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ROMANIA IN A RENEWED EUROPEAN UNION

ADRIAN NASTASE

PREMIERMINISTER VON RUMÄNIEN
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**- CHECK AGAINST DELIVERY -
- ES GILT DAS GESPROCHENE WORT -**

*Das Forum Constitutionis Europae ist eine gemeinsame Veranstaltung des
Walter Hallstein-Instituts und der Robert Bosch Stiftung.*

Dear professor Pernice,

Let me tell you that "you destroyed my speech", as I had the intention to read an excellent speech to explain to you many things about the colleagues here, to tell you about Romania, what we have done in the last years, but your challenging comments created an atmosphere in which I feel that I should respond, I should elaborate on some of the things which as I understand represent now subjects for discussions, not only in your country but in Europe. Let me start with the good news.

The IGC will resume its activities, its work at the end of January on 26th, so there is hope. I was a witness to the discussions in Brussels, I participated to them there, and I understood the mood, the problems, and the interests of various countries. Several weeks of thoughts and reflections, might generate another environment in which it will be easier to see which the problems are and mainly what is at stake.

Now, let me tell you, ladies and gentlemen, that in fact, in 2003, in Romania, we already dealt with the problem of reviewing the Constitution. In Romania, we decided at the political level, in the Parliament, with all the political parties that after more than ten years, a Constitution which was considered an initial Constitutional framework after the Revolution, and which was finalized in 1991 should be perhaps reviewed and tuned to a new reality.

In Romania, the things are happening, perhaps with a greater speed than in Germany or other countries which for years or decades have decided on their own institutional constructions, on their legislation and so on. That's why, it was important for us to review the Constitution, and we went through a referendum and this new Constitution was adopted. We hope that another Constitution might be adopted also at the European level. When I explained to my students at the University of Bucharest that the European Union has no legal personality, they do not understand in fact which kind of organization we are talking about. And the new Constitution or the Constitution which was not finalized in December in Brussels is a clear message not only for the elites in Europe but also for the people in the street that Europe is not only trying to cope with the past, trying to reunite, but it also tries to deal with its own future creating or going from a technical level, economic level to a clear political identity. Until now, Europe represented only a kind of a puzzle, with various territories, each one having its own interests and dealing perhaps with internal problems.

It's clear that at a certain level of economic strength, we cannot avoid to go from the status of global economic actor to the status of political global actor. That's why, it is absolutely inevitable to discuss about common foreign and security policy. That's why; it is amazing to see that some of the people who had some reservations on the process of deepening the European integration had no reservations on the new common security policy. They had some problems with the Constitution; I won't say marginal issues, but nevertheless issues which are not so much problems of principles but much more problems of interests. We are coming now to what Chancellor Schroeder asked in Brussels: "Are we ready to consider the common European interest beyond our own individual interest at the level of every state?" Perhaps, this is the dilemma that some of the countries, that some of the Governments have now.

I don't think that you can continue with a horizontal process indefinitely without coping also with the problems of the decision making system because in this way, you can emasculate the vigor and in fact the sense of an organization which so far has been the most successful in the world. And that's why, it's clear that the European Union has to deal with its own political identity, this is a must. I don't believe in the idea of having small clubs inside the bigger club where some of the people will assemble because they like scotch, some other people because they like red wine and well whatever, and some of them are liking vodka.

I think it is essential for us to understand that we have to strive for a break through in the debates and we have to conclude what has been done in the Convention and to find the necessary compromise for having as soon as possible the Constitution accepted. We have to understand that this year will not be a very easy one, there will be elections for the European Parliament, the bringing in of a group of ten new members, dealing with two new very important members: Romania and Bulgaria, and also the configuration of a new Commission. There are too many topics and I wouldn't like to be in the position of the Irish Prime Minister. We hoped that the whole problem of the Constitution might have been solved during the Italian Presidency. And now, he has on his own mandate to deal perhaps with the most difficult issue in time, since from the concept of nation state, after the Westfalia Treaty, perhaps the international legal order has never been challenged with something similar to this Constitution.

You are professor of Constitutional law, I'm professor of Public International law, but we both know that in fact, if you want to build something very serious, you need a ground treaty. Otherwise, you've just have smaller arrangements not necessarily based on values but based on compromises of interest. These are short term arrangements, and we have experienced this kind of things during the period which developed after the Second World War. And you know better than me what happened inside the Western European Community, how difficult it was to accept the idea that you have – I won't say- to give up a certain conception on sovereignty but to accept the transnational linkage in political terms not only in economic terms.

I was amazed to see how easy it was for the European public opinion to accept a common currency. It was so difficult in the older time for a state to accept that the privilege to issue money and to control its currency as a sovereign privilege does not remain a power of the national state in Europe. I think that in a way the elite of Europe in the Convention tried to push the thinking and the political acting in the right direction. Then it was a certain fear, the old conception of sovereignty came back; because some of the Governments are prisoners to public opinions that they molded, they influenced for a certain period of time. It is a vicious circle from which some of the Governments cannot escape.

I think it is important for us to understand that we are at a crossroad, some of the countries are very nervous because some of the Governments say: "Look if you want to have the same rights in the decision making, you should have perhaps the same financial contribution and it is not very easy to go from the principles of former international law: one state, one vote to the reality of a continent like Europe with so many discrepancies. In fact can we deal with the future of Europe keeping the same concept of the nation state? I think that Minister Fischer raised that question here, some years ago. And in my opinion, this is the real issue to be discussed in the universities, because once that you have common foreign policy, common defense policy, common security policy, you are entering into a new phase. This is a confederal stage.

I don't think we are too close to the federal approach Minister Fischer was talking about. It is so difficult to think in these terms. But I want to remind you all the efforts which have been made between the Two World Wars for the United States of Europe. It was an intellectual exercise which had a certain ground and now when dealing with transatlantic- I won't say dilemma, the transatlantic necessity, it's clear that in Europe we have two positions: on one side to reject what is on the other side of the Atlantic, saying; "Look in Europe we are doing everything, we are doing our own defense, our own security we don't care, we don't want anymore to have this kind of relationship" and I think it is wrong. On the other side, you have to tune yourself to a certain model if you want to become a global power, or to have a significant role on the global scene. That's why, in my opinion, Europe has to equip itself with a common foreign, defense and security policy. But this is not done just to tease the United States or to challenge the Atlantic Alliance. This has to be considered as being

complementary with the Atlantic Alliance. I believe for many reasons European Union and United States, NATO represent a general solution in terms of dealing with new threats and trying to deal with some of the developments in other parts of the world.

Not being here only in my capacity of professor, I cannot develop too much some of the issues I have raised, it's clear that there is a time now of responsibility for all European leaders and I have come here now to a very interesting debate organized by Bertelsmann Group with the view of explaining how in Romania, we have supported the Italian Presidency, but also the majority position on Constitution and Intergovernmental Conference in order to finalize as soon as possible the text. You always had a better order, you always had a so called better solution, but the Constitution is a problem of vision on the future of Europe, anyway the Constitution like the Romanian Constitution will be revised and modified ten years, fifteen years even the geographic configuration of the European Union is not yet settled. That's why, it is important now to make a very clear commitment to the European citizens, that there is a time of wisdom after the falling apart of the Communist regime and the citizens of Europe want to create a new identity and to reunite in a another kind of institution. This is in my opinion a major challenge during this time.

I don't want to raise too many questions, or to explain too much about Romania, but since I'm here and perhaps I should say a few things about my own country and how we see the developments in Europe, which are our frustrations and which are our hopes. Romanians have been very frustrated after the Second World War because the Yalta agreement separated the Romanians from the main land, from the values and the civilizations of the western nations to which they all considered to be part of. That's why for half a century, there was a continuous frustration in Romania because of the problems, the suffering.

And also after '89, there followed a decade of another type of frustration because we have seen that Romania is not a priority for the western countries. The western countries had other priorities: the Vişegrad group, reunification of Germany. Romania was a kind of periphery, not interesting enough, a country which might come on the agenda, the European agenda later on. That's why; we had perhaps more than in other countries various type of experiments which were not very successful for sometime. It is said that in the last years since I am Prime Minister, the things improved a lot, but it is clear that we are behind some of the countries which have started earlier in Eastern Europe and Central Europe.

We are very determined to go beyond the obstacles; the difficulties and perhaps I have to explain why for us the question of the elimination of the visas for the Romanians who travel in the Schengen space was very important, it was important because this was another type of frustration for Romanians. They have seen that many things have changed in Europe, in their own country, but still there was an obstacle, a closed door for them to travel, to learn, to go to universities, to understand how a functional market economy goes on. That's why perhaps the best university for Romanians was the Western university, in the sense that most of the youngsters went to Germany, France, or Britain. We might eliminate also the visas with Great Britain. In all main land of Europe, the youngsters can travel freely and this is extremely important, because they see, they understand, they change their mentality and well our generation, that of the politicians in Romania is the generation of transition. In 2007, most of the leaders in Romania and elsewhere will be those who have been taught or have been trained in European Universities and they will come with a common knowledge to be able to solve the problems of their own country in a common environment.

That's why perhaps in Romania it was important for us to generate the macro-economic stability and in the last three years we had an economic growth of 5 percent per year. The inflation rate went down from 40 percent to 14 percent last year and we hope that this year the inflation rate will be of only 9 percent. We finalized for the first time in the last twenty five

years a stand-by agreement with the NATO and we have negotiated with a lot of determination and interest the integration of Romania into NATO. Why? Because, we always had the impression that we are still a buffer zone between East and West and it was the most important message, not only for the Romanians, but also for the foreign investors coming to Romania with strategic plans to know that Romania belongs to the Euro-Atlantic family. Now, we concentrate on finalizing the last eight chapters for closing the negotiations with the European Union this year.

Professor,

You have raised the problem of the relationship between the failure, so called failure of the Constitution, and I'm not so sure it is the right term for that, perhaps better stand-by, that it's clear that some of the people, public opinion or analysts, consider that there is a linkage between enlargement and the way the debate on Constitution ended in December. I don't think so.

I think you can't consider that Spain is a candidate country, because it's already a member, but there are perhaps some other countries which didn't want to express their positions knowing that there are already two countries which expressed a certain view. But it is clear, that the European Union had a very ambitious plan, that of going ahead with two processes at the same time: the enlargement and the deepening, restructuring its own institutions and at the same time expanding geographically.

There is a problem of fear and hope at the same time in some of the countries. There is a certain frustration because some of the countries which entered first benefited more financially. Some of the countries, who are already in, consider that the benefits might be conquered by the new comers. There are a lot of difficulties, I'm sure, but at the same time I discover that whenever I discuss with European leaders, they all understood that there is a historic opportunity and we should try not to miss.

That's why, I'm sure that despite a certain dramatic warning of some of the leaders, despite the idea of the pioneers who go faster than others, I think that either you want to discuss about the European Integration and the European Union and then you have to discuss about all the European countries, if not, you are discussing perhaps of an organization going with a higher speed, but this will not be an European one now. It might have been in the '60s, but not now. That's why, we are bound all of us to continue to negotiate and find the solution. This is my opinion.

I can continue with my comments, but I understand, as you have said professor that there are some of the colleagues here who would like to ask questions. That's how, perhaps we can discover if there are some special issues, that there are those who had the generosity to come here to listen my comments and what they would like to consider as points for comments and I would be very glad to respond to their questions. Once again many thanks for your hospitality and for this opportunity to share with you some of my ideas. Thank you.

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Speech

- ES GILT DAS GESPROCHENE WORT –

- CHECK AGAINST DELIVERY -

Ladies and Gentlemen,

Thank you for giving me this opportunity to address you. It is indeed an honour to be speaking at Humboldt University, renowned for its expertise and reputation as one of the most prestigious European universities, an „alma mater” that has given the world no less than 29 Nobel Prize winners.

I am pleased to note the fruitful activity of the Romanian chair within the Institute for Romance languages and the professionalism of the distinguished professors of Romanian language and culture who have kept alive the flame of the Romanian spirit here, in this prestigious University.

It is indeed a privilege to share with you my views on the added-value that Romania will bring to the European project and the future of Europe.

I know that some of you may be asking yourselves what contribution can a country like Romania make to the European Union, at a time when Europe is at crossroads, seeking ways to meet the demands for deepening integration and enlargement, more economic growth and global competitiveness, cohesion and convergence. But today’s challenges demand not only that we make a larger Europe work and meet the legitimate expectations of our citizens for more efficiency, more democratic legitimacy and internal security, but also to ensure that Europe should have a stronger voice on the world’s stage.

I firmly believe that Romania has an important contribution to making the dream of a united and secure European continent possible. We have quite a contribution to make. And stating this is not an exercise in the rhetorics of success or wishful thinking.

This is about the hard facts that make up Romania’s domestic developments, critical mass and geopolitical regional context.

Allow me to outline a short presentation of where we stand now:

First of all, we stand on political determination and popular support for the European integration of Romania. This may not be mathematically measurable but it ensures the right climate for reforming and restructuring. For Romanian citizens, membership of the European Union is the most important society project of modern Romania after the creation of the Romanian nation-state. Romanian citizens know that this is our best chance to recover the historical handicap caused by geography and history. It is our chance to re-connect ourselves to our natural European family, on the basis of European values and principles.

These are the convictions that strengthen our political determination and the drive to continue our reforms and modernization.

But there are challenges ahead. The Country Report of the European Commission, issued last November, did not fail to take note of our progress and reflect it accordingly, but also the fields that still demand serious efforts from our part.

We have taken huge strides in the process of turning Romania into a functional market economy and we are building up a track record of economic growth. Romania concentrated its efforts towards meeting the benchmarks established in the Roadmap for EU integration. We are focused on completing the privatization process, reducing arrears, reforming the tax system, concluding the privatization of the banking sector and reforming the energy field.

But our efforts are beginning to bear fruit: The Romanian economy has enjoyed a robust economic growth of around 5% for the past three years, with a budgetary deficit of under 3%.

In our efforts towards European integration, it was equally important to us to continue our work in reforming the administration and the judicial system. One of the most important steps has been the adoption of the National Program for the prevention of corruption and a legislative package designed to regulate the conflict of interests. We are improving the efficiency of our mechanisms for combating corruption and red tape what might put to a risk our development and achievements.

Border control and improved cooperation in the scope of judicial and internal affairs has become increasingly important to us in the fight against new security threats such as organized crime, human trafficking, terrorism and illegal migration.

For Romania, the task of ensuring an efficient border control and surveillance of our long Eastern border - also a large part of the future EU border - is a top priority and an important challenge. We are ready to assume our responsibilities. We have enjoyed an excellent cooperation with Germany in this area.

We have a complicated year ahead of us, with national and local elections in Romania in 2004, but we are strongly determined to conclude our accession negotiations the same year, with 8 negotiation chapters to be concluded. It is crucial for us to conclude negotiations in 2004, during the mandate of the current Commission. It is not only in the interest of Romania. It is also in the interest of keeping the momentum of the present enlargement process, by using the experience and good knowledge of Romania and of the present team. We hope to sign the Accession Treaty in 2005.

Our short-term priorities are to reach the average *per capita* income of Central Europe; On a medium term, our priority will be to attain the average *per capita* income of the European Union. But on the long-term, Romania needs to focus its efforts on reflecting its future position as the 7th biggest country of the EU in terms of resources and potential.

The central stake for us is how we are preparing Romania's encounter with its own history. What kind of country are we bringing into the European Union in 2007? Our real stake is to build Romania's strategic profile in Europe.

Romania's goal is not exclusively focused on joining the EU for the economic advantages that derive from participation in a competitive market of almost half a billion consumers. Nor do we see it narrowed down to benefiting from European convergence policies for domestic development goals.

Romania wants to be part of a system based on the democratic values and principles, and the social justice that define European society and its development model.

Romania can contribute, together with the other European nations, in building a more politically ambitious Europe, united and strong, capable of delivering prosperity, offering internal and external security, and above all, a viable model of development to the benefit of its citizens, but also the rest of the world.

In the European complex „competitiveness-convergence” equation, a country such as Romania can bring viable solutions rooted in its own experience and dynamism, growth rate, resources and potential. I know there was some considerable skepticism with regard to Romania's capacity to perform. Romania's past track record partly justifies a certain degree of skepticism. But if you take a closer look at the figures and the way Romania has evolved in the past three years, our capacity to perform will stand out. We are building up our added-value strengths.

As a future EU member, Romania will be one of the Union's strongest voices in spreading European values and vision in its neighboring regions, in Europe's Eastern and South-Eastern

areas, but also in a key-region for European and international security: the Greater Middle East. Europe has a mission to take a more prominent role in world affairs, based on a strong Euro-Atlantic partnership. Romania's geographic location, critical mass, regional expertise and experience in successfully building democracy, stability and growth are all assets that make our membership in the European Union matter not only to us, but also to Europe.

The EU itself is at a time when it faces a number of challenges: The European Constitutional Treaty, the objectives of the Lisbon strategy and the imperative of ensuring convergence between the present 15 and the future 12.

With regard to the Intergovernmental Conference, it would be unwise to correlate the lack of agreement on certain areas with the growth of the number of members of the EU. Let us not forget that it is enlargement that will give considerable impetus to the European Union's growth dynamics and the critical mass to make it a prominent political player outside its borders. It would not only be an act of injustice but a historical error to place frustrations with the IGC on the principle of enlargement. The institutional machinery of a system of over 27 members will certainly require a considerable amount of compromise and finding the common ground for national interests. But negotiation, enlightened compromise and the capacity to conciliate interests has always been one of the EU's strengths, as it moved forward the history's most fascinating and progressive project. I am confident that IGC does not „signal” crisis, but a crossroad that gives us the time to examine our priorities in depth.

The concept of a multiple-speed Europe has also raised a number of concerns. I believe the core question that we need to ask ourselves is whether this concept will negatively affect the integration process by accentuating differences and discouraging convergence. Or will the closer association of a group of countries in certain areas act as a magnetic force in encouraging other members of the Union to apply the same rules and enjoy the same benefits? Is it conducive to progress in European integration or would it sharpen differences and complicate harmonization of interests?

A group of core countries forging ahead in an area of European integration may not necessarily spell danger if it does not become a way of creating new groups or „classes” of members that will seek to maintain differences and „distances”. Should that happen, then it could mean the beginning of the end. But if it is set out with clear rules, within the institutional and political framework of the EU, while making sure that it remains open and encourages the other EU members to join, than the danger perceived could in fact be an interesting opportunity for progress in European integration.

The most important criteria would be to measure these advantages or disadvantages against the objectives that we set out for the European Union and the challenges it faces. But we should remember that the European Union will be a success insofar as it achieves a higher degree of convergence and harmonization, whether that translates in *per capita* income or European defense capacities.

The recent steps towards setting out a European defense policy reflects the capacity of the European countries to move forward in areas which will give substance and capacities to the Common Foreign and Security Policy, an area which strengthens Europe's political agenda.

There is no contradiction between developing the EU's defense capabilities and NATO. On the contrary, NATO can benefit from the consolidation of the European defense dimension in balancing the European contribution.

The other grand challenge of the European Union will be to achieve the goals it set for itself in the Lisbon Agenda, by creating the most competitive, based on knowledge and innovation, fulfilling the goals of employment, sustainable development, prioritizing at the same time convergence.

Development of the regional and pan-European infrastructure networks should be a priority on the EU agenda. As a transit country between the Black Sea and the EU, also with an important position on the future North-South European corridor, Romania considers the EBRD, EIB and the World Bank as major partners in the European strategy of development. The regional cooperation can be instrumental in a harmonious implementation of European policies on transportation corridors and strategies for investment in infrastructure.

The Danube Co-operation Process can bridge interests and projects, communities and business throughout Central Europe area, thus opening new opportunities and reducing unemployment at a local level. The forth Danube Region Business Conference held in Bucharest was an occasion to approach Danube as a future internal river of the European Union, as in 2004 ten of the Danubian States will also be members of the European Union.

But Europe also needs a stable and prosperous wider neighborhood, free of risk and instability. The European Union will not be able to complete its own growth and internal security in an unstable environment, in a neighborhood ravaged by internal conflicts and poverty. This is the reason why Europe needs to invest more in the democratic stability, in economic and social security of its Wider Europe Neighborhood.

As an EU future Eastern border state, Romania is ready to engage in a policy of support for her Eastern neighbor, the Republic of Moldova, in its declared intention to pursue European integration. Already included in the Wider Europe Neighborhood initiative, the Republic of Moldova shall benefit, from 2004 onward, from a "Plan of action" guiding its partnership with institutional Europe.

The success rate of this exercise is fragile however, as long as international security issues with bearing on economic domestic development remain pending.

We welcome the readiness of the European Union to be directly and actively involved in the process of the Transnistrian conflict resolution that creates viable conditions for an early, comprehensive and lasting settlement, including by ensuring certain post-conflict rehabilitation measures. In this context, we refer to the constructive involvement of EU member states, through applying concrete measures meant to facilitate the settlement process. We believe that we should resort to additional targeted measures in order to determine the separatist leaders to adopt a constructive stand in the negotiations and to bring to an end the illegal activities related to the conflict. We consider that the involvement of the EU in ensuring control over the Moldovan - Ukrainian border would also contribute to this goal. We strongly believe the EU to be instrumental, alongside the OSCE, in achieving a durable settlement to the issue of Transnistria. An increased EU engagement in the area, through the presence of a peace-consolidation force, would only enhance the credibility of any process to the benefit of stability and security across the country and in the region as a whole.

Romania believes that the European neighborhood policy will not be complete if it does not include the Black Sea region, which is a natural strategic prolongation of the Mediterranean.

It is my belief that one of Romania's European missions will be to help Europe redefine its original geography amputated by conflicts and history, by bringing closer European countries ravaged by historical circumstances, helping them regain their faith in their own future.

Becoming a NATO and EU Member State will demand increased regional and international responsibilities. The main priority of Romania's future mandate in the UN Security Council will be to contribute to a common Euro-Atlantic approach on security and development in the larger Middle East, from the Mediterranean, passing through the Black Sea, towards Central Asia. Equally important to us will be to transfer the experience of Romanian transition to developing countries, in search for solutions with problems such as poverty, access to education and economic development.

We are convinced that we can make a solid contribution to strengthening the European Union. We believe that a more political Europe, speaking with a unified voice, capable of playing a global role commensurate with its economic strength and taking on increased security responsibilities, in solid Trans-Atlantic partnership, is central to world peace and managing global issues.

Romania wants to be part of a Europe united in building its future and capable of standing strong faced with the many challenges that the 21st century will bring. The Europe that we can help build will not only be a larger one, but a better one, strengthened by its new European Constitution. Together we can harness the renewed energies of an enlarged Europe.

Allow me to conclude by echoing the words of Nicolae Titulescu, one of the most prominent Romanian diplomat and statesman, and a Founding Father of the European conscience and unity, who in 1928 stated:

“Romania is dominated by the perfect agreement that exists between Romanian interests and European ones. All past and future foreign policy actions of Romania are to be understood in the light of this fundamental consideration”...

Thank You.

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