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Analyses

Ratification of the Lisbon Treaty Has Reached the Decisive Phase

Václav Bacovský, Sylvie Milerová

While in the Czech Republic the ratification of the Lisbon Treaty (LT) continues through parliamentary passage (at the moment it is at second reading and heads to the Constitutional Court), on 12th June Ireland, as the only EU country, will let its citizens decide the fate of the treaty in a referendum. Even though 13 countries have already ratified the LT, Irish “no” would doom it. Although Ireland is traditionally pro-European, the memories of the negative outcome of the referendum on the treaty of Nice are still vivid. According to current public opinion polls 41% of citizens would vote for the treaty, 33% against and a whopping 26% are still undecided.

Why are the expected results so tight? Sinn Fein is leading a traditionally negative campaign, and the fears of farmers are also a factor. More than two thirds of citizens admit they do not have enough information about the treaty. That is another reason why there is a danger that the referendum might slip into a plebiscite on people’s confidence in the government. Therefore the resignation of the Prime Minister B. Ahern in May, whose popularity has been declining steadily, might have taken some weight off the European Commission’s shoulders. Participation might be crucial: high absence would probably mean a negative outcome as in the case of the treaty of Nice.

What would the consequences of Irish “no” be? Some say it would be sheer tragedy; others welcome the possible “no” as a “shock that would bring any democratic life to this tired, aimless beast”. The Commission underlines that there is currently no plan B. So the question is whether the referendum would be repeated or if Ireland would try to negotiate some opt-outs.

No matter how the Irish decide, it would be unfair from other EU members to punish Ireland for a negative outcome, because it is very likely that in case of a referendum those states would struggle to secure the votes needed. Nevertheless the Irish outcome will also be interesting for the Czech

Republic – it will give a hint on whether the Czech presidency will run in the framework of a new institutional organization.

The Czech Republic and EU – Russian Commercial Relations

Petr Hajný

Measured by land area, Russia is the first country in the world, measured by population, the eighth and its economy has been significantly rising in the past few years. At first sight positive Russian export data is however more likely caused by the rising prices of energetic raw materials, of which Russia is an important exporter. Another long-lasting problem of the Russian economy is high inflation.

European Union is Russia's most important trade partner; both import and export reach values at around 50% of all Russian trade. While export is dominated by crude oil and natural gas (followed by iron works materials, chemistry and timber), more than half of import is made up of machines and machine equipment such as cars (followed by pharmaceuticals, ready-made clothes and shoes). The growth of Russian trade is caused by growing demand of companies and households.

What are the trade relations between Russia and the Czech Republic like? Relations that were created thanks to common history were almost completely destroyed after 1989. Thanks to the ever strengthening Russian economy, the diffidence to do business with east starts to disappear. The gap between import and export is successfully shrinking; nevertheless trade balance with Russia stays passive. In what concerns the structure of trade, the Czech Republic is similar to the rest of the EU (export – machines, machine equipment etc., and import – crude oil, natural gas etc.). Currently Russia is Czech Republic's 10th biggest business partner. Many traditional exporters are returning to the Russian market with success (Škoda JS, Vítkovice, Karosa etc.) and reversely the Russians invest in the Czech Republic (spas, hotels, iron works, aviation industry and other).

The Czech Presidency of the EU Council at the beginning of next year will be a great opportunity for the Czech Republic to make use of its ties and experience with Russia and thus support EU's efforts to strengthen mutual relations.

European Atomic Forum in Prague: Operation Results and the Position of the Czech Republic

Vladimír Beroun

Second session of the European Atomic Forum, which was founded as a platform for discussion about the opportunities and risks of atomic energy, took place in Prague from 22nd to 23rd May 2008. The forum was organised by the European Commission in cooperation with Czech and Slovak authorities. The three priority fields of the forum expert work groups include opportunities, risks and transparency of nuclear energy.

The programme of this year's forum focused on atomic energy's ability to compete, its funding, legal framework, harmonisation of security, handling of waste and also strengthening of the public confidence in nuclear energy. A very important signal of the forum is the growing affection of Europe for nuclear energy. Chernobyl and bipolar paralyses of the past century seem to be definitely left in the past. Prague has unanimously supported the idea of nuclear energy renaissance with the prospect of increasing the energetic independence and European economy's ability to compete.

The speech of European Commission president José Manuel Barroso is also notable as he stressed that the EU will henceforth not intervene in the energetic mixes of the EU 27 countries and also recognised that nuclear power will contribute to the low carbon energetic future during the fight against global warming.

Shattering taboos, impartial information, pragmatism, support of nuclear energy, re-evaluation of energetic conceptions and a continuing discussion about safety of nuclear energy all indicate the future development of this sector. The Czech Republic has espoused these appeals of the EU, but compatibility of these principles with the coalition commitments of the Czech government is dubious. At the moment numerous European countries are building new nuclear power plants and other countries are in talks to build new or increase the existing capacities. A similar discussion is only awaiting the Czech Republic and the opposition does not hold it a secret that it will try to use nuclear energy as a means of destroying the coalition.

Polish-Swedish „Eastern Initiative“

Jan Husák, Michal Vít

During the meeting of EU Ministers of Foreign Affairs, Poland and Sweden presented the so-called Eastern initiative. The objective of this plan is to strengthen EU's relations with its Eastern neighbours – primarily Ukraine, Moldova and Belarus and countries in the Caucasus area. The goal is to create a stable multilateral cooperation in the fields of politics, economy, frontier regimes, environment and social issues. The idea is considered as direct reaction to Sarkozy's Mediterranean Club Med and it should be complementary to other activities in the region. The draft does not mention EU membership of these countries, but the spirit of the proposal counts with this possibility as is likewise stated by its representatives.

Originally the Czech Republic wanted to take part in preparation of the Eastern neighbourhood policy in the framework of the Visegrad Four cooperation. However, Sweden also showed interest in the topic and Poland as the EU leader in the field of Eastern policy preferred to introduce the draft in cooperation with an “old” member country. According to Polish opinion such cooperation is more likely to succeed.

The involvement of the Czech Republic in the post-Soviet territory is growing and therefore this plan, which is in accord with the direction of Czech foreign policy, is undoubtedly welcomed. Let us remind you that in the nineties the Czech Republic has focused only on a limited area of cooperation in its Eastern policy. This trend has been changing since the end of the millennium and with the stabilization of the country in the Western structures it is more than desirable to deepen mutual relations. That is why Eastern question has become one of the significant topics of the Czech EU Council presidency in 2009. The question is what consequences the implementation of the project might have on EU's relations with Russia.

Comments on Recent News

Do the EU Countries Violate Human Rights?

On 28th May Amnesty International published its annual report on violating the human rights in

the world. EU countries are also being criticised, the Czech Republic not an exception. The most frequent rebuke was that of breaking human rights under the veil of “counterterrorism measures”. Event though the Czech Republic supports the rights of minorities, the governmental ODS objects to the implementation of the Charter of Fundamental Rights of the EU which would mean another step in taking these issues to the European level. [More](#)

Italy Tackles Immigration Problems

The government of the new Prime Minister Silvio Berlusconi has presented a draft of new measures to be taken against immigrants, especially Romanian Roma. The new measures newly define illegal immigration as a criminal offence and toughen punishments for offences committed by these migrants. Italian opposition criticises this step for fear of a wave of xenophobia. It will be more than interesting to observe the position taken by the EU countries towards these events, especially in regard to the Czech Republic which has been repeatedly a target of international critique for its handling of the Roma question. [More](#)

José Manuel Barroso in Prague

On 22nd May the President of the European Commission J.M. Barroso visited Prague. He met with Prime Minister Miroslav Topolánek, president Václav Klaus and launched the session of the European Atomic Forum. In his speech in the Senate he highlighted the meaning of the Lisbon Treaty for the future of European integration and expressed his hope that the Czech presidency will already be based on a successful closure of the Lisbon Treaty ratification process. [More](#)

The Significance of Environment in the EU is on the Rise

The main focus of new legislative concepts should be toughening of punishments for illegal garbage handling or for causing an ecological catastrophe. Although the punishments will still be set by national governments, in the future it should be impossible to take advantage of different regulations in various EU countries. From the perspective of the Czech Republic the possibility of legal pursuit of illegal garbage imports seems particularly interesting. [More](#)

Interesting Publications

Chatham House

The Lisbon treaty proposes the creation of a European body for external activities which would become an advisory body to the High Representative for the Common Foreign and Security Policy and therefore would provide a more coherent foreign policy. Brian Crowe's paper "The European External Action Service: Roadmap for Success" recommends measures that are vital for the success of its future existence.

European Commission

The publication "The European Union and Russia: Close Neighbours, Global Players, Strategic Partners" maps current areas of cooperation of both players. In addition to economic and foreign-policy related questions it also addresses timely issues like Russia's entry to the WTO, Russian-European energy dialogue and human rights. The study also deals with the cooperation of the EU with Russian regions – e.g. Kaliningrad or Northern Caucasus.

Centre for European Reform

For those who are interested in security studies, Tomáš Valášek's paper "[France, NATO and European Defence](#)" offers an outline of political and military relations between the EU and NATO in the context of the bettering British-French partnership, which is very timely today especially because of the change of the French foreign policy. France even contemplates returning to the military structures of NATO it left in 1966.

Invitations

Conference: Transformation of the Balkan Countries in Connection with the Czech Presidency in the EU

When: 5th June 2008 from 9:30

Where: Evropský dům, Jungmannova 24, Praha 1

Organizer: Czech Council on Foreign Relations

[Programme](#)

Public Debate: Introduction of the Euro in the Czech Republic

When: 12th June 2008 from 15.30

Where: Knihovna Jiřího Mahena v Brně, Koblížná 4, Brno

Organizer: EUROPE DIRECT Information Center, Brno

[Registration](#)

Lecture: Recent Developments in the EU Energy Policy

When: 12th June 2008 from 17:00

Where: Eurocentrum Praha, Evropský dům, Jungmannova 24, Praha 1

Organizer: Eurocentrum Praha

[Registration](#)

Upcoming Events

France to Open Its Job Market from 1st July 2008

During his visit to Poland, French president Nicolas Sarkozy announced that France will fully open its job market to new EU members (except Romania and Bulgaria). French policy has radically changed with the advent of the new president and there, where the "Polish plumber" used to loom is now a strategic partnership agreement. President Sarkozy is to sign a similar treaty with the Czech Republic during his [visit scheduled for June](#). [More](#)

Prague Conference of the Visegrad Four

The Cernin Palace is to host the Visegrad Four from 5th to 6th June. The Prague conference is directly tied with that of [Budapest](#) which took place in December 2007 and its main focus will be the question of regional cooperation during the Czech EU Council presidency. The Czech Republic will take up the presidency as second of the "new" member countries and thus will have the unique opportunity to push through not only its interests, but also those concerning the membership in the Visegrad Four. [More](#)

The Economic and Financial Affairs Council Meeting

On 3rd June the ECOFIN is to meet in Luxembourg, preceded by an annual session of the Council of governors of the European Investment Bank. The ECOFIN should among others discuss the state of implementation of the Stability Pact; recall of the actions taken against the Czech Republic, Italy, Portugal and Slovakia due to their public funds deficit, because they have succeeded in lowering it below the reference value of 3% of GDP and the surging alimentation prices. [More](#)

The opinions expressed in this newsletter are those of the authors and do not necessarily reflect the views of the Association for International Affairs.

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