What It Means to be a New Member of the EU: The View From Poland Meredith A. Heiser-Duron (Talk given Nov. 6th 2004)

I've been reading President Bill Clinton's autobiography this summer and he has a useful saying. People like change in general, but they do not like it when it specifically targets them. I think this clearly applies to the EU and Central Europe, both of which are suffering from expansion exhaustion. Central Europe is particularly reform weary after the changes from Communism combined with the changes to fulfill both EU and NATO requirements. Still I will argue, using Poland as my example, that these changes have not led to the type of chaos and instability, which was predicted by many observers. The real problem in the end for Poland and other Central European countries is to maintain support for the ruling parties, which have to bring about continuous reforms to meet with EU standards, while trying to stay in government. The hope is that in the end the returns will equal the costs not only in the eye of the leaders, but also in the eye of the public.

The reason why this enlargement is different than the EU's previous enlargements can be summed up in four words "too many; too poor." Ten countries joined the EU in May 2004 changing its membership from 15 countries to 25. Eight of those countries are post-communist and they are on the periphery of Europe: Estonia, Latvia, Lithuania, Hungary, the Czech Republic, the Slovak Republic, Slovenia, and Poland. The wealthiest Central European nations have a GDP, which is one-half of the EU, but most of the new EU members have about one-fourth of the EU average.

I want to expand, however, on the slogan of "too many; too poor" to discuss the specific case of Poland. In its case, one can argue that there are too many people

(approximately 39 million) who will create a large drain on EU resources; that they are too poor economically, too poorly governed, and too different. Let me deal with each one of these allegations in reverse order. I also want to point out that all of these claims could be made about other aspiring new members such as Ukraine or Turkey.

First, Poland is different than other new members in that it is largely Catholic (this it shares in common, however, with the old members Italy and Spain); it is also a very agricultural country with many rural inhabitants but I will deal with this under economics. Moreover, its turbulent and traumatic history has made it equally concerned with the principle of individual freedom and the principle of sovereignty. In many ways it is joining an organization of pooled sovereignty to preserve its sovereignty. While this is true of all post communist countries, it is especially true for Poland. I would emphasize that Poland is a country with a stronger civil society, a politically active population, than most other new members. Both Solidarity and the Catholic Church played a large role in Poland's roundtable, which negotiated the transition away from Communism. There is concern that Poland's Catholic Church will upset the secularism, which has characterized the EU. However, we have evidence in the convention negotiations that Poland was willing to work with the other members on this issue.

The very fluid political situation in Poland should be of greater concern than the role of the church. First, parties and movements have come and gone—Solidarity is gone as any united movement or party. Some have argued there is even a movement away from participatory democracy, which has been termed DECORATIVE DEMOCRACY. This is defined as "a government, which is unable to work out new solutions or to foster

compromises, while society has demonstrated a growing tendency to withdraw from public life."

These negative tendencies were displayed when Prime Minister Miller resigned this year on May 1st just after joining the EU. His resignation followed a series of government/media scandals and there was a poor showing for his party in European Parliament elections in June. Marek Belka, a 51-year-old former finance minister who also served as an advisor to the Coalition Authority in Iraq, replaced him as the eleventh Polish prime minister. For comparison, I want to add that Italy has had 58 governments and 24 prime ministers since WWII—not that this is a model but instability is not limited to Poland. Prime ministers in Hungary and the Czech Republic also resigned. Belka and these other leaders are paying the price for social, political, and economic reforms, which led to acceptance in the EU.

Initially, support for Belka looked very shaky and it was thought new elections would be held very soon. The government does not have a majority in parliament and there is a great deal of chaos and disagreement in Belka's social democratic party. One example is the Defense Minister's recent announcement that Polands 2,500 troops in Iraq would be removed; Belka contradicted him the next day. However, Belka and his cabinet survived a vote of confidence in October and parliamentary elections are now scheduled for May 2005. Belka is thought to be key in the decision of the best parliamentary coalition strategy for 2005 and it is conceivable he could create a winning coalition.

Let me tell you a little bit about Poland's party system with regard to the EU. I want to preface that by saying that in 2000 the country voted for former Communist as President Kwasniewski and he has been quite an integrative figure in Poland. He is up for

election in October 2005. It is the case in many of these newer parliamentary systems that the presidents have fared well while those more directly responsible to developing party systems have suffered even though they have frequently declared themselves as "independents" as Belka has done.

Poland has two main parties and many small other parties, so coalition governments are almost always a necessity. The <u>Democratic Left Alliance</u> (SLD), Belka's party, is essentially the reformed communist party and it is pretty thoroughly reformed. This contrasts greatly, for example with the Communist party in Romania. This party has been responsible for EU negotiations in the form of Prime Minister Miller. Painful reforms have caused 30 or more members to leave because the party has moved too far to the right in their view. The other large party, the <u>Civic Platform</u> (PO), was created in 2000 by dissatisfied Soldarity party members. Jan Rokita is the party leader. It views itself as a liberal, centrist party, but is conservative on social issues. Its main support has been drawn from those who have benefited from the economic changes that have taken place since 1990. Still this party has been very critical of Poland giving away too much in EU negotiations. Rokita coined the phrase, "Give me Nice or Death" with regard to maintaining political influence in the EU equivalent to Poland's size. It is widely believed that this party will win the upcoming May 2005 parliamentary elections.

The two most important small parties are either Euroskeptical or completely opposed to the EU. The party named <u>Self Defense</u> (SO) is very euroskeptical, but not completely opposed to joining the EU. Andrej Lepper, a former boxer, is the leader of this party and made a name for himself in the late 1990s by leading farmers in direct action, such as blocking roads and dumping imported grain onto railway lines. He has built up strong

popular support, not only among farmers, but also among disaffected urban voters. He, however, lost a lot of support in 2002 when he called the foreign minister "a son of a bitch" for revealing Poland's position on the right of foreigners (read Germans) to buy land. This party gets votes from urban transition losers (workers and unemployed as well as farmers and more rural inhabitants). The party which is completely opposed to joining the EU, which emerged in 2001 is the League of Polish Families (LPR). This party is associated with the Catholic Church and represents right wing, Catholic nationalists. The party's slogan in the 2004 European parliamentary elections was "Let's vote for Poland."

We get a sense for these parties popularity by looking at their results in the 2004 European parliamentary elections. First, let me note, however, that there was a twenty per cent participation rate in Poland (Slovakia's rate was 17%). Anger at the present regimes resulted in the opposition parties doing best in all new post-communist members. In Poland, there were large votes for some small parties. The League of Polish Families got approximately 16% (double the results of the 2001 Polish parliamentary vote), while Self Defense got only 11% (polls showed it with support of over 20%). Civic Platform got 24% while the ruling Social Democrats got 3%.

I want to close this section on fluidity in politics, by suggesting that observers should be more concerned about popular opinion in Poland, where leaders support the EU, but the population has become less supportive. This is not as bad as some new members such as the Czech Republic, where both leaders and the public are skeptical about membership. While in the mid 1990s, the support for EU membership in Poland (based on polls) was at 80 percent, when negotiations started in 1998 support began to dip as it did everywhere, and by 1999 support was at 55 percent. Since enlargement support has

been hovering between 40-50 percent (these figures are not that different from some of the older members). In 2003 enlargement was, however, approved with 77.5 % vote at a participation rate of 59%.

As for Poland's economy, there is also a mixed picture here. Poland was a nation, which opted for quick reform, commonly known as shock therapy. Poland has relatively low business taxes and between 1995 and 2002 it was the largest recipient of FDI, although it did lag behind in per capita terms. Still, the government has gotten into large debt (seven percent of GDP), and the flow of FDI has lessened. The government debt ratio is a serious concern if Poland wants to enter the Euro zone—the EU's highest recommended debt ratio is three percent, although both France and Germany have had difficulty keeping government debt that low. In 2003, FDI amounted to 6.4 billion dollars and the growth rate is about six percent. Unemployment has been at 20% since 2001.

The most severe problem is that approximately 25 percent of the Polish labor force is employed in agriculture, compared to only four percent in the Czech Republic. The corresponding figures for Turkey and Romania are above 40 percent. In Poland, there are around 2 million farms, all privately owned, and most of them small (the average farm size in 2002 was only 20 acres, farms were poorly equipped, and often run by elderly farmers). Around half of all farms are run on a subsistence basis, yielding little or no produce for the market. Agriculture is the major source of Polish Euroskepticism. The opinion of rural inhabitants is very influential. They comprise over 40 percent of the Polish population and are closely linked to the urban centers. It is mainly due to these fears, that the Social Democrats won the 2001 elections.

While the EU is providing approximately ten billion dollars in agricultural aid between 2004 and 2006, Poland was limited to 55% of the agricultural aid provided for old members. By 2013 that figure should reach 100%. The Polish government can further subsidize farmers in the mean time. The original negotiating position of the EU was that Poland should only receive 25% of the aid provided for the old members. In the last six months, farmers (especially those in Western Poland) have experienced large price increases. As a result, Polish consumers are probably the most Euroskeptic right now.

Finally, Poland's size helps explain how it improved its allotment of agricultural funds. Poland dwarfs all the other new members, especially the Baltic countries. Its population is 1.5 times as large as the three next largest members-- Hungary, the Czech Republic, and Slovakia combined. This puts Poland on a par with Spain in terms of size. Of course a larger population can have negative impacts in terms of a need for subsidies as well as high expectations, but I want to focus on size in terms of political weight in the EU.

In the European parliament, Poland got 54 seats—the same as Spain—and this is the third largest amount after countries such as Germany and France. In the European Council, on double majority votes, Poland will be an important player both in terms of its population and its votes on the Council. In the commission, Poland got the powerful post of Commissioner for Regional Policy. Poland chose for that position Danuta Huebner, who was in the Polish Foreign Ministry working on EU issues. Unlike other commissioners, who are under question, by the European Parliament, Huebner has the parliament's support.

In conclusion, I would argue that Poland and the other new members not simply be judged by past enlargements or on Western models of government and economy alone. Poland's government in particular faces additional historical difficulties, not to mention political and economic ones, with which it has had moderate success. We should hope for workable coalitions both at home and in EU; in particular we should look for a less corrupt and more effective government in 2005. Hopefully, parties will adjusting to voters' concerns as well as educate the voters about the EU in this important year. As Poland will be a key player in the reform of the Common Agricultural Policy (CAP), the older members also have a strong stake in Poland's success.

These are some sources, which I would recommend to those who want to further investigate the new members of the EU:

Peter A. Poole, <u>Europe Unites: The EU's Eastern Enlargement</u> (Westport, CN: Praeger, 2003).

Special EU Edition of East European Politics and Societies, vol. 17, no. 1 (2003).

Stephen White, Judy Batt, and Paul G. Lewis (eds.), <u>Developments in Central and East</u> <u>European Politics</u> (NY: Palgrave McMillan, 2003).

<u>www.tol.cz</u> carries up to date coverage of the new members and the EU.

Feel free to e-mail me at <u>heisermeredith@fhda.edu</u> if you have any questions about his topic. I offer classes at both Foothill College and Stanford University on European Politics as well as the EU and its new members.