Europe Towards the Year 2000 Seen in a Danish Perspective

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Abstract

The address points to several dramatic changes through which Europe is going, and states that it is an exciting time for Europe. The world is entering a multipolar stage, Eastern Europe is reforming, technological advances have significantly effected Europe, and the EC is becoming stronger. It is the beginning of an important decade for Europe, and one which will greatly impact America.
ADDRESS

EUROPE TOWARDS THE YEAR 2000 SEEN IN A DANISH PERSPECTIVE

Leif Donde*

It is a pleasure for me to speak to such a distinguished audience on what I think is one of the most essential international topics of our times: Europe in the nineties. A subject which is very much in the headlines these years.

Recently, a U.S. businessman was quoted as saying that Europe is an obsession to the East Coast establishment. He may be right, he may be wrong. To my mind, however, there is little doubt that the developments in Europe have a great bearing on the United States, both politically and economically.

Former U.S. Secretary of State Dean Acheson called his memoirs Present at the Creation. If one should write memoirs on the current development in Europe, it would seem fitting to use the same title. In a sense we are "present at the creation." Let us try to look at some facts and at the same time gaze into the crystal ball.

Europe is undergoing dramatic changes these years, and there are several reasons for this. First of all, the international political system as we have known it since the late forties is being transformed. The world is changing from a bipolar world to a multipolar world. Europe, Japan, and China have entered the world stage. Their roles are different from that of the superpowers. But their voices can be heard and their views are taken into consideration. Of course, that does not mean that the United States has abandoned its leadership role. The United States will for a long time, to quote U.S. Deputy Secretary Lawrence Eagleburger, still be the only power able to think and act in global terms and to fashion policies in the overall political, economic, and security interests of the West. Nobody can disagree with that.

Second, the reform process in Eastern Europe and the

* Danish Consul General, New York. This speech was delivered at the Thirteenth Anniversary Dinner of the Fordham International Law Journal on March 28, 1990.
“Perestroika-Glasnost processes” in the Soviet Union have a tremendous impact on us all. The events occur with a breathtaking pace, and we have been surprised. Who had really expected such a dramatic change in such a short time? Who could have envisaged less than a year ago that we are now talking seriously about a German reunification in the very near future?

Third, technological innovations have also had a significant impact on the development in Europe, not only on the economic and industrial development, but also on the political and cultural development. We should not underestimate it. The impact of technological innovations can be seen in Western Europe where problems have become much more international. The information technology has brought the Europeans closer to each other. It has given us a new perspective on many societal problems. It now quite often turns out that solutions based on national assumptions tend to be inadequate.

The impact of technological innovations can also be seen in Eastern Europe. The drift towards pluralism is to some extent undoubtedly caused by these “technologies of freedom.” The information flow across borders cannot be prevented. Basically, technological development forces new challenges upon the modern societies that can only be solved through international cooperation. When the problems become borderless, solutions will have to be borderless. That is a striking truth for the Europeans.

Finally, the European Community has changed. In the seventies, the Community had real difficulties in getting its act together. We muddled through, from crisis to crisis. There were problems with the Community budget. There were difficulties with formulating new policies. There were really no visions, just quarrels. But, we have been able to inject new energy into the integration process. We enlarged the Community with Spain and Portugal. We adopted the Single European Act—an amendment to the Treaty of Rome—which paved the way towards the single market—an ambitious goal. New initiatives were set in motion to formulate policies that could meet the challenges stemming from the technological development.

We Europeans had seen the writing on the wall, standing
with our backs to it, as Adlai Stevenson once put it. We had for quite some time been preoccupied with the fact that we lagged behind the development in the United States and Japan. History convinced those who doubted. A lesson was learned. It was imperative to have a much higher degree of cooperation in Europe.

The changes in Western Europe are in a way no less dramatic than the changes in Eastern Europe, though they are of a completely different nature. Countries in Central and Eastern Europe are in the process of restoring pluralism and reconstructing their ailing economies. It is necessary to encourage and help them, but it must also be recognized that the transformation of their economic system is so fundamental that compromises may have to be made, at least in the short run.

As Europe undergoes dramatic change, the Member States of the European Community are forced to make some difficult and far-reaching decisions on the nature of the Community itself. The Community pulls the European train and is the dynamo of European development. The integration process within the European Community itself must continuously be strengthened. We must therefore widen as well as deepen our integration. That is the best basis for remaining open to third countries, be it the European Free Trade Association (the “EFTA”) countries or those of Central and Eastern Europe.

Denmark has been in favor of this kind of international cooperation. As a small state, with no given natural resources worth mentioning, apart from our brains and hands, we have a lot to gain. The European Community is an ideal solution for a small and open country like Denmark. Do not forget that what makes the European Community differ from any other type of international organization is its supranational character and the fact that its output is law-binding. The Community does not just adopt declarations. It adopts regulations and directives, which have a law-binding nature, and Member States will have to abide by the directives.

What are the consequences of the ongoing processes inside the Community? The most important item on the agenda is the effort to complete the single market by the end of 1992. A lot has been said about 1992. We have already made great progress, although it is certain that we will not meet the dead-
line by the end of 1992 on all the issues. That does not matter. What matters is that there is an irreversible process under way and that there is momentum.

Generally, the process strives to strike a new balance between liberalization and harmonization, between what should be decided at the national level and what should be decided at the Community level, between what should be deregulated at the national level and what should be regulated at the Community level. We are in the middle of the biggest deregulation process in history. The process consists of a mixture of government push and market pull. It is the Community's overall intention to strengthen the competition among companies and businesses in order to enhance the cooperation between the industrialized nations.

Saying that, I have already touched upon the implications for the United States and other third countries. The single market is in the interest of the United States. It must be better for the United States to have one instead of the twelve independent markets with different requirements. And then, do not forget that it is not without reason that U.S. companies are sometimes described as true pan-European companies.

It goes without saying that problems will arise that will affect the interests of third countries. Those problems will have to be solved in a pragmatic way. Nobody can in advance give a clear prescription on how to solve them.

One thing is for sure. It is out of the question that the Community will turn into a protectionist force. There is one good reason. It is simply not in our interest. We have one fourth of the world trade. Consequently, it is in our clear interest to enhance the liberalization of the international trading system. The Community will not turn into a "fortress Europe."

But there are other items on the agenda, including the establishment of the economic and monetary union. Such a union will also be in the interest of the United States, because it will create a consistent European view.

Among other items we will have to address very soon is the so-called social dimension of the internal market, which concerns some of the basic rules with regard to the labor market. One could also mention research and development and
environmental policy as items that the Community must soon address. Denmark has a great interest in pursuing these policies and has all along argued for strengthening them. That position is a natural consequence of our high standard of living and strict environmental rules.

The concept of the single market goes far beyond what was originally proposed in 1985. The process will be broadened and become more comprehensive. In a way it is just like the Lego Toys. You can always add to it and you won't outgrow it, to paraphrase the Lego advertisement. What does all this lead to? What kind of Community will we see in the future? And what will be the consequences of the political and economic development in Europe in the nineties?

We see a new and self-confident Community emerging on the European political scene. This transformation is not only taking place inside the Community, but also in the Member States themselves.

This transformation can also be seen in the growing importance that the Member States have placed on European political cooperation. During the eighties, the European countries have managed to formulate views on a whole range of international issues. Today, there really is a European voice in the international choir. Then, we can expect a completion or near completion of the internal market in the nineties. That will have a significant macroeconomic effect.

The internal development inside the Community has set a process in motion which has far-reaching consequences for the Community's relations with the European non-Member States, primarily the members of EFTA, which includes Norway, Sweden, Finland, Iceland, Austria, and Switzerland. But also, as indicated earlier, the Eastern European countries have interests at stake. The Community has turned out to be a magnet for the other European countries. They are all drawn towards the Community. Austria and Turkey have already applied for membership. Probably Norway and perhaps Sweden might follow at a later stage. It is obvious that Denmark would like to see our Scandinavian friends and neighbors join. Their membership would strengthen our views, because they share the same values and have similar economic systems.

The Community is the driving force in the European inte-
gration process. You can see it inside the Community. You can see it in the EFTA countries. You can see it in the Mediterranean countries. They are all looking towards the Community, waiting for new initiatives. The events in Eastern Europe have convinced us that Europe is more than Western Europe. It is also Eastern Europe. In the years to come, the Community will turn out to be the vehicle for bringing about a much broader European cooperation. The Community will be the force of stability in Europe.

Let me summarize in the following points. The future poses a lot of challenges to the Europeans. We are witnessing an important process. The European political and economic landscape will undergo a true transformation. We see a more self-confident and outward-looking Europe entering the world stage, willing to assume its responsibilities. Our efforts to unify our market will also be to the advantage of the United States. Our efforts to solve our own problems will strengthen our relations with the United States. As President Bush so rightly has said: “A strong united Europe means a strong America.” We struggle for the well-being of our citizens and societies. The Community is the best instrument for that purpose. It is also the best instrument to integrate the other half of Europe into the whole of Europe. As then French Foreign Minister Robert Schuman put it in the early postwar years: “Europe will be built by practical results generating the sense of common purpose.”