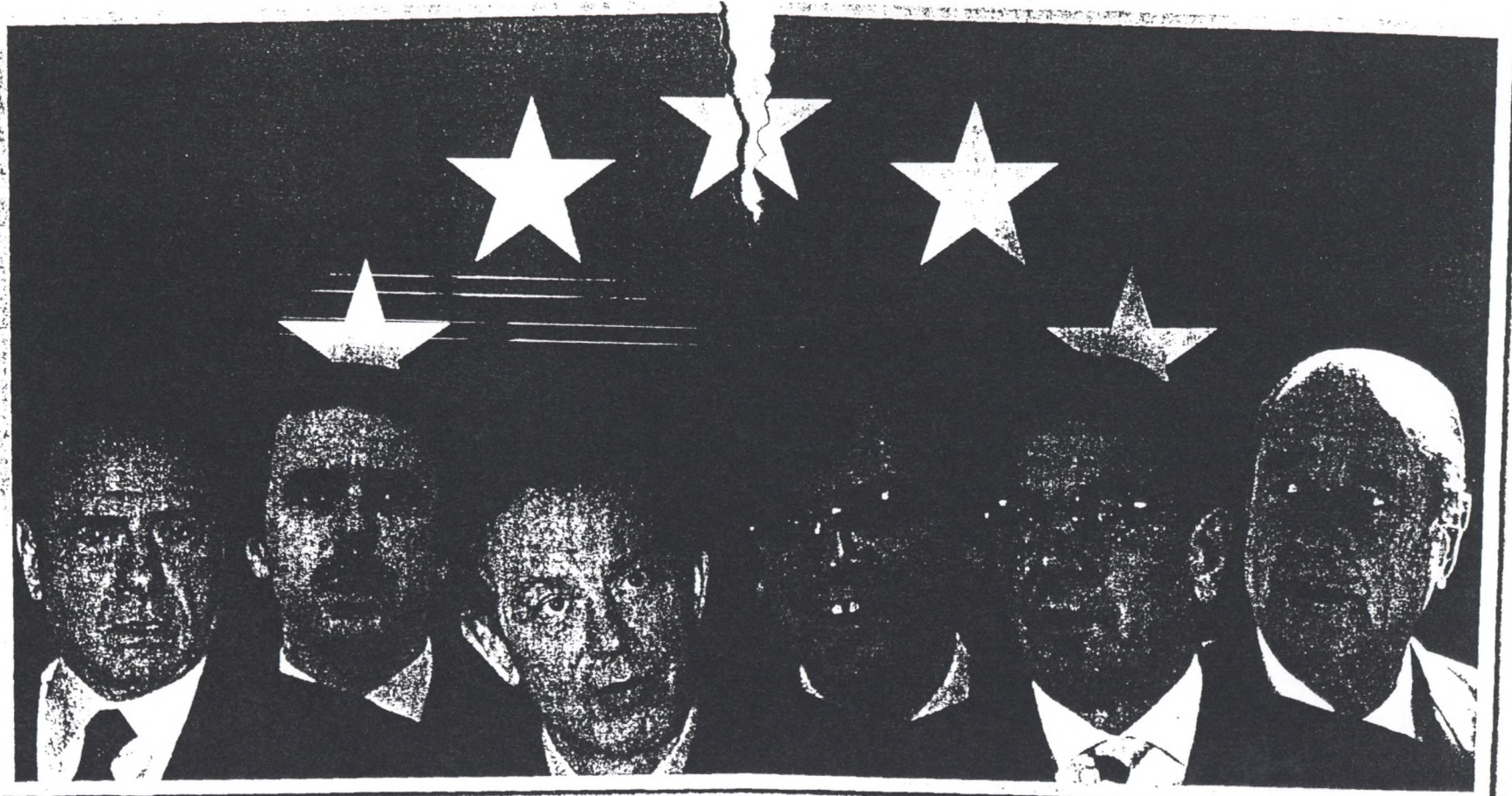


COMMENT & ANALYSIS



From left to right: Italian prime minister Silvio Berlusconi; Spanish prime minister José María Aznar; UK prime minister Tony Blair; Belgium prime minister Guy Verhofstadt; German chancellor Gerhard Schröder; French president Jacques Chirac

Pictures by Reuters, AP

EUROPE

After Iraq: has ill-feeling over the war against Saddam caused irreparable damage to European co-operation?

Enlargement to include 10 eastern countries threatens to accentuate divisions between 'old' and 'new' – and not just in defence and foreign policy, write **George Parker and Judy Dempsey**

It should be a moment of supreme confidence for Europe. Today, in the shadow of the Acropolis, a treaty expanding the European Union to 25 members and 450m people will be signed. The enlarged Europe created in Athens will stretch from the pastures of Kerry to the mountains of Carpathia. Its economy will match that of the US in size: in terms of population it will be half as big again.

Instead, the 10 new members, including eight from the former Soviet bloc, are joining a Europe gripped by self-doubt and traumatised by weeks of recriminations over the war in Iraq. The US-led invasion raised profound questions about whether the EU can develop its own foreign and defence policy and whether the disagreements that opened up during the crisis will solidify into permanent divisions.

In particular, one apparently casual remark by Donald Rumsfeld hangs over the ceremonies in the Stoa of Attalos. When the US defence secretary spoke of "old" and "new" Europe, did he correctly identify two divergent strands of opinion inside the EU?

"I find it very dangerous," says Gunter Verheugen, the EU commissioner responsible for enlargement. Like others in Europe, he fears that US policy, long driven by a desire to encourage European integration, is now tilting towards divide-and-rule. "My message to the US is that what we have done over the past 12 years in Europe was not easy. It was expensive, it was difficult, and we did it in the interests not just of Europe but of the western world. It is not in the interests of the US to put that in danger."

Like other multilateral bodies, including the United Nations and Nato, the EU was convulsed by Washington's approach to Iraq and paralysed in its response. But the crisis was compounded by timing: it came just as the Union was about to admit 10 new members, many of which remain grateful to the US for helping to free them from Soviet rule.

Jacques Chirac, French president, is only the most outspoken of many politicians who fear that the expansion of the Union will mark the end of the EU that was dominated by France and Germany and marching towards deeper integration. The summering resentment felt in some quarters has been concealed by public declarations of support for the EU's "historic" enlargement; but the Iraq crisis opened up a debate about whether the new members are true "Europeans".

The defining moment came when Mr Chirac, late in the evening of an emergency EU summit on Iraq, launched his scathing attack on the eastern states for signing a letter of support for the US. "These countries are very rude and rather reckless of the danger of aligning themselves too quickly with the

Americans," he said. "If they wanted to diminish their chances of joining the EU, they couldn't have chosen a better way."

The candidate countries bridled at his suggestion that Atlanticists had no place in the EU. "We are not joining the EU so we can sit and shut up," said Cyril Svoboda, Czech foreign minister.

As one veteran EU ambassador who witnessed the spat observes: "This will take a very long time to put right. I have never seen it this bad."

Tensions over Iraq are still inflamed. Last weekend's St Petersburg summit of Russia, France and Germany – billed as a constructive debate on the needs of postwar Iraq – was also a perpetuation of the anti-war coalition.

Mr Chirac's vision of creating a counterbalance to US power has admirers beyond France but is at odds with the Atlanticist outlook of Britain, Spain, Italy and most of the new member states. The potential danger of Mr Chirac's approach is identified by Romano Prodi, European Commission president, who has warned: "One temptation would be to build Europe in opposition to the United States. We must avoid that."

One of the subjects for discussion in Athens will be Europe's common foreign policy. Cynics may ask: what common foreign policy? Like the Parthenon, the new edifice being built looks impressive but there is not much inside.

The summit provides the 25 leaders of an enlarged European Union with their first formal opportunity to debate some of the proposals being formulated at the convention on Europe's constitutional future, led by Valéry Giscard d'Estaing.

The Iraq crisis has not proved the most auspicious backdrop to the convention's deliberations, yet Mr Giscard d'Estaing, who has just over 10 weeks to complete a draft EU treaty, insists he will deliver it on time.

Last week, in a speech to the Swedish parliament, he argued that politicians failed to reflect the wishes of Europe's citizens for a common anti-war approach to Iraq, declaring: "A common European consciousness is emerging."

While waiting for enlightenment to descend on the EU's political leaders, Mr Giscard d'Estaing is proposing a streamlining of the EU's foreign policy apparatus. He will propose the creation of a single post of EU foreign minister, to replace the two roles currently held by Javier Solana, EU foreign policy chief, and Christopher

The arithmetic of voting power says France could not push the EU in a doggedly anti-US direction, even if more foreign policy decisions were taken on the basis of majority voting.

In the Council of Ministers, the "new" Europe of the 10 candidate countries will wield 84 votes, compared with just 74 votes from the bloc of France, Germany, Belgium and Luxembourg. If Britain, Spain and Italy (combined vote of 85) were to join forces with the 10, that would create a formidable political force.

Danuta Hubner, Polish Europe minister, says her country wants to contribute to European unity but insists that partnership with the US is essential to its EU membership. "We understand the need for a Euro-Atlantic partnership and we cannot afford to have a fault line between the US and Europe," she says.

The EU can present a common line on many issues. There is, for example, broad agreement on the need for UN involvement in postwar Iraq and on the next steps in the Middle East peace process. But on the big question of how to respond to American dominance – and perhaps the next phase of the US war against terror – the path leading to a common foreign policy is hard to identify.

There are divisions, too, on defence. The "old Europe" group of Belgium, France, Luxembourg and Germany has called an impromptu summit to discuss

defence integration on April 29 and issued belated invitations to EU members. Most, including Britain, are not expected to attend, suspecting an attempt to drive a wedge between Europe and the US and weaken Nato.

The wider concern in Brussels is that differences over foreign and defence policy will contaminate other areas of European life, entrenching blocs and alliances defined along "new" and "old" Europe lines.

Tony Blair obviously hoped to find support for the UK's views when he embarked on his recent courtship of the candidate countries – the latest in a long line of initiatives by British prime ministers to find reliable allies in Europe. "This is a very interesting moment in the development of the EU," says one British government official. "There are three or four older European countries which are starting to look a bit isolated."

Britain sees many of the 10 candidate countries, of which Poland is by far the biggest, as natural allies in its battle to introduce more free market economic reforms in Europe. "These are countries that have had to make very rapid and painful changes to their economies in a way in which some older European countries have not," says one official close to Mr Blair.

Mr Blair may get some help in pushing forward economic reform, a UK priority, but perhaps not much. According

to the willingness of European leaders to acquire or rediscover the will to act together in a European context," he said in Stockholm. "Without that, all the texts and procedures that we produce in our convention will have no effect, no matter how good they are."

Others believe that Europe is



Giscard d'Estaing: on time

to a report in February by the European Commission, labour markets in eastern Europe are every bit as rigid as those in Germany and France. "They have liberalised their economies to a large degree but they have a strong preference for the European model of social welfare," says Heather Grabbe, in an essay on the old/new split for the Centre for European Reform, a think-tank.

There are some signs that the former Soviet satellite states will be natural British allies in the defence of national sovereignty. Poland, for instance, strongly backs Britain in refusing to harmonise taxes across the EU. But it is equally true that the 10 have good relations with the European Commission, which smoothed the path to their accession.

As for France, its relations with the new member states may be strained for some time. Senior French officials still rail at the way the candidates bowed to US pressure in offering their support over Iraq, and their apparent lack of gratitude to EU members – such as France and Germany – that give them substantial regional aid. "You don't come to the bar, accept a free drink and then start insulting the person who bought you it," says one.

Over the past few weeks, there have been signs that Mr Chirac is making tentative efforts to repair bridges with the east, where France is one of the biggest inward investors. When a

overreaching itself in trying to construct a common foreign policy when national interests inside the Union are so diverse.

Jacques Delors, one of the driving forces of postwar EU integration, recently told the FT: "The historical baggage and geopolitical traditions mean that it is vain to imagine that we can create a common foreign policy in the next 20 years. Once again, it's the time for words, words, words. But there are words and there are acts."

Mr Giscard d'Estaing's report, which he hopes will form the basis of a new EU treaty to be agreed by member states over the next year, will not be short of words.

Many of them will be good words, clearing up the mess of the EU treaties, making sure a Europe of 25 does not grind to a halt and paving the way for more integration in areas such as justice and home affairs.

But on the bigger political questions about Europe's future role in the world, there is a risk of words running ahead of action. Mr Giscard d'Estaing is designing a splendid new home for Europe: the mood in Athens today may give some hint as to whether anyone wants to live in it.

**George Parker
Daniel Dombey**

senior Czech diplomat discussed relations with Paris last month, he was told there were no longer any problems over his country's stance on the war in Iraq. "Except," said the diplomat, "we were told this had been a very unwise thing for Prague to do." In other words, "it was as if this was always going to hang over us".

It was not much better for Valra Vike-Freiberga, Latvian president, during her hour-long meeting with Mr Chirac in Paris last Tuesday. She was told that the war in Iraq had not affected "the cordial relations between Latvia and France". But, privately, the visit confirmed Latvians' worst fears. Mr Chirac told Mrs Vike-Freiberga that Nato was no longer relevant. "We were shocked by this," says a Latvian official. "We realise now what kind of Europe France wants to make."

Hungary, too, has been trying to patch things up with Paris. But as with most candidate countries, its main concern now is turning to what happens to Germany, the pivotal operator in developing the new Europe. Germany has always backed enlargement and further integration, making it a natural geographical, economic and ideological ally for the new members. "Germany, for us, is Atlanticist and integrationist," says a Hungarian official. "And that view is shared by all my counterparts in the rest of central and eastern Europe. Frankly, we were all surprised, if not shocked, when Berlin joined the French camp."

Berlin has done much to try to reassure the candidate countries that it still supports enlargement and that it is still Atlanticist. Joschka Fischer, the German foreign minister sometimes tipped as a possible future EU foreign policy chief, went out of his way in St Petersburg to play down suggestions of an emerging Paris-Berlin-Moscow axis to challenge the US.

"I am strongly against the theory there is this axis," Mr Fischer said. "The talk of these axes suggests that there are strategic alternatives to the European Union or to transatlantic relations. This lacks any basis."

The candidates are not entirely convinced. "We'll see how it all shapes up once we become full members. Once we do, we shall be able to speak our minds and form our own alliances," says one east European ambassador.

Mr Verheugen says it is unlikely the new member states will form into rigid new power blocs. Indeed, he believes, they are as likely to find common ground with fellow "small" countries inside the EU – including "old Europe" stalwarts such as Belgium and Luxembourg – as with Britain or Germany.

The optimistic view in Brussels is that the bad feeling over foreign affairs and defence can be isolated and that the EU's automatic healing mechanism – the complex web of interlocking interests and shifting alliances – will soon come into play. But history will weigh heavily in Athens: Europe, like Ancient Greece, risks dissipating its power on internal quarrels while a powerful martial empire rises to the west.

ATHENS SUMMIT

Simitis embarrassed by resignation

By Kerin Hope in Athens

The Greek minister in charge of security for the European Union summit and accession treaty signings resigned yesterday as European leaders started to arrive in Athens for the two events.

The resignation has embarrassed Costas Simitis, the Socialist prime minister, who sees the accession ceremonies as an opportunity to boost Greece's image with its EU partners and revive his party's flagging performance in opinion polls.

Yet the mood in Athens falls short of joyous celebration. Mr Simitis wants to give the leaders of the 10 new EU member states a warm welcome but he has agreed to let Socialist party militants stage a series of anti-war demonstrations in other areas of the city centre.

According to opinion polls more than 90 per cent of Greeks were opposed to the

war in Iraq and anti-American feeling is still high.

Evangelos Malesios, under-secretary for public order, said his resignation had nothing to do with preparations for the accession ceremonies, but was linked to a newspaper story about his relationship with a leading Greek information technology group.

The newspaper, Avriani, yesterday revealed Mr Malesios was living in an apartment belonging to Thanasis Athanasoulis, chairman of the Altec group, without paying rent. When asked by cabinet colleagues earlier this year, he had denied having any financial connections with Altec.

Mr Malesios was responsible for organising unprecedented security measures that involved closing all roads into the city centre, shutting down public transport and banning access to some public buildings. Michalis Chrysohoides, the public order minister, was last



EU leaders will meet at Athens' Zappion Hall today to ratify the accession of 10 new members Reuters

night set to take over the task of overseeing the EU leaders' movements.

Tony Blair and José María Aznar, the UK and Spanish prime ministers, are under special protection.

Both men are seen as a target for demonstrators because of their support for the US-led military cam-

paign against Iraq.

"It's not going to be a relaxed event. Because of the tight security nobody is going to do anything outside the official programme," said one official.

Leaders of the 10 new member states will sign EU accession treaties at a ceremony held at the Stoa of

Attalos, a restored ancient shopping mall at the foot of the Acropolis, but only 200 people will be allowed to attend. The government has declared today a public sector holiday. Civil servants, teachers and schoolchildren were expected to join today's protest marches to the US, UK and Spanish embassies.