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## **THE CHALLENGE OF EUROPEAN UNION MEMBERSHIP**

**The example of Irish experience  
with former accession to the European Union**

### **ABSTRACT**

*Earlier experience with accession to the EU is examined with special regard to the cases of Ireland and other small states. The article reviews the original motives of the six EU founding members, and presents the factors affecting the success of new candidates. The inclusion of new members will make EU foreign policy more complicated and it will generate fear of migrant workers. While the political and economic position of the small states has been strengthened strongly, this may not hold to the same extent once the EU becomes a grouping of 25 states. Unless they act as a group of small states they may find themselves neglected although their economy and democracy will nevertheless be strengthened.*

*Key words: EU integration, Ireland, late-comer members, small states*

When you look at the development of European Integration in the past four decades it seems to be a history of permanent success: Starting with six member countries in 1958, an enduring stream of applications for membership was flowing. Since 1995 the European Union has 15 member states, eleven European states being applicants.<sup>1</sup> At the same time only three states withdrew their application for EU membership (Norway twice in 1972 and 1994, Switzerland in 1992, and Malta in 1997). None of the members ever left the European Union, with the exception of Greenland, being an autonomous region of Denmark.

Looking at the European Union we can also state the fact of an acceleration of the accessions of new member states. It took the time of 15 years between the start of the European Union in 1958 and the entering of Great Britain, Ireland and Denmark in 1973. This period has been prolonged by the French President de Gaulle's veto against the entry of Great Britain to the European Union. Eight years passed until Greece became a member in 1981, five more years until Spain and Portugal entered the European Union (1986). The unification of Germany in 1990 also has to be seen as an enlargement of the

Union and five more years went by until in 1995 Sweden, Finland and Austria joined the European Integration.

It is also interesting to note the years from the application to the accession of an applicant. The time for Great Britain, Ireland and Denmark from 1961 until 1973 was extremely long due, to de Gaulle's intervention. The application time for Greece lasted 6 years, for Spain and Portugal 9 years, because of the difficult negotiations comparable to the negotiations with the Central and Eastern European countries. Shorter was the application time for Austria (6), Sweden (4), and Finland (3) because not so many political, economical and financial obstacles had to be overcome. This enlargement was also seen as a preparation for the new wave of applications of Central and East European states after the fall of the Berlin Wall and the breakdown of the Soviet Union.

After all Western European states with the exception of Iceland, Norway, Switzerland and Malta had become members of the European Union, all Central European and many East European countries had applied for membership, the European politicians had to think about the borders of the European Union, geography only partly being a help. It was clear, since Morocco had been asking for membership, and had been rejected by the European Union, that the EU saw the Mediterranean Sea as the rim of its direct influence in the South.

In the South East, Turkey since its association to the European Union (1963) has been a very special case. When Turkey applied for EU membership in 1987 the probable migration of Turkish workers to the industrialized countries of the EU was supposed to be the main problem, replaced in the following years by the questions of human rights, the Turkish attitude towards the minority of the Kurds and finally the fear of the growing Islamic fundamentalism in Turkey.

It is common opinion among the leading European politicians that the European Union should end at the borders of the Community of Independent States (CIS). The Russian President Yeltsin spoke in 1997 of a future membership of Russia in the European Union, but this statement did not receive a positive response inside the EU, in view of the political, social, economic and financial difficulties of the Eastern state. One of the CIS States is approaching the West and the EU, i.e. Ukraine, and there may be a future discussion about an application of this country. It is clear that some forms of closer cooperation with the EU have to be found for states like Turkey and Russia that have no chance for a membership in the near future: One might think of two concentric circles, the inner one for the members of the EU, and an outer circle for those states in a close connection to the integration process, but with less rights and duties than a member state.

When you try to evaluate the influence of the accession of new member states to the European integration process you have to think about the original motivation of the six founding members in forming the European Union:

1. European integration as alternative to the disastrous.
2. Developments - stemming from nationalism - in the years until 1945.
3. Including Germany into the integration process, thus preventing a fallback of Europe's central country into old mistakes.
4. Securing peace in Europe and hampering a further expansion of the Soviet Union.
5. Formulating a stronger position of Europe towards the Soviet Union, but also the United States of America.
6. The economic reconstruction of Europe.

The six member states agreed upon a supranational form of integration and expressed and showed their willingness to give up certain sovereign rights for this new institution. We have to ask whether the newcomers also had the same motivation and willingness, and if not, how their different motivations in joining the Union might have altered the integration process.

### **Former experiences with the EU membership - the example of Ireland**

It has often been asked whether the applicants in Central and Eastern Europe have the political and economic ability to be part of the European integration process and fulfill all the regulations of the *acquis communautaire*. It may be therefore very interesting to look at a country that started its membership in the European Economic Community (EEC) at a very low economic basis in 1973 and has in the meantime the experience of 25 years in the European Union.<sup>2</sup>

Up to the end of the 1950's the Irish government followed the path of autarchy to industrialize the country, which proved to be a failure. Along with Great Britain, Denmark and Norway, Ireland applied for membership in the EEC, mainly out of economic reasons, in 1961. Membership was seen as an immense challenge. The long period between the application and the final membership in 1973 was used to further industry, bring down protection and enhance the competitiveness of the Irish industry. The goal of Irish policy was it, to reach full employment, bring down the endless emigration and strengthen the living standard of the Irish population up to the level of the neighbours in Western Europe.<sup>3</sup> But membership was also seen as an option, to minimize the political and economic dependency from Great Britain.<sup>4</sup>

But the first fifteen years of Irish membership in the EU were no success. In spite of all the preparation, the free market economy proved to be a shock to Irish industry.

Irish economic policy felt huge difficulties in adapting itself to European standards. The lacking competitiveness of Irish industry forced the Government to bring export oriented foreign companies into their country by subventions.

The gross national product per capita rose from 58% of the EU average (1973) to 64% (1988). This may be seen as a slight progress. But the high growth rate of the Irish population brought the unemployment up to 18% in 1985. Inflation rates were high, and so was the indebtedness of the state (116% of the gross national product in 1986). The economic results of Ireland after 15 years of EU membership were not favourable at all.<sup>5</sup>

Then the end of the 1980's marked the turn of the tide. The inflation rates went down, their states debts shrunk. Foreign investment began to rise, the help of the EU regional funds amounted to 2.5 % of the Irish gross national product, together with the agricultural fund summing up to 7.2% of the Irish gross national product (1993).<sup>6</sup> At the end of the 1990's Ireland is one of the countries in Europe with the highest growth rates (7% in 1997). More than 70% of the Irish export is sold into EU countries. The unemployment rate went down to 9.8% (12.97<sup>7</sup>, and Ireland has reached 98% of the EU average living standard (1996). There are only few countries that fulfill the criteria of the European Monetary Union as well as Ireland (budget deficit + 0.9, state debts 66.3, inflation rate 1.4).<sup>8</sup>

This remarkable turn in the economic situation of Ireland is due to the fact, that since the 1980's the Irish government saw a pivotal point in their relation to the European Union. Not having used enough the time since 1973, the Interior Market and the European Monetary Union were seen as a second chance for Ireland: Regional funds of the EU were used in accordance with the European Commission. Everything was done to synchronize the own economic policy according to the developments inside the European Union.<sup>9</sup> In the case of Ireland it is true to say that a smaller country - for a long time dependent on British economy - has got the chance by the European Union to become a respected, successful and important partner in the integration process.

What is to deduce from the Irish case? Membership alone is by no means a guarantee for success in the European Union. Ireland - a long waiting applicant - had only seen the membership as a goal and not sufficiently drawn a parallel between its own economic policy and the politics of the EU. This is the reason, why the transition period lasted so long. But though the results of the EU membership were not sufficient, the consent among parties and population remained - apart from the small Labour Party and the trade unions in the beginning - that there was no reasonable alternative to the EU.<sup>10</sup> Another deduction can be made. Information policy can not end with the accession of a country to the European Union.

Setbacks are going to come as other obstacles have to be surmounted in the process of integration. Informing the people is a necessity, if not social unrest should arise after a difficult transition period in a new member country.

But besides the willingness of the people and the parties, a capable decision-making system, government and administration are needed to formulate and implement EU policy. Many meetings have to be prepared, being in charge of the EU presidency regularly is a great task also for the greater EU countries.

Ireland has a small but competent, well trained and motivated core of civil servants, giving the possibility of personal contacts among each other. Their flexible and pragmatic approach had not always taken into account that for instance in the field of agriculture, long time disadvantages were more important than short-time advantages.<sup>11</sup> The politicians, being more of the type of local politicians, the parties, and the Parliament had only a small influence on the Irish EU policy, which was mainly formulated and executed by the administration and well accepted by the people.

A disadvantage for Ireland is the extreme centralization of the political system, which makes it difficult for political and administrative decision-makers to fulfill all the tasks connected with EU membership.

Another problem is the differentiation in Irish politics between economic and political integration. When Ireland applied for membership in the EU in 1961, the Irish Prime Minister of the time, Lemass, knew also about the political implications of the EU membership. But when Ireland finally entered the EU in 1973, political integration was not on the agenda of the European Union.<sup>12</sup> So Ireland is rather reluctant, when the deepening of the European Union is discussed, also is very cautious in the field of a common foreign and defence policy very cautious, due to its neutrality during World War II. Thus, Ireland is an example of a country that saw its economic chance by joining a successful Union, not having the supranational and federal fundament of the founding members.

### **Factors influencing the success of latecoming members of the EU**

Time is naturally a very decisive factor: When the time of application is very long, there is a danger of changing opinion towards the European Integration among the political parties or the people. A good example for this factor is Greece. In 1981 - the year of accession - the PASOK - a party opposing EU membership came into power, with Andreas Papandreou as Prime Minister.<sup>13</sup>

Greece did not leave the European Union. But the missing conformity of the reigning party and EU integration made adaptation to EU policy difficult for Greece, which was substantiated by the missing positive economic results in the Southern country.

We saw in the case of Ireland that economic developments may be stagnant for quite a long time. Disappointment can grow among politicians or the people, as we see it in the case of Austria<sup>14</sup> or Sweden,<sup>15</sup> after the accession to the EU. It is important that an efficient information policy does not end with the accession, but is continued.

An accession also may come too early, as we can see in the case of East Germany. In October 1990, East Germany came into the EU as part of the unified Germany. This region of Germany had no transition period as all the other newcomers. East Germany lost not only all its export markets in the East. At the same time West German

and competition of the other European countries came in, though East Germany had no chance to reconstruct its non competitive industry. Most of East German industry disappeared. Only the agriculture has partly a good chance to be competitive in the EU, because of the size of the farms. The example of East Germany is a warning for the East Central European states not to shorten the time of application, that is needed, for the adaptation of its economy, administration and society.

We have seen in the case of Ireland that the efficiency of the decision making process in a country, its capacity and willingness to draw a parallel between its own policy and the policy of the European Union is decisive for the success of the economic policy of a member that is coming late into the EU. Greece showed not to be efficient enough. Better results were shown by Spain and Portugal and especially Ireland.

Some of the new members were mainly dominated by economic interests in joining the EU, like Great Britain, Denmark and Ireland. Others were more open to the political goals of the EU, like Spain. Countries where the membership in the EU was highly disputed, remained difficult partners, e.g. Greece or Great Britain. Norway, because of the inner discussions, would have been a complicated partner, also. Such specific political traditions may hamper the co-operation of the political decision makers with the EU, as in the case of Great Britain.<sup>16</sup>

The integration process may be hindered (Ireland, Great Britain, Greece) by centralization, or impeded by geography as in the case of Greece, which has no direct bordering EU partners. Industrialization is turning into a good direction, bringing down unemployment, like we can see in Ireland. Industrialization is very difficult for a country like Spain, where the change from agriculture to industry forced huge masses into the unemployment, with the eventual result of social unrest, in the case of an unstable democracy. Such a change may be foreseen for a country like Poland, where the small agriculture is dominating until now.

But also the developments inside the EU are hindering an easy integration for new and latecoming members. The rules of co-operation have been set up by the old members since long a time. These countries feel 'more European' than the others, which results in a push back effect to new members, that have not adapted to the used code, yet (Great Britain, Greece).

The question has been brought up, whether the accession of new member states accelerated or slowed down the integration process with the effect of a renationalization of Europe. The first accession wave in 1973 was no aid for the supranational integration process, because the new members, Great Britain, Ireland and Denmark were mainly economically dominated in their pro EU decision, and by their presence weakened the old fundament of the founding members.

Not the accession of Greece - which was an exception in every respect, but the applications of Spain and Portugal strengthened the integration process, because

especially Spain was interested in integrating not only the economic but also the political sector. East Germany's accession was only the consequence of the breakdown of the Soviet Union's satellite system and finally the disappearance of the Soviet Union. It highly motivated the EU politicians to accelerate the integration process (Maastricht Treaty).

The accession of Sweden, Finland and Austria has not facilitated the integration process, but strengthened for example the European Environmental policy. With the financial capacities of those countries the new wave of accession of the East Central European states was rendered possible. To sum up: The accessions of new member states in the last decades have not eased the integration process. But for the often claimed renationalization process in the EU the new members are only partly responsible. These countries very often did not agree with the supranational ideas of the original six. But the integration process is still going on.

### **Other comparative remarks to the former enlargement developments**

It is obvious that the accession of new member states is also influencing the position and situation of the existing members. The first enlargement of Great Britain, Ireland and Denmark was blocked by the French President de Gaulle, because of his vision of a European Union built on a French-German axis, where Germany would not hinder a French superiority. The Southern Enlargement, including Greece, Spain and Portugal was in the French interest, because it stressed the European Mediterranean policy.

On the other hand the German unification and also the entry of Sweden, Finland and Austria in the eyes of the French politicians strengthened Germany's position in the center of Europe, at the same time diminishing the political influence of France. The coming accession of the East Central European states will - looking from the French point of view - again enhance the economic and political position of Germany. So French position was it to force rather the deepening - meaning structural reforms - than the enlargement of the European Union, while Great Britain under Conservative Governments supported an early and broad enlargement, thus hoping to retard the integration process. In the German interest was the finally accepted formula of deepening and enlarging the European Union.

With an enlargement of the European Union new regions come into the view of the EU. The new members bring in good relations with their neighbours, but also the problems they may have with bordering states. It was positive for the European Union that Spain and Portugal have good relations to African states and South America. Since Greece is member of the EU, the Union is also confronted with the problems that Greece has with its neighbours Turkey, Cyprus and Macedonia. What does it mean for the

future development of the EU that the new member Finland has a long borderline with Russia.<sup>17</sup> Will there arise conflicts one day between the EU and a future member like Poland, that has a neighbourhood with the region of Kaliningrad (Russia), with Belorussia and the Ukraine? Will the same happen with Hungary and its neighbour Yugoslavia, with Romania because of its close connection to Moldavia? Obviously, enlargements of the EU also enlarge its field of interest, but at the same time makes foreign policy of the Union more and more complicated.

The former Czech Prime Minister, Vaclav Klaus, expressed the view that his country could join the European Union alone, not in line with Hungary and Poland because of the advanced position of the Czech economy and democracy. When you look back at the former enlargements of the EU, with the only exception of Greece, all accessions to the European Union were in a group. The European Union was negotiating with the individual state, but is interested in the co-operation of the applicants (for instance the Visegrad states - Poland, Czech Republic, Slovakia and Hungary). Also because of the ratification process, the EU is interested that several states join in a group.

Very often the fear is expressed that an accession of new members may bring a wave of migrant workers of this country to the European Union (for example Poland). When we look at the development of the EU this argument can not be justified. First the freedom of workers to move can be postponed as in the case of Spain (Spain entered into the EU 1986, freedom of movement 1991). It can be stated also, that after the workers had the permanent right of migration and the economic situation in their respective countries was improved due to membership in the EU, more migrant workers went back to Spain or Greece than migrated to the North.

We have confirmed before, that the political and economic position of the smaller states was extremely strengthened when joining the EU. The best examples for this statement are Luxembourg and Ireland. These countries have been for long only objects of international relations. The European Union gives these states the possibility to play an active role in the European integration process. Already two Luxembourgers have been or are Presidents of the European Commission.

This may happen to the applicants from East Central Europe one day too, that have been oppressed for so long by their greater neighbours. But this may change to a certain extent after the EU forms a group of 25 states. Without acting as a group, the smaller states may find themselves neglected (plans exist of giving a vice Commissioner only to the smaller states, instead of one Commissioner for every state in the European Commission, to counteract such an outcome).

When the Southern integration was discussed, the European Commission wrote a report, in 1979, that Greece, Spain and Portugal did not have by far the economic standard of the EU countries and thus were not fit for the European Union. These countries were accepted by European politics because political stabilization, but also the economic progress were the main factors behind the enlargement, after those countries had just



overcome dictatorship. It was the integration into European politics, economy and military institutions, the permanent exchanges of elites, that strengthened the democratic development in those Southern countries (e.g. failure of an attempt of a coup d'état in Spain in 1981), as it helped Ireland to overcome its dependency on Great Britain. The same idea is underlying the accession of the East Central European states: the integration of those states into the European Union will strengthen their economy and democracy.

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<sup>3</sup> Driever, a.a.O., 316.

<sup>4</sup> Huber, a.a.O., 115.

<sup>5</sup> Driever, a.a.O., 316.

<sup>6</sup> Ibidem, 319.

<sup>7</sup> EUROSTAT, Arbeitslosigkeit. 2/1998, 6.

<sup>8</sup> Süddeutsche Zeitung, 28.2.1998: Info Euro 12/97, 8.

<sup>9</sup> Driever, a.a.O., 318.

<sup>10</sup> Ibidem, 318 f.

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