

EU Back to Basics

BY STEEF M. BARTMAN, MAIN EDITOR

As I am writing this Editorial for the first issue of ECL new-style, the members of the European Union, at least their governments, have just accepted a new € 862.4 billion (\$ 1 trillion) seven-year budget. Only few people expected this to happen under the “Euro-sceptic” leadership of the UK, but once again the constructive forces in the EU became dominant at the very last minute. One might also say that at last the vision broke through that it is in the interest of *all* countries, including France, Germany and the UK, that the recently accepted new Member States from Eastern Europe are not left in the cold after the promises previously made to them. Speeding up economic development in these countries could very well form the necessary trigger for better economic results in Western Europe as well, and, consequently, for growing welfare in the EU as a whole in the next decade. As the newly appointed Professor Frits Bolkestein, former EU Commissioner responsible for the Internal Market, pointed out during his inaugural speech in The Hague: “*The discussions between the Member States in Brussels are an extremely hard struggle for money, power and influence. It’s the national interests that ultimately form the Union’s cement. All Member States have an interest in its continued existence.*”¹

Although these words sound far less idealistic than the words spoken in 1999 when the Treaty of Amsterdam, preparing the Community for an expansion in membership, was signed, I fully agree with Mr. Bolkestein that a much more realistic approach as to the motives for cooperation in Europe is appropriate. “*Toutes les actions de l’homme sont inspirées par l’égoïsme*”, the French philosopher François de la Rochefoucauld stated about four hundred years ago. And right he was. This basic behavioural inclination goes for individuals as well as for nations. Bearing in mind that the avoidance of war is also – in terms of welfare economics anyway – an economic goal, the improvement of national welfare of all countries involved has been the *raison d’être* of the European Community all along. I also fully agree with Mr. Bolkestein that there is no specific “European identity” in a cultural or religious sense. Rationalism, democracy and human rights are no exclusive European inventions, although we sometimes love to believe so. These are merely ideals that we should strive for on a daily basis. They can get lost easily, as the Balkan disaster has convincingly shown us. Therefore, such criteria can

hardly give any guidance in deciding on the future development of the EU, *e.g.* on the issue of accepting Turkey as a new Member State. The only realistic criterion for taking such decision is the economic one, *i.e.* its foreseeable effect on the EU’s welfare as a whole. It is only fair to measure this effect on the assumption that eventually there will be an optimally integrated economic and financial market among the old and the new EU Member States. However, I have no knowledge of any study about this effect on the basis of such assumption and, more importantly, it certainly does not play any role in the current discussions and often heated public debates about the entry of Turkey. This is odd. The EU would do well to spend more funds on carrying out studies of this nature and bring the results under the public’s attention. It would no doubt improve the quality of the debate.

In the meantime more knowledge about the legal structure, and its pace of reform, of recently entered and future EU countries, is extremely important. ECL’s Editorial Board considers it as its task to further this insight and, thereby, to bring the enlargement debate on higher ground. A good example of this journal’s efforts to do so is the article by Serge C. Blommendaal, in *ECL* 05/3.² In this context we are also glad to have attracted two legal experts from Poland and the Czech Republic, Mr. Rafal Stroinski and Mr. Bohumil Havel, to report on major developments on company law in their respective jurisdictions. It is fascinating to see how both countries are struggling to shake off the Communist era and pertinent legal paradigm, and try to comply with EU standards as swiftly as possible. We are eagerly looking forward to their regular reports and to those by our other country reporters.

¹ Frits Bolkestein, De Europese unie en haar toekomst (The European Union and its Future), inaugural speech, 9 November 2005, accepting a professorial assignment at both the universities of Leiden and Delft, the Netherlands.

² Serge C. Blommendaal, Path Dependence in Investor Protection Law: the Case of Turkey.