many of whom are historically and culturally linked to Europe. In order to ensure peace and stability, being a part of Europe should not be synonymous with being a member of the EU and it is essential that those who remain outside are not seen as second-class Europeans. With so many new neighbours, the EU needs to define its relationships with them and consider developing alternatives to membership that will be attractive enough to enable it to maintain a manageable size.