

I. No camp grows on both Right and Left

President Klaus' ten points

Perhaps in conscious imitation of US President Woodrow Wilson, whose "fourteen points" at Versailles led to the creation of the Czechoslovak state, President Václav Klaus of the Czech Republic has produced "ten points" about the European Constitution. They make it clear that he is opposed to the Constitution and he has asked the constitutional court to examine whether it is compatible with the Constitution of the Czech Republic. The 10 points are as follows:

1. The European Union will become a state and it will have all the basic features of a state. It will have its Constitution, its citizens, its territory, its external border, its currency, its President, its Minister of Foreign Affairs, etc. It will have its flag, anthem, and state holiday.

2. In this newly created state of a federalist type, current Member States will be simple regions or provinces.

3. The Constitution of the state European Union will be superior to constitutions of Member States. Even the entire legal order of the Union will be superior to the legal orders of Member States.

4. The term "constitutional treaty" is imprecise and only temporary. This document will be a treaty between sovereign states only until it will be – as a treaty – ratified in Member States. Then, this document will become a real constitution.

5. The concept of "shared sovereignty" that was dominant so far has been abandoned in today's old EU, and a new pan-European sovereignty is being created instead. The states in the new EU are losing their right to create their own laws, which until now has been exclusive.

6. Citizens of the individual Member States will become citizens of the state European Union with direct rights and obligations to the institutions of this European state.

7. The Member States will be able to exercise only the competences that are left to them by the EU

Constitution, not the other way round, which was the original idea of the European integration. Derived (secondary) EU legal acts will be superior to the original (primary) legal acts of Member States.

8. The EU, not the Member States, will conclude international agreements with other states.

9. The constitutional treaty decreases the voting weight of smaller Member States, e.g. the Czech Republic, (in comparison to the current situation resulting from the Nice Treaty).

10. Even the areas of decision-making, in which Member States will retain in the future the right of veto, can be at any time subordinated to a majority vote (it is enough if Presidents or Prime Ministers of EU countries agree on it, which means that it can be done without the national Parliaments having the possibility to decide about it, not to say citizens to express their agreement with it).

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Henri Emmanuelli joins No camp in France

The former President of the National Assembly, Henri Emmanuelli, has spectacularly broken with the discipline of his Socialist Party and said that he will campaign for a 'No' vote on the European Constitution. The party hierarchy had told Socialist opponents of the Constitution to keep silent. Emmanuelli's move follows the distinct hostility expressed against the Constitution by the former Socialist Prime Minister, Laurent Fabius. He expressed his decision in an open letter to the supporters of the French Socialist Party on 2 March, in which he said that he wanted to put an end to Europe's "free-market drift" by opposing it with "a democratic act in favour of a progressive act which unites people". Emmanuelli says that the PS' enthusiastic support for the treaty is incompatible with the conditions it set down in June 2004, conditions which have not been respected. His move means that there are two leading figures on the centre-left that are not against the Constitution, and this is in addition to the CGT trade union, *Confédération general du travail*, which announced in February that it would be advising its members to vote 'No'. [Sylvia Zappi, *Le Monde*, 3 March 2005]

II. Other European News

French Constitution changed again

In the face of the rising support for the No camp, deputies to the French National Assembly and Members of the Senate have met in Congress in Versailles to change the national Constitution in preparation for the ratification of the European Constitution. This procedure takes place every couple of years, because the European Treaties are in a state of permanent revolution. Although the Congress did vote to change the Constitution (66 people voted against and there were 96 abstentions, out of a total Congress of 733 Deputies and Senators) the Treaty itself has to be ratified by referendum and it seems that the French Government is concerned that popular dissatisfaction over the economy (especially the jobs market) is likely to swell the numbers of people who will vote 'No'.

The sudden resignation of the Economics Minister, Hervé Gaymard – who claimed €14,000 a month from the state for an enormous flat in Boulevard Saint-Michel, and pretended that he had no money of his own when in fact he is in the top tax bracket – has not helped the Government's prestige. Although the opinion polls show 63 per cent in favour of the Constitution, there is no doubt that its supporters are worried that a 'No' vote has a chance. The fact that unemployment has just broken a post-war record of 10% has not helped, especially since the Prime Minister, Jean-Pierre Raffarin, promised to reduce it to 9 per cent. The prospect of Turkish accession, although not directly connected to the Constitution, is also extremely unpopular and it will encourage many people to vote 'No'. [Philippe Ridet, *Le Monde*, 1 March 2005]

The French Prime Minister and his Spanish counterpart, José Luis Rodríguez Zapatero, have issued a joint communiqué in which they called on the French people to vote 'Yes'. Zapatero delivered an address to the National Assembly itself. He devoted the bulk of his statement to the need to make Europe more capable of influencing world events and of fighting terrorism. [*Agence France Presse*, 2 March 2005]

The sick man of Europe

Germany is falling ever further down the European prosperity league table. Spain and Italy are shortly due to overtake it. A year ago, the former Spanish Prime Minister, José-Maria Aznar, said that the eurozone was divided into two halves: those countries, like Spain, which were dynamic and creating jobs, and those countries, like Germany, which were stagnant and not. According to

calculations done by the newspaper, *Die Welt*, Spain will overtake Germany in terms of per capita income by 2011. Italy could overtake Germany the year after next, even though it is one of the low-growth countries in Europe. Ireland overtook Germany a long time ago. Germany is rapidly becoming Europe's poorhouse, the newspaper concludes. The relative situation of Germany has declined noticeably. Whereas in the mid-1990s, only five countries had a higher per capita income than Germany (Austria, Denmark, and the Benelux countries), there are now only four countries in the old EU which are poorer in per capita terms (Italy, Spain, Greece and Portugal). Most striking of all is the contrast with the United Kingdom. In 1995, British per capita income was 8 per cent below German; now it is 9 per cent higher. By 2011, therefore, Germany could be the third poorest country in the old EU, richer only than Portugal and Greece. Income even in these countries is growing faster than in Germany.

A researcher for Deutsche Bank says that if things continue as they have done in the last 20 years, then Germany could one day become a net recipient of EU funds. All is not gloom and doom, however; Goldman Sachs shows that Germany has also carried out more reforms than other eurozone members and that a turnaround can therefore be expected. [Jörg Eigendorf & Anja Struve, *Die Welt*, 28 February 2005]

The Ifo-institute in Munich has spoken of the "chronic weakness" of the German economy. It says that the negative economic trends date back at least to the end of the 1970s, when growth fell behind other euro states and the USA. In a study which compared long-term trends in Germany, the UK, France, Italy, the USA and Japan, Ifo concluded that Germany was doing particularly badly. The institute concluded that contributory factors included the costs of reunification, the acceleration of globalisation, and the introduction of the euro. Between 1970 and 1989, Germany had an average annual growth rate of 2.5 per cent; in the eurozone without Germany the comparable figure was 2.9 per cent, in the USA 3.2 per cent. The institute concludes therefore that the challenges facing the German economy are even worse than those suggested by the bad economic statistics in recent years. [*Handelsblatt*, 28 February 2005]

The latest unemployment figures have only confirmed this bleak judgement. There are now 5,216,000 people out of work in Germany, the 5-million post-war record having been passed last month. This represents a rise of 180,000 since last

month, bringing the total rate to 12.6 per cent. The employment minister, Wolfgang Clement, may soon himself be out of a job, since political pressure is increasing on him and the Government. He is trying to cut corporate tax to make it easier for companies to recruit people. Although the Government, as always, is trying to point to one-off circumstances to explain the rise – bad weather, people coming off the social benefit register – the seasonally-adjusted figure is still 161,000 higher than last month. The Social Democrats generally are feeling the heat, as they fear that the employment crisis might cause them to lose regional elections in North-Rhine Westphalia in May. [*Handelsblatt*, 1 March 2005]

Status of Kosovo could be discussed mid-2005

The head of the United Nations Mission in Kosovo, Soeren Jessen-Petersen, has told the Security Council in his quarterly report published on 24 February that there is “a good chance that the process leading to discussions on the future statute of the province can start in the second half of 2005.” Kofi Annan has called upon the few remaining Serbs in Kosovo to take part in any such negotiations. The security situation remains fragile in the province ever since 19 Serbs were killed in riots in March 2004 (there were more than 900 people injured). Belgrade and Pristina (i.e. the Serbian Government and the regional Government of Kosovo) are to recommence discussions about the people who disappeared in the 1998-1999 war and NATO bombing. The Luxembourg Foreign Minister, Jean Asselborn, whose country currently holds the presidency of the EU, has said that there is no question of returning to the *status quo ante*. He has also said that Kosovo cannot become annexed to neighbouring Albania. A third solution, the partition of Kosovo, has not been formally rejected. Serbs have been concentrated North of the Ibar river at Kosovska Mitrovica since the end of the NATO bombing in 1999. Although partition is supported by Serbia, Mr Petersen – incredibly – continues to mouth platitudes about wanting to create a multi-national society. The Kosovo Albanians say they want full independence, and they are quoting a recent draft Constitution produced by the US-based NGO, the Public International Law and Policy Group. Its first paragraph says, “Kosovo is a democratic, independent and sovereign state.” The Serbian President, Boris Tadic, has firmly rejected the notion of an independent Kosovo, saying that it is “totally unacceptable” and that it would “de-stabilise the whole region”. He says that the status of Kosovo should be “somewhere between the old solution of the Milosevic era and independence”. [*Laurent Abadie*, 27 February 2005]

EU to legislate against revisionism

Meeting in Brussels on 24 February, EU Justice Ministers decided against passing a Euro-law banning Nazi symbols. The European Commission has put the issue on the agenda, as a proposed amendment to a law against racism and xenophobia, following Prince Harry’s appearance at a fancy-dress ball dressed as an officer in the Afrika-Korps and wearing a Nazi armband. The Luxembourg minister said that including an amendment to this effect could delay other laws against racism and xenophobia; the Italian minister said that individual states could pass such laws themselves anyway; other states (Britain, Denmark, Finland) said that freedom of speech issues, as well as the difficulties of definition, would make the law problematic. The Council of Ministers hopes that they will soon reach agreement on the underlying Euro-law against racism and xenophobia.

The current proposal foresees a law which would provide for at least one-year imprisonment for incitement to discrimination, violence or racial hatred; and apology or denial of crimes against humanity or war crimes; and the “public denial” or “gross minimalisation” of Nazi crimes. It also provides that for all other crimes a “racist or xenophobe motivation” would be considered an aggravating circumstance to be taken into account when sentencing. Some exceptions or derogations are foreseen: discrimination or revisionism could be excluded if they did not incite violence or hatred. Racist acts might not be punishable “when the behaviour is not threatening, insulting or injurious”. On the other hand, the proposed law provides that one state could extradite people in another state if their acts were deemed contrary to the laws in that state. France and Spain want this provision; Britain and the Nordic countries are against it. [Thomas Ferenczi, *Le Monde*, 26 November 2005]

US adopts EU position on Iran

The USA seems about the swing behind the position taken by Britain, France and Germany on Iran. This “troika” is trying to encourage Iran with technological incentives to give guarantees that it will use its nuclear power only for civil purposes. George Bush praised the work of the troika on his recent visit to Europe and said repeatedly that diplomacy on the issue was only just beginning. According to reports, Washington might adopt a carrot and stick approach itself, for instance offering Iran membership of the World Trade Organisation in return for cooperation on the nuclear issue. Previously, the Bush administration had ruled out offering Tehran any incentives at all. This development comes in spite of the fact that Mohammad Al-Baradei of the IAEA has again stated that he is unhappy with Iran’s cooperation. Russia has stated that it intends to

continue building nuclear power stations. [Manfred Pantförder, *Die Welt*, 1 March 2005]

The EU also seems to have carried to the day on the issue of arms exports to China. (Both this and Iran were the focus of George Bush's visit to Europe last week.) On 5 March, the Chinese Parliament is due to pass a law that would legalise the use of force against secessionist territories including Taiwan. Washington is concerned at any change in the balance of power in the region; it is therefore also "deeply concerned" at the EU's plan to lift its weapons embargo on China. This policy-difference divides even London and Washington. Europe claims that its code of behaviour will regulate the civilian use of the technology which it intends to export to China, but many doubt whether the code will have any effect. Friedbert Pflüger, the foreign policy spokesman of the CDU who opposes the lifting of the embargo, also reproaches the EU for acting unilaterally: he says that Europe cannot attack the Americans for their unilateralism if Europe does the same thing. Even a member of the Green Party, Winfried Nachtwei, deputy chairman of the Parliamentary party, says that the Europeans should "show more understanding for the strategic interests of the USA in East Asia." [Kirstin Wenk, *Die Welt*, 1 March 2005]

Four more ICTY indictments

The International Criminal Tribunal for the former Yugoslavia has issued four indictments, three against Bosnian Serb generals and one against a Bosnian Muslim general, Rasim Delic, who is accused of responsibility for the murder of scores of Bosnian Croats and Serbs by his subordinates. He went to The Hague voluntarily on 28 February 2005. [François Hauter, *Le Figaro*, 28 February 2005] Delic, 56, is accused of having been in charge of brigades of mujahadin who carried out atrocities against Serbs. There were about 2,000 of these mujahadin in Bosnia, adherents of Osama bin Laden, who shot, decapitated and raped their prisoners. The head of this brigade, Abdul Adbel Aziz, known as "the Barbarian", was accused by the US Congress enquiry into the September 11 attacks of being an Al-Qaeda recruiter. Indeed, one of the 9/11 attackers had a Bosnian passport, while the mujahadin in Bosnia itself all came from Saudi Arabia. One German journalist, Renate Flottau of *Der Spiegel*, even claims that she met Osama bin Laden in Bosnia in 1994. According to the Pentagon, the mujahadin kept their bases in Bosnia and then used them to train Chechen

separatists. [*Le Figaro*, 28 February 2005]

US attacks Turkey

All is not well in US-Turkish relations. A science fiction novel set in 2007 in which the United States invades Turkey from Northern Iraq is proving a best seller. A long *Wall Street Journal* editorial has said that Turkey is becoming increasingly anti-American. And the State Department has just issued a critical human rights report, saying that violations of human rights continue in Turkey. The report does congratulate Turkey for adopting reforms to the penal code in order to meet the EU's Copenhagen criteria, but it also said that the application of these reforms was late and that security forces have continued "torturing, beating, arbitrary arrests and imprisonment". [*Anadolu News Agency; Zaman* (daily newspaper), 1 March 2005]

Turkey protests at German vote

The German Christian Democrats' decision to put down a motion in the Bundestag condemning the Armenian genocide has provoked a furious reaction from the Turkish ambassador in Berlin, who has accused the German opposition of making itself into "a spokesman for fanatical Armenian nationalism". The motion refers to an order given on 24 April 1915 "by the Young Turk regime in the Ottoman empire to arrest the Armenian cultural and political elite in Istanbul and to deport them to the interior of the country, where most of them were murdered." The deportations are said to have caused the deaths of between 1.2 and 1.5 million Armenians. The Turkish Government has said that such attacks on events, which happened 90 years ago and before the founding of the Turkish republic, are incompatible with the spirit of reconciliation that is supposed to characterise relations between EU states and candidate states. [*Die Welt*, 28 February 2005]

Greek deficit even worse than thought

Greece's finances are in an even worse state than was originally thought. According to the Finance Minister, Jorgos Alogoskoufis, the budget deficit in 2004 was 6 per cent of GDP. Athens previously reported a deficit of 5.3 per cent, which was already far higher than originally thought since the previous Greek government lied about the true state of the country's finances in order to qualify for eurozone membership. The cause of the sudden rise is an increase in state spending and a fall in tax receipts. [*Handelsblatt*, 1 March 2005]