

BIARRITZ SUMMIT - BIG VERSUS SMALL STATES

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The Biarritz Summit at the weekend saw the battle-lines drawn up between small and large states over reforming the EU. The XIII Christian Democrat International in Santiago de Chile marked a new beginning for the movement. A Landtag election in Austria saw the Freedom Party losing badly against the People's Party (OeVP). Plus: row rumbles on over Czech nuclear reactor at Temelin, turmoil in Polish parties. Kostunica's Montenegrin problem - will the name "Jugoslavia" disappear?

IGC battlelines are drawn up

The EU Summit in the casino at Biarritz agreed on a Charter of Fundamental Right, and made some progress on how "enhanced co-operation" is to work - in effect, like the Single Currency, Member States can take it or leave it.

Everything else remains up in the air. In particular, there is now a clear polarisation between the 10 smaller and five larger EU Members over the shape of the Union after it grows to 27 and more countries.

Taking the lead alongside Finland and Sweden, Luxembourg prime minister Jean-Claude JUNCKER (*right*) said the argument had sometimes been "with sabres drawn". But he welcomed the fact that a frank debate had started: without it there was little chance of achieving agreement at Nice in December, at the end of the France's EU presidency.



At issue are two crucial, but still-unresolved questions: how many Commissioners there should be, and their hierarchy; and how to re-weight voting in the Council so that small countries (the majority) cannot 'gang up' on larger ones.

French President Jacques CHIRAC had launched what one observer described as "a frontal attack", saying smaller countries would be to blame for the failure of enlargement unless they accepted a small European Commission, capped at the present 20, with fewer members than Member states; under this proposal Members would take turns in not having a Commissioner at all. The idea was supported by Germany, and broadly by the other larger countries - Italy, Spain, and the UK. Smaller countries fiercely resist this, since in practice it amounts to weakening their traditional ally, the Commission.

How this issue is resolved will be linked to the politically even more contentious issue of re-weighting votes in the Council. EPP President Wilfried MARTENS said: "I remain concerned that there has not been more progress on these longstanding issues. Is it any wonder that people in the applicant countries are less and less enthusiastic about joining us?"



In an interview with *FT Deutschland*, Commissioner Frits BOLKSTEIN (Internal Market) echoed MARTENS' that lack of political will and of common purpose was behind the fall in the value of the euro. The Commission wants to start reducing postal monopolies from 2003. It is opposed by nine of the 15. "If opening the market by 20% is too fast, one wonders what is acceptable at all," he said. Bolkestein said there was general lack of support by national governments for the Commission's attempts to make the Single Market work effectively. Another example was resistance to a common VAT rate for electronic goods sold over the Internet.

QMV vs national veto

EU leaders are at least agreed that decision-making in an enlarged EU would come to a standstill without extending qualified majority voting (QMV). The problem is: in which areas?

France and Germany, for instance, are sensitive to any loss of national control over asylum and immigration policy. France is worried about trade in services and cultural property; despite the growing problem of money-laundering, Denmark, Ireland, Luxembourg, Sweden, and the UK all oppose an EU-wide policy being imposed. Taxation, social security rules, justice, and home affairs, and changes to the Treaty, all seem certain to remain matters for unanimous decision.

New answers to new challenges



The XIII Congress of the Christian Democrat International on October 10 marked a decisive step forward to a truly worldwide presence and influence. Several hundred delegates from four continents - the Americas, Europe, Asia, and Africa - flew to Santiago de Chile to reaffirm or renew the CDI's basic principles and structure, adopting clear positions which went far beyond routine support for democracy, development, and social justice.

"The Santiago Congress marks a new beginning, and new answers to new challenges," said CDI President Wilfried MARTENS, who was elected to succeed the Panamanian Ricardo ARIAS CALDERON. "Much of that vigour is coming from Asia and Africa, where we have traditionally been under-represented. I am very hopeful about achieving an inclusive global presence for the CDI, and spreading our message of peace, stability, and progress."

Among resolutions agreed were a proposed Asian Union along the lines of the EU, an initiative which emerged from the successful CDI-backed meeting of 40 Asian political parties in Manila last month. Vice-President José de Venecia, the driving force behind the idea, also won unanimous support for a similar meeting of African parties, and plans are already in hand to organise this.

Other resolutions were on: Burma, solidarity with Columbia, a fresh approach to the Cuban problem -the Varela Project presented by Oswaldo PAYA, leader of the Cuban-based Christian Democrats; Equatorial Guinea, and Mozambique, as well as on international cooperation to achieve democracy, the implementation of UN Resolutions, and on solidarity with the Spanish people in its struggle against Basque extremists - responsible for another murder as the Congress began.

The Liberal Front of Brazil (main partner in the current government coalition) was accepted as a new member, along with observers from Serbia, Ukraine, and Mozambique.

In brief...

The **Austrian People's Party (OeVP)** won a landslide victory in the regional Landtag elections in Styria at the weekend, increasing its vote by 11%, to around half the poll. The big losers were the Freedom Party, down to just over 12% - against 29% in the federal elections.

The Austrian result is in striking contrast to last week's **Belgian regional elections**, which saw big gains for the far-right, anti-immigration Vlaams Blok - in Antwerp the party was up 5%, with 20 of the 55 seats on the municipal council. The daily *De Standaard* commented that the Bloc had spread through Flanders "like a cancer".

The start-up on 09/10 of the **nuclear plant at Temelin, Czech Republic** - 50 km from the Austrian border - has provoked a furious row between the two countries. A week-long blockade of the border by protesters stopped as the Czech condition for government talks.

Three of the four parties in **Poland's ruling Solidarity (AWS) bloc** - all associate members of the EPP - have urged its leader Marian KRZAKLEWSKI to resign after his crushing defeat in last week's presidential elections. At 15%, Krzaklewski trailed far behind the incumbent, ex-Communist Aleksander KWASNIEWSKI, with 54% and the independent candidate, former Finance Minister Andrzej OLECHOWSKI at 17%, who now plans a new centrist party. Lech WALESA (above) announced his retirement from politics. "My presence paralyses and dominates things, so I must find another place for myself," he said. Walesa, 57, Poland's first freely-elected president, won just 1% in the presidential contest.



Zoran DJINDJIC, a close ally of Yugoslav President Vojislav KOSTUNICA, on 17/10 outlined a plan to drop the name "**Jugoslavia**" in favour of a form "between federation and confederation," to be called Serbia and Montenegro. Montenegrin President Milo DJUKANOVIC insists there must be agreement on a new structure for Yugoslavia after Serbian parliamentary elections Dec. 23.