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Implications of Enlarging the Euro-Atlantic Space: Problems and Prospects for Northeastern and Southeastern Europe

Recommendations

- There is an urgent need for serious debate among alliance members about NATO's new purpose and mission in the post-September 11 security environment.
- Europe needs to understand that for NATO to remain important to the United States, the alliance needs to retain its collective defense capability.
- Greater coordination and consultation between Europe and the United States is necessary to reverse the growing perception in Europe that the United States is downgrading the importance of its traditional allies and to avoid competition over threat perception and regional security that could undermine NATO.
- Europe must strengthen and modernize its defense capabilities to maintain NATO as the primary defense and security organization in Europe.
- The United States must remain engaged in Europe while allowing Europeans to take over the task of regional security. It should also encourage the EU to bear a greater responsibility and share in maintaining global security.
- To maintain the credibility and long-term relevance of NATO, candidate countries that have not fulfilled the MAP requirements should not be offered membership at the Prague Summit.
- NATO should establish an assessment and review mechanism to ensure that new member countries fulfill their obligations and requirements as member countries.
- NATO should revise its decision-making process to replace the current consensus-based approach. This would ensure the functionality and effectiveness of an enlarged organization.
- NATO and the EU need to assure candidate countries that the current enlargement processes will not constitute a new Yalta, and that NATO and the EU will continue to engage candidate countries in their activities.
- The international community needs to engage the former Yugoslav countries in broader regional cooperative efforts beyond the NATO and EU enlargement processes to address the unsolved and unfinished reforms in Kosovo, Macedonia, and Bosnia as well as cross-boundary issues like crime and corruption.

This Policy Bulletin summarizes the findings of the Budapest conference as interpreted by the rapporteur. The observations and conclusions do not necessarily represent the views of the Woodrow Wilson International Center for Scholars or its staff; the Stanley Foundation or its staff; or the project participants, chair, or co-organizers.

Overview

The anticipated expansion of the North Atlantic Treaty Organization (NATO) and the European Union (EU) in November and December 2002, respectively, will have a profound impact on the security environment in Eastern Europe—a region that, a decade after the fall of communism, still faces a number of critical security uncertainties and daunting reform challenges. NATO enlargement will likely take a “big bang” approach with invitations issued to seven countries at the Prague Summit in November—Estonia, Latvia, Lithuania, Slovakia, Slovenia, Bulgaria, and Romania. However, uncertainties and challenges remain and include questions about the future US commitment to and interest in Europe, the credibility of European leadership in the region, territorial and ethnic disputes, incomplete democratic and economic reform processes, and the proliferation of organized crime and corruption.

To address these challenges and encourage much needed debate on these issues, the Euro-Atlantic Initiatives program of the Stanley Foundation, in conjunction with the East European Studies program of the Woodrow Wilson International Center for Scholars, organized a two-phase project entitled *Enlarging the Euro-Atlantic Space: Problems and Prospects for Northeastern and Southeastern Europe*. The first phase culminated in a regional conference in Budapest, which brought together a core group of US experts and prominent regional experts. The second phase will be a December 2002 conference at the Woodrow Wilson International Center for Scholars in Washington, DC, that will examine the findings and recommendations of the regional conference in view of the decisions made at the November NATO summit in Prague.

The project seeks to examine the impact of the anticipated dual enlargement of NATO and the EU on the Euro-Atlantic region; on the purpose, mission, and structure of the institutions themselves; and on US foreign policy by focusing on two subregions: Northeastern Europe (the Baltic States) and Southeastern Europe (the Balkans).

The goal of membership in NATO and the EU has served as the catalyst for the region’s democratic success stories—encouraging institutional and societal reform, providing stability and security for the entire European continent, and serving as the main instruments to anchor the region’s fragile states in the West. Yet, as the dual enlargement of NATO and the EU approaches, there is little debate and a lack of clarity about the impact enlargement will have on the region, on each of the institutions and their ability to undertake the necessary structural reforms to effectively absorb new members, and on continued US engagement in the region.

Since the end of the Cold War, NATO has been evolving from its primary role as an organization designed for collective defense into a collective security organization. In the process, it is becoming an organization increasingly absorbed with political consultation and with a diminishing emphasis on its traditional military mission. Dramatic capacity disparities among NATO members (as highlighted by the Kosovo campaign and the unilateralist US approach to the Afghanistan mission); the resultant push within the EU to develop an effective, independent European rapid reaction force; and broader US security interests farther east have worked to undermine NATO’s traditional military and political cohesion and relevance as the primary security organization for the region.

Not surprisingly, candidate countries are beginning to question just what kind of an alliance they will be joining: the traditional NATO with its collective security guarantees or some new, looser political consultative mechanism? Furthermore, growing disagreement between the EU and East European candidate states over a range of issues—such as the Common Agricultural Policy, free movement of labor, and the perceived new barriers drawn by the EU’s Schengen visa program—have led many candidates to question the EU’s commitment to a politically and economically inclusive Europe. Consequently, there is a growing concern among candidate countries that NATO and EU enlargement may draw a new dividing line between member countries and those left out and negatively

impact opportunities for greater cooperation and enhanced security in the region.

Overshadowing these issues is the larger problem of the deepening schism between the United States and its European allies over the perception of the threats confronting international peace and stability. The war against terrorism and possible action against Iraq have highlighted the growing mutual resentment on both sides of the Atlantic and have overshadowed both NATO and EU enlargement.

Transformation of the Euro-Atlantic Institutions: New Mission, New Purpose?

Participants identified several institutional challenges for the transatlantic organizations as well as diverging perceptions of regional security between Europe and the United States.

- **There is a visible, dangerous, and growing divergence between European and US perceptions of security, threats, global interests, and definitions of collective defense.** Overshadowing the issue of NATO enlargement is the current unilateralist behavior of the United States, driven by narrowly defined strategic national interests, that is serving to feed a growing negative perception of the United States. From the European perspective, the United States appears to be ignoring its traditional European allies as well as multilateral instruments for consultation and decision making. European participants called into question the future commitment of the United States to NATO as the primary security organization in the Euro-Atlantic region.
- **A division of labor seems to be emerging, especially in the post-September 11 environment, where the United States—either unilaterally or with a coalition of willing countries—engages in military combat while the European countries are expected to fulfill the role of “broom sweepers” for nation-building.** Reinforcing this trend is the growing military capability gap between the United States and Europe, visible since the Kosovo campaign and underscored by the US-led mission in Afghanistan. Furthermore, the current candidate states’ weak record in fulfilling the Membership Action Plan (MAP) criteria has raised doubts about the potential military contributions and capacities to NATO by these candidate countries.
- **The experience of the first round of NATO enlargement demonstrated that once enlargement occurs, NATO will lose the leverage currently exercised through MAP and Partnership for Peace (PfP) that compels candidate countries to complete ongoing defense and political reforms.** NATO needs an assessment mechanism to ensure continued progress toward MAP standards and NATO obligations after candidates have been invited to join and prior to official membership. Following membership in NATO, many of the candidate countries will turn their attention to joining the EU. With limited resources and a demanding EU accession process, doubts were raised about these countries’ abilities to adhere to NATO’s required reforms.
- **A growing disconnect exists between US and European allies over the central role of NATO as the primary defense institution—a development that greatly concerns the European allies and candidate countries.** A telling sign of NATO’s diminishing relevance was the American reaction to the invocation of Article 5 on September 12, 2001. The United States unilaterally proceeded to organize “coalitions of the willing” or other bilateral agreements for its campaign in Afghanistan, independent of NATO and Article 5. A similar pattern is developing with Iraq and reveals unwillingness on the US side, due in part to experience in the Kosovo air campaign, to fight in any joint decision-making environment.
- **US unilateralist behavior of “going it alone” only serves to underscore the decline of NATO as the region’s primary defense and security alliance.** Most participants agreed that unless a serious discussion occurs on both sides of the Atlantic clearly defining NATO’s new role and mission, NATO as a functional defense alliance will cease to exist, replaced instead by a “political discussion club for post-communists.”

• **Three competing visions of NATO were identified:**

1. **A Status Quo NATO.** Broad enlargement will further dilute the alliance's already watered-down defense capacities, US and European interests will drift further apart, and NATO will be relegated to gradual irrelevancy as a defense institution.
2. **A Reinvigorated, Tighter-Knit NATO.** It would remain the central defense organization for the region, with improved coordination and consultation among allies and enhanced capacities due to a smaller, slower enlargement process with the development of a post-invitation mechanism to ensure continued reform and the fulfillment of obligations by new members.
3. **A New Transatlantic Partnership.** This would comprise an enlarged and deepened EU that engages all EU members and NATO members and keeps the United States involved in the region through a shared partnership. It would be buttressed by an Article 5 security guarantee that addresses mutual global security interests and threats with resources provided by the EU.

• **A primary challenge for both the EU and NATO is institutional reform, especially in the context of a potential broad enlargement.** There is disagreement and not much discussion within either institution about how to more effectively enhance and coordinate cooperation, confidence-building measures, and transparency among member states and between the two organizations. PfP and MAP are encouraging coordination and military and defense reform among candidate states. However, the changed security environment after September 11 requires a broadening of NATO's mission to deal with nontraditional, cross-border threats such as terrorism and organized crime. These are issues the EU views more as police functions rather than military ones. This new mission reveals an institutional shortfall in NATO, which participants suggested could be corrected by encouraging interagency cooperation among the member and candidate countries' ministries of interior, defense, and foreign affairs.

Participants also pointed out the need for a revised decision-making mechanism to ensure the functionality of an enlarged North Atlantic Council at 26 members and an enlarged EU. NATO, at 26, would have difficulty effectively gaining the necessary consensus for any decision and might have to consider reforms such as weighted voting or even majority voting on less urgent issues.

• **If the status quo continues, where US security interests focus farther east and more globally, leaving Europe to deal with conflicts and instability in Southeastern Europe, there is a real danger of an irreparable rupture of the transatlantic link.** To restore balance to the transatlantic partnership, Europeans would like to see the EU bolstered by functioning foreign and security policies. The question remains how to build on European resources to bridge the capability and credibility gap. Conference participants cautioned that the budgetary limits of the EU are already strained by the enlargement process and economic assistance packages to Southeastern Europe. Some American participants suggested deeper involvement and coordination with the European allies, allowing member countries to strengthen capacities and contributions through niche specialization. Others noted the EU members' inability and unwillingness to devote any more resources to defense beyond current expenditure levels as well as the potential problem some larger members (i.e., France, Germany, or the United Kingdom) might have in being relegated to a specialized niche, viewing this as an infringement of sovereignty and a downgrading of national defense capacity.

Implications of Enlargement to Northeastern and Southeastern Europe

An asymmetry exists as to how the Northeastern and Southeastern Europe candidates are viewed by the West. The Baltic States were given clear preference before 9/11, but the growing importance of Romania and Bulgaria to the US-led war on terrorism and other out-of-area operations, such as Iraq, has improved their chances of NATO membership.

Candidate countries from Northeastern and Southeastern Europe were found to favor NATO membership above integration into the EU. For both Northeastern and Southeastern candidate countries, NATO appears to remain the central defense alliance and the instrument of choice for anchoring them to the West.

There is growing weariness among the Baltic States of giving up hard-won freedoms to Brussels. Growing disagreements over the EU's Common Agricultural Policy and the free movement of labor, as well as the prospect of a longer-term accession process, has cooled the enthusiasm of the candidate countries for EU membership. Furthermore, the EU's Schengen visa program has the potential to disrupt trade routes and strand ethnic groups across state borders. Both Northeastern and Southeastern Europe candidate states ultimately view EU accession as a difficult and distant process.

Northeastern Europe

- **Northeastern Europe candidate countries have a greater potential for making real military niche contributions to NATO through specialized forces, military and law enforcement agencies, and intelligence sharing.** Many agreed that the Baltic candidates are also more psychologically grounded in Western values than their Southeastern European counterparts, having successfully completed their transitions to democratic political systems and free market economies and bringing the added asset of relatively stable minorities. Potential problems stem from the fact that NATO, for the first time, would be inheriting sizable Russian minorities in both Latvia and Estonia, which could have serious implications for NATO-Russia relations.
- **Northeastern Europe candidate countries realize NATO membership brings with it obligations and risks as well as benefits.** As they get closer to membership, candidate states have to focus more on the costs of integration and the lower level of public support for reforms. The Baltic States are suffering from low levels of public support for integration into the Euro-Atlantic space—espe-

cially for the EU. Participants agreed that this development is a result of not selling membership adequately to their publics.

- **Integrating the Baltic States into NATO and the EU will provide the benefit of a stable, predictable, and reliable border for Russia.** Russia is no longer viewed as a potential obstacle to the integration of the Baltic States or Southeastern Europe into NATO, though views still persist that Russia could be a potential security threat for the region. Russia's new partnership with NATO and the United States is viewed as one of convenience that provides Russia with secure and stable borders with its neighbors. Permanently anchoring Russia in the West is a role for the EU, not NATO.

Southeastern Europe

Though discussions centered on the candidate countries of Romania and Bulgaria, participants also addressed the larger regional security issue of the former Yugoslav republics. With the exception of Slovenia, all of the former Yugoslav republics are likely to be left out of the current round of the NATO and EU enlargement processes.

Discussants agreed that NATO enlargement to this region is driven by the strategic location of candidate countries' rather than fulfillment of the MAP criteria. Technically, participants recognized, none of the candidate countries of Southeastern Europe are ready to join NATO, but they conceded that membership can push reforms forward. Participants also noted that for the NATO candidate countries, the post-September 11 security environment has meant that bilateral relations vis-à-vis the United States are taking on greater importance than regional and multi-lateral interests.

- **Although the region is committed to fulfilling obligations and reforms for NATO and EU membership, there is a risk that reforms are not sustainable in the mid- to long-term range and there is a strong potential for political backlash.** Many countries in the region still have not completed democratic and economic reforms, crime and corruption is rampant, and governments and institutions are

weak. Discussants agreed that Romania stood a stronger chance than Bulgaria of maintaining viability and reform after membership. Participants stressed the need for an assessment mechanism and a dispute-solving instrument to ensure against backtracking and the continuation of reforms after the candidates join NATO. From the Southeastern Europe candidate countries' perception, NATO enlargement is the tool to keep the region engaged and on the path toward reform. Candidate country representatives noted the value of PfP and MAP for encouraging reforms and restructuring outdated defense institutions.

- **The NATO alliance is seen as the major regional stabilizing factor by the former Yugoslav republics, guaranteeing US involvement in the region and embodying the primary tool for ending these countries' isolation and restructuring outdated military institutions.** Participants from the region emphasized that the move toward integration with NATO and the EU would be a slow but inexorable process. As US interests move farther east, Europe will be left to lead and fill the security gap—a development not completely welcome by the Balkan countries. Europe symbolizes security, law and order, and tolerance, but its peacekeeping and military credentials remain to be proven—especially in the war-torn countries of the former Yugoslavia.
- **The international community should engage the former Yugoslav countries in broader regional cooperative efforts beyond the NATO and EU enlargement processes.** Urgent action is needed to address the unsolved and unfinished transitions in Bosnia, Kosovo, and Macedonia as well as cross-boundary issues like crime and corruption. Participants agreed that postponement of these issues would only further weaken Southeastern Europe's fragile democracies and add to an already existing atmosphere of mistrust and insecurity.

Ensuring a Strong Euro-Atlantic Region

Since the end of the Second World War, the EU and NATO have served as the pillars of stability, security, and prosperity in Europe. Following the collapse of

communism in 1989, Eastern European countries have made joining these institutions and becoming part of the Euro-Atlantic family their primary goal. It is therefore incumbent on the United States, its NATO allies, and the EU member states to make membership in these organizations a meaningful process and to hold member states accountable to fulfilling their membership requirements. Ultimately, how effective these organizations are in their ability to maintain regional security, peace, and prosperity is up to the member states. ■

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Please see the Web site: www.e-ai.org.

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