

EUROPEAN UNION EXPANDS TO 27

Huge celebrations mark accession in Romania and Bulgaria



Jan 1, 2007. 17 years after the fall of Communism, Romania and Bulgaria joined the European Union, extending the borders of the now 27-member bloc eastward to the Black Sea.

The EU flag was raised outside the government headquarters in Bucharest to the European anthem, Beethoven's *Ode to Joy*.

It is hoped the accession of these two states on New Year's Day - the EU's second wave of enlargement into formerly Communist Eastern Europe - will give the Union a stable political and economic anchor in a region surrounded by unstable neighbors.

European nations led by Britain, with the enthusiastic backing of the United States, have supported further EU expansion because the promise of membership has helped accelerate economic and political change in Europe.

Romania and Bulgaria, the EU's poorest members, hope that membership will help them raise their per capita wealth, which at present is only one-third of the EU average.

Romania suffered a brutal Communist dictatorship under Nicolae Ceausescu before he was overthrown in 1989. Now, with a population of about 22 million, it is the EU's seventh largest member.

For Bulgaria, whose history is marked by conflicts with the Ottoman Empire and Soviet occupation, EU membership is also viewed as a source of economic and democratic stability.

In an emotional address to the nation, Bulgarian President Georgi Parvanov called the country's EU entry a 'heavenly moment.' "But let's make it clear, our future success as a nation depends not on European funds and resources, but on our own work."

The two states, like the eight ex-Soviet countries already in the EU club, are poorer than the first 15 members; they have many more farmers, are predominantly Christian and have right-leaning views on issues such as immigration and gay rights.

THE EU STILL INCREASING

The EU began in 1957 with six members. By 1995 it had increased to 15, and in May 2004 a new wave of entrants brought it to 25 members. With the latest additions, the EU's population increases to **493 million**, and its economy grows to €10.9 trillion - the biggest single market in the world.

But the entry of the Balkan countries comes as the EU is experiencing expansion fatigue following the bloc's enlargement to the 25 countries in 2004.

Recently EU leaders toughened their tone on enlargement but stopped short of setting new hurdles to expansion. They reaffirmed backing for the **eventual membership of Turkey** and the western Balkan states: **Albania, Bosnia, Croatia, Macedonia, Montenegro and Serbia**. But they insisted that expansion could not proceed unless the EU changed its outmoded institutions, including a decision-making system in which **national vetoes remain widespread**.

The EU will now work in 32 official languages, and the Brussels bureaucracy will expand to take in 27 European commissioners.

Both Romania and Bulgaria have ratified the draft EU constitution as part of their accession treaties, and this has raised the total number of EU states that have approved the charter from 16 to 18.

RESTRICTIONS IMPOSED

Both Bulgaria and Romania are much poorer than the rest of the EU, with GDP per capita of about 33% of the EU average.

Average income in Romania and Bulgaria is €160 to €200 a month while some live on just €60 a month. In Romania, Roma slums have worse living conditions than parts of the developing world.

The two new countries will be subject to strict monitoring to ensure they make progress in the fight against corruption and organised crime. They will also face export bans on certain foods, and Bulgaria has been warned that 55 of its aircraft could be grounded unless they reach EU safety standards.

One of the EU's fundamental principles - **freedom of movement** - has been put in doubt as the richer EU nations impose restrictions on Romanian and Bulgarian workers heading their way.

The EU is already grappling with fears that westward migration from its poorer members in the east risks undermining the bloc's social standards. At the time of the EU's last enlargement, in May 2004, the European Commission estimated that the number of migrants throughout the bloc would total 70,000 to 150,000 a year. Britain alone is estimated to have received up to 600,000 in the past three years.

Consequently, job-seekers from Romania and Bulgaria are likely to face stiff restrictions in the rest of the EU. Britain, Sweden and Ireland, which opened their doors to EU newcomers in 2004, have already signaled that they are less inclined to do so now. Romanians and Bulgarians may also face obstacles in labor markets in Hungary, Slovakia, and the Czech Republic, which are themselves confronting restrictions by countries further west. Romania and Bulgaria fall into place as third-class EU members.

The big differences between Romania's and Bulgaria's economies and those of the euro countries will probably mean these two will not be able to adopt the euro for at least 5 to 7 years.

SLOVENIA ADOPTS EURO

Slovenia, the first of the 2004 new members, has become the 13th EU member state to introduce the euro, ditching its national currency on 1 January. The existing Slovenian currency, the tolar, will remain in dual use with the euro for just 14 days.

GERMANY TAKES OVER PRESIDENCY OF EU

On Jan 1, Germany took over from Finland the presidency of the European Union, for six months. It also took over the presidency of the G8 - the world's eight most industrialized nations, for one year.

During its tenure as head of the EU and the G8, Germany, the biggest economy and most populous country in Europe, will seek to revive international efforts for Middle East peace, to relaunch the EU constitution, and to advocate a gentler form of globalization.

Berlin has set ambitious targets and achieving them will test the diplomatic powers of Chancellor Angela Merkel, who has won widespread praise for her approach to foreign policy since taking over in November 2005.

Merkel told Germans in a New Year's speech Sunday that the dual presidencies presented a unique opportunity to help shape Europe's future in a globalized world. "Only a united Europe can tackle the challenges of globalization including international trade but also violence, terror and war," she said. "A divided Europe is doomed to failure."

Germany wants to restart Mideast Peace Process

Germany will renew efforts to find a solution to Mideast troubles. Angela Merkel and Foreign

Minister Frank-Walter Steinmeier have called for a January meeting to "revitalize" the Middle East quartet -- grouping the EU, the US, the UN and Russia -- to help kick start peace efforts between Israel and the Palestinians.

Steinmeier has said the aim is for the quartet to exercise a "stabilizing" influence in the region and encourage preliminary talks between Israeli Prime Minister Ehud Olmert and Palestinian President Mahmoud Abbas to continue.

Breathing new life into dead EU Treaty

The most pressing item for Europe is the stalled EU constitution. Merkel has cautioned against overly high expectations saying that half a year may not be sufficient to resurrect a treaty that has been in the deep freeze for more than 18 months. (French and Dutch voters dealt a blow to the constitution treaty by voting against it in 2005, but 18 of the 27 countries have ratified it).