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Juha Rumpunen

**ESTONIA: POLICY AND CRITERIA
FOR EU-MEMBERSHIP**

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TIIVISTELMÄ: Tässä tutkimusraportissa selvitetään Viron EU-politiikkaa kansainvälisen politiikan tutkimuksen näkökulmasta. Tutkimus painottuu ulko- ja turvallisuuspoliittisiin kysymyksiin. Tutkimuksessa tuodaan esille myös ongelmia, jotka liittyvät Viron pyrkimykseen päästä EU:n jäseneksi.

Viron ja EU:n väliset suhteet ovat kehittyneet nopeasti samalle tasolle kuin EU:n suhteet itäisen Keski-Euroopan maiden kanssa. Viro haluaa päästä EU:n jäseneksi turvallisuuspoliittisista syistä, koska se tuntee turvallisuutensa uhatuksi poliittisesti epävakaa suurvallan naapurissa. Sitoutuminen EU:n yhteiseen ulko- ja turvallisuuspolitiikkaan ei muuttaisi Viron ulkopoliittista linjaa. Viron ja muiden Baltian maiden mahdollisen EU-jäsenyyden myötä EU:n suhteet Venäjän kanssa tulisivat entistä tärkeämmiksi. EU-jäsenyyden kannalta Viron suhteet Venäjän kanssa ovat ongelma. Viron on ratkaistava nykyiset ulkopoliittiset ongelmansa ja normalisoitava suhteensa Venäjän kanssa ennen kuin EU-jäsenyys on mahdollista, koska EU ei halua uusien jäsenmaiden tuovan lisää ulkopoliittisia ongelmia. Viron mahdollinen EU-jäsenyys on osa EU:n laajentumista itään. EU:n on arvioitava koko itäisen laajentumisen ulko- ja turvallisuuspoliittisia sekä institutionaalisia vaikutuksia. Tämä vaikuttaa myös Viron mahdollisuuksiin ja aikatauluun päästä EU:n jäseneksi. Viron vaikutukset EU:n toimielimiin ja politiikkoihin olisivat melko vähäiset.

AVAINSANAT: Viro, Euroopan unioni, Baltian maat, ulko- ja turvallisuuspolitiikka.

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ABSTRACT: This paper examines Estonia's policy towards the European union. The analysis is based on international relations research and emphasis is placed on foreign and security policy issues. The paper also looks at some of the foreign and security policy problems relating to Estonia's possible EU-membership.

Estonia hopes to increase its security by joining the EU, because of its insecurity arising from the close proximity to an internally and politically unstable Russia. For Estonia committing itself to the common foreign and security policy of the EU seems unproblematic. As a result of possible membership, the relations with Russia would become more important to the EU. Estonia has to normalise its relations and solve its present foreign policy problems with Russia before Estonia can join the Union. The EU does not want any new foreign policy problems. Estonia's possible membership is part of the eastern enlargement of the Union. This effects Estonia's short term chances of becoming a full member of the Union because the EU has to assess the political and institutional impacts of the whole eastern enlargement. Estonia's accession alone would have only minor impacts on the policies and institutions of the Union.

KEY WORDS: Estonia, European union, Baltic states, foreign and security policy.

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TIIVISTELMÄ (Finnish Summary)

Vaikka EU:n laajentumista itään pidetään väistämättömänä ja vain ajankysymyksenä, EU ei ole sitoutunut mihinkään tarkkaan päivämäärään uusien jäsenmaiden hyväksymiseksi unioniin. EU:n laajentuminen edellyttää Euroopan parlamentin ja jäsenmaiden yksimielistä päätöstä. Jäsenmaista Saksa ja muut Itämeren alueen EU-maat suhtautuvat suopeimmin Baltian maiden EU-jäsenyyteen. EU:n eteläiset jäsenmaat ovat haluttomampia aloittamaan EU:n laajentumista itään.

EU:n on ratkaistava integraatioprosessin etenemiseen liittyvät ongelmat ja muut EU:n sisäiset poliittiset ongelmat ennen itäisen laajentumisen aloittamista. Tämän takia pelkkien muodollisten jäsenyyskriteerien täyttäminen ei riitä aloittamaan laajentumista ja takaamaan jäsenyysprosessin alkamista. EU:n nykyiset ongelmat ja integraation syventämisen haasteet liittyvät Maastrichtin sopimuksen toimeenpanoon ja toteuttamiseen. Keskeinen kysymys tulee olemaan yhteisen ulko- ja turvallisuuspolitiikan kehittäminen. Tämä on myös vuoden 1996 EU:n jäsenmaiden hallitustenvälisen konferenssin keskeisiä kysymyksiä.

Viron ja EU:n suhteet ovat kehittyneet nopesti samalle tasolle kuin EU:n ja itäisen Keski-Euroopan maiden suhteet. Viron ja EU:n suhteiden nopea kehittyminen osoittaa, että Viro voisi liittyä EU:n jäseneksi yhtäaikaan itäisen Keski-Euroopan maiden kanssa mutta ei kuitenkaan ennen niitä.

Viro pyrkii EU:n jäseneksi pääasiassa turvallisuuspoliittista syistä. Viro katsoo EU-jäsenyyden lisäävän sen turvallisuutta. Viro hakee poliittisia ja sotilaallisia turvallisuustakuita EU:lta ja Nato:lta, koska se tuntee olonsa turvattomaksi poliittisesti epävakaaan suurvallan naapuruudessa. Viron on ensin päästävä EU:n jäseneksi voidakseen liittyä WEU:iin. Viro ei halua jäädä harmaaksi vyöhykkeeksi Euroopan ja Venäjän väliin. Viron strategiana näyttää olevan nojautuminen Skandivaaviisiin naapurimaihinsa ja siten erottautuminen muista Baltian maista. Tämä on myös aiheuttanut kitkaa Baltian maiden suhteissa. Toinen piirre Viron EU-politiikassa on se, että koska Viron turvallisuus on tärkeintä, muut EU-jäsenyyteen liittyvät kysymykset on alistettu turvallisuuspoliittisille tavoitteille. Tämä tulee esille siinä, että Viro pyrkii tekemään jäsenyytensä mahdollisimman helpoksi EU:lle harmonisoimalla nykyistä lainsäädäntöään jo ennen jäsenyyttä. Lisäksi Viron joiltakin sektoreilta vielä puuttuva lainsäädäntö tulee perustumaan EU:n vastaaviin normeihin. Näin Viro ikään kuin antaa myönnytyksiä EU:lle saadakseen maksimaaliset poliittiset ja sotilaalliset turvallisuustakuut EU/WEU:lta.

Viron mahdollisen EU-jäsenyyden tiellä on kaksi ongelmaa. Ensiksikin ongelmana on se, että Viron mahdollinen EU-jäsenyys on osa laajempaa kokonaisuutta eli EU:n laajentumista itään.

Viron ja muiden Baltian maiden jäsenyys ei vaikuttaisi merkittävästi EU:n toimielimiin tai politiikkoihin. EU:n on kuitenkin valmistauduttava koko itäisen laajentumisen aiheuttamiin muutoksiin ja haasteisiin.

Toiseksi Viron ongelmana ovat suhteet Venäjän kanssa. Nämä ongelmat on ratkaistava molempia osapuolia tyydyttävästi ennen kuin Virosta voi tulla EU:n jäsen, koska EU ei halua uusien jäsenmaiden aiheuttavan EU:lle lisää ulkopoliittisia ongelmia. Baltian maista Viro on omaksunut kaikkein jyrkimmän politiikan Venäjää kohtaan. Viro ja muut Baltian maat poikkeavat muista jäsenehdokkaista, esimerkiksi Visegrad-maista, siinä, että ne ovat olleet entisiä Neuvostoliiton tasavaltoja ja nykyään niillä on yhteinen raja Venäjän kanssa. Viron ja Baltian maiden EU-jäsenyyden myötä suhteet Venäjän kanssa tulevat EU:lle entistäkin tärkeämmiksi.

Virolle *aquis politiquen* hyväksyminen ja sitoutuminen yhteiseen ulko- ja turvallisuuspolitiikkaan ei ole ongelma, koska Virolla ei ole pitkää ulkopoliittisen linjan perinnettä, jota sitoutuminen EU:n ulko- ja turvallisuuspolitiikkaan muuttaisi.

Viron mahdollisuudet päästä EU-jäseneksi riippuvat myös EU/WEU ja NATO:n suhteiden kehittymisestä Venäjän kanssa. Tässä mielessä Viron mahdollisuudet päästä EU:n jäseneksi eivät ole yksin virolaisten omissa käsissä. Viro voi kuitenkin omalta osalta vaikuttaa suhteiden kehittymiseen sopimalla ulkopoliittiset kiistansa ja normalisoimalla suhteensa Venäjän kanssa.

Viron pienuus on sekä etu että haitta. Se on etu, koska Viron jäsenyys ei aiheuttaisi suuria muutospaineita EU:n toimielimiin tai politiikkoihin. Toisaalta se on haitta, koska Viron kontribuutiot EU:n yhteisiin politiikkoihin olisivat vähäiset. EU:n yhteisen ulko- ja turvallisuuspolitiikan kannalta Viron EU-jäsenyys olisi nykyisellään ongelma, koska Viron jäsenyys toisi EU:lle enemmän ulkopoliittisia ongelmia kuin Viro pystyisi lisäämään EU:n sotilaallista turvallisuutta. Viro voi muuttaa tätä suhdetta edukseen ratkaisemalla nykyiset ulkopoliittiset ongelmansa Venäjän kanssa.

INTRODUCTION

This paper examines Estonia's policy towards the European union. First of all, the paper looks at the judicial and institutional aspects of enlargement and the criteria for EU membership. Enlargement is seen as a process ultimately leading to accession. Then the paper deals with the attitudes and interests of the present member-states towards eastern enlargement. Connected with this is a discussion about the challenges of the entire process of eastern enlargement of the European Union. Secondly, the paper discusses factors specifically concerning Estonia's policy towards the European Union. The emphasis is on foreign and security policy issues. This paper is meant to be a discussion paper, not a comprehensive research project.

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Juha Rumpunen

1. INSTITUTIONAL AND JUDICIAL FRAMEWORK OF ENLARGEMENT

1.1 Judicial basis of enlargement

The judicial basis of enlargement of the European union is located in the articles of the basic treaties. Historically, the first reference of the possibility to accept new members is in article 98 of the treaty establishing the European Coal and Steel Community (ECSC) signed in Paris on 18 April 1951¹. This article differs from article 237 of the EEC Treaty and article 205 of the treaty establishing the European Atomic Energy Community which also refer to the acceptance of new members.²

When comparing the articles and analysing the evolution of the judicial grounds for enlargement, it is interesting to note that the article in the ECSC treaty does not refer to any accession negotiations. This is because the ECSC was planning to have more supranational powers than the other communities. Also, at the time of signing the ECSC treaty in 1951 it was expected that Britain would soon join and thus there were no immediate reasons to refer to any negotiations.³

The preamble of the EEC Treaty (1957) also refers to the possibility of enlargement. The introduction starts by "Determined to lay foundations of an ever closer union among the peoples of Europe" and then goes on to state that "Resolved by thus pooling their resources to preserve and strengthen peace and liberty, and calling upon the other peoples of Europe who share their ideal to join in their efforts."

The introduction of EEC treaty is very general and does not define the process leading to membership of the Union. The Single European Act (SEA) in 1987 changed the institutional process of enlargement by increasing the powers of the European parliament. Article 237 of the SEA required the assent of the parliament to start negotiations towards accession. Also, the terms of accession, that is the accession treaty, has to be ratified by the European parliament. On the whole major changes in the articles referring to enlargement have concerned the internal procedures of the community. Article 237 of the SEA treaty was transferred as such to The Treaty on the Political Union. The future accessions will be made pursuant to the article O of the Maastricht Treaty which runs as follows:

Any European State may apply to become a member of the Union. It shall address

its application to the Council, which shall act unanimously after consulting the Commission and thereafter receiving the assent of the European Parliament, which shall act by an absolute majority of its component members. The conditions of admission and the adjustments to the Treaties on which the Union is founded which such admission entails shall be the subject of an agreement between the Member States and the applicant State. This agreement shall be submitted for ratification by all the contracting States in accordance with respective constitutional requirements.

Article F in the Maastricht treaty does not explicitly refer to the possibility of accepting new members but states that the Union shall respect the national identities of its member-states, whose systems of government are founded on the principles of democracy. The article goes on to state that the Union shall respect fundamental rights, as guaranteed by the European Convention for the protection of Human rights and the Fundamental Freedoms signed in Rome on 4 November 1950, which as general principles of Community law result from the constitutional traditions common to the member-states.

Article Q of the Treaty on the European Union refers to the duration of membership of the Union. This article states: "This Treaty is concluded for an unlimited period".

The articles form the judicial basis of enlargement but they do not provide any terms for accession. The terms of accession are agreed in the negotiations between the applicant state and the members of the Union. From the point of view of non-European Union states the articles of the basic treaties give the right to apply for membership. However the articles do not oblige the Union to accept any new members. In this respect enlargement is much more based on political considerations than on judicial considerations. According to the Commissioner for External Affairs, Van den Broek: "Enlargement to the east is primarily a political issue relating to security and stability on our continent"⁴.

1.2 Procedure for accession

The Union itself does not usually take the initiative for enlargement. The initiative comes from the state which applies for membership by submitting the formal application (three applications, since judicially the EU still consists of three communities) to the Council. This starts the formal process of accession to the Union. The Council may reject the application as in the case of Morocco or request an Opinion (*avis*) from the Commission. The Commission will then consider the impacts and consequences of the accession. Usually the opinions of the Commission have been positive in a sense that the Commission suggests starting the accession negotiations. The Commission may also propose postponement or some alternative to accession. This was the case with the Cypriot and Maltese applications which were received fairly positively but which the Commission did not propose the immediate start of negotiations towards accession⁵.

The Opinion of the Commission is submitted to the Council which usually endorses the Opinion. The one exception to this has been the Opinion on Greece, which was essentially negative but was overruled by the Council which decided to embark on negotiations⁶. This led to the Greek accession in 1981. Otherwise the decision of the Council has to be unanimous and the approval of the European parliament is also required before the negotiations can begin.

Since the enlargement requires unanimity, member states views and positions on enlargement are of crucial importance. Basically member states have the right of veto when it comes to decisions concerning enlargement. For instance during the first round of enlargement France exercised the right of veto twice (in 1963 and again later in 1967) when opposing the British membership. This led to the breaking up of the negotiations which had already started in 1961.⁷ Greece protested against the Turkish application and opposed also the negotiations for the customs arrangements agreement with Turkey. The Greece position is connected to the question of Cyprus⁸. After hard bargaining with Greece the Union managed to sign a customs union agreement with Turkey.

The European Council in its summit meetings makes a decision on enlargement. During the previous round of enlargement the decision by the European Council was made on the 9th December 1991 at the Maastricht summit. The decision to start formal accession negotiation was made in Edinburgh December 1992. Negotiations take place between the Government of the applicant state and the Council (represented by the Presidency) assisted by the Commission. In the negotiations the terms of accession are defined and agreed upon. The EU negotiates with individual applicants rather than with groups although parallel negotiations might take place when several countries apply simultaneously.⁹

The EU is regarded as a tough negotiator. The reason for the EU's toughness is the insistence upon the principle of full acceptance of the *aquis communautaire*, that is all the existing law of the European Union. The EU is also an experienced negotiator. The EU has completed three enlargements, the northern enlargement being the most recent. It has negotiated with ten countries and with some of them twice.

The manner of how the negotiations are organised also make the accession difficult. The EU negotiates individually with the applicant state. Thus all the present member states of the Union are weighed against the individual applicant country. Basically the negotiations have two phases: the official phase which means the actual negotiations with the applicant country and a second phase between the members of the Union where a common position of the Union is formulated. The requirement of unanimous decisions in the Council makes it difficult to formulate a common position.¹⁰ The President of the Council can only read to the candidates a carefully drafted common position of the member states. The Union cannot hardly ever

respond spontaneously to the proposals made by the applicant state that does not accept the terms of the Union. The Union has to adjourn the proceedings so that the member states can formulate an answer or counter-proposal.¹¹

Ratification of the accession treaty finally completes the accession. The accession treaty has to be ratified by the European Parliament and also by all the individual member states of the Union in accordance with their constitutional requirements and naturally by the applicant state. The formal process of accession ends when the instruments of ratification and the instruments of accession are delivered to the government of a state which acts as depositary of the accession treaty.

1.3 European Council and Eastern Enlargement

The question of eastern enlargement has been on the agenda of the European Council ever since the Lisbon Summit summit meeting of June 26th-27th 1992. Although the Summit concentrated mainly on the accession of the EFTA countries the conclusions of the Portuguese Presidency was devoted to the Central and Eastern European countries. The Summit reaffirmed that the Community will develop its partnership with these countries within the framework of the Europe Agreements in their efforts to restructure their economies and institutions. The European Council also promised that cooperation will be focused systematically on assisting their efforts to prepare for their accession to the Union.¹²

The Lisbon Summit invited the Commission to draw up a report for the European Council Meeting in Edinburgh on the 11th-12th December 1992. In Edinburgh the Council received the Commission's document "Towards Closer Association with Central and East-European Countries."

The Copenhagen European Council Summit in June 1993 signified a change of attitude in the EU. After the Copenhagen Summit the whole accession of Central and Eastern European Countries was no longer question of 'if' but 'when' and 'how' they will join the European Union.¹³ The European Council agreed that the associated countries of Central and Eastern Europe, if they so desire, shall become members of the European Union. Accession can take place as soon as the associated country is able to assume the obligations of membership by satisfying the economic and political conditions required.¹⁴ The Copenhagen Summit was preceded by the Commission proposal that the EU should adopt the goal of eventual membership for the central and eastern European associates¹⁵.

At the European Council summit in Corfu in June 1994 the Commission was asked to draw up strategy to prepare the Countries of Central and Eastern Europe for accession. This paper was

presented to the European Council at the Essen summit of December 9th and 10th 1994 and was entitled "Europe and Beyond - A Strategy to Prepare the Countries of Central and Eastern Europe for Accession." The main aim of this program was to promote the integration of the associated countries on the basis of the Europe Agreements.

1.4 Eligibility: criteria for membership

The articles of the basic treaties referring to enlargement do not define the eligibility or criteria for membership with the exception that the applicant state has to be European. The term European has not been defined by the Union but according to the Commission it generally includes geographical, historical and cultural elements which all contribute to the European identity¹⁶. The Commission explicitly chose not to define "European" in the context of enlargement in a submission to the Lisbon summit of mid-1992. Commission considered that it was neither possible nor opportune to do so.¹⁷ As to the wording of the articles it has been pointed out that the wording "any European state can apply" is not the same as "only European states can apply"¹⁸. "Any European state", which is what applies now seems less strict than the expression "only a European state".

The criteria for being European has come up on two occasions. Turkey's European character became the subject of discussion because of its geographic position astride the border between Asia and Europe. Turkey submitted a formal application for accession in April 1987. Turkey was recognised as a European state by the Community despite having 96 percent of its land area in Asia. However, the Commission did not recommend beginning the accession negotiations with Turkey. Turkey presented its application contrary to warnings from inside the Community that the timing was not right¹⁹. Turkey also had troubles with human rights. Morocco had made an unofficial approach in 1984 and formally applied to join the Community on July 20, 1987. The EC did not accept Morocco as an eligible candidate and did not even officially consider the Moroccan application for EC membership²⁰. It was made clear by the officials that the Moroccan application was not acceptable, since the Article 237 of the 1957 Rome Treaty required member countries to be European²¹.

The ending of the Cold War has clearly affected the definition of Europe. During the Cold War the only possible candidates for accession were the countries of Western Europe. The term European has a new dimension following the end of division between eastern and western Europe and the break-up of the Soviet Union. The definition of Europe has become elusive. The Urals which normally are regarded as the eastern frontier of Europe, have a distinctive geographic location, but are not a frontier between states. This means that some parts of Russia are European and some parts of Russia are Asian. The European requirement might then be seen by any excluded candidates to be more political than geographical.²²

The principle of democracy was regarded as important at the time of Mediterranean enlargement, when Greece, Spain and Portugal joined the Community. All three had been under dictatorial and military rule and had experienced revolutions just recently before the accession negotiations. The Commission emphasised in its Opinion on Portugal that democracy was an established political fact and it has already proved its durability during testing times in the aftermath of revolution. Commission also stressed that the Community could not leave Portugal out of the process of integration. The resulting disappointment could according to the Commission's opinion have been politically grave and the source of serious difficulties.²³ Interestingly, the Commission also considered the impacts of leaving Portugal out.

The criteria for membership currently required by the EU can be summed up as follows:

- 1) European;
- 2) Democracy;
- 3) Respect human rights (the European Parliament applies this condition with great stringency);
- 4) Accept the *aquis communautaire*, that is all the existing law of the European Union;
- 5) Accept the *aquis politique*, that is the common foreign and defence policy, both as it already exists and as it will be extended by the implementation of the Maastricht Treaty;
- 6) Subscribe to the *finalités politique*, that is the long term objective of European Union;
- 7) Have a functioning and competitive market economy; it is not clear to what extent prospective members have specifically to fulfil the conditions (relating to inflation, interest rate, budget deficits and national debt) required to join in fully with economic and monetary union;
- 8) Have an adequate legal and administrative system in the public and private sector: that is, new members must be able to implement EU policies.²⁴

Of the above mentioned criteria (1) is included in the basic Treaties. Criteria (2), (3), and (4) simply evolved and were formalised at the Maastricht and Lisbon summits in 1991-92, which also added criteria (5), (6), (7) and (8). Whilst the former group are clearly general points, the latter seems to have been developed with the recent enlargement in mind. Specifically criteria (5) concerning common foreign and security policy would appear to be directed at the neutral EFTA countries. Criteria (7) and (8) have been probably developed with possible future enlargements in mind especially with central and eastern European states.²⁵

Even though the Copenhagen Summit showed the green light for the East Europeans the Council also noted that the Union's capacity to absorb new members and to maintain the momentum of integration are important considerations in deciding upon enlargement. So even if candidates fulfill the membership criteria, they can still be turned down if member-states come to the conclusion that the Union is unable to absorb or is not ready for new members.²⁶

However it has been suggested that multi-speed economic integration might provide an opportunity for earlier membership for the Eastern European states because of its nature as an intermediate step between the association agreement and full membership²⁷.

2. ATTITUDES OF THE MEMBERSTATES

Since the decision of enlargement and the possible accession thereafter requires unanimity, member-states attitudes are of crucial importance. On the whole most member-states agree that eastern enlargement is inevitable. In spite of this there are differences among member-states towards eastern enlargement. There has even been talk about "enlargementmania" in the Union which refers to some memberstates eagerness to accept new members to the Union²⁸.

The views of member-states also reflect their own experiences of the accession. For instance during the Lisbon European Council Summit meeting Portugal's accession was mentioned as an example of a long and demanding process of adaptation to membership²⁹. Portugal's accession from submitting the application in 1977 to becoming a full member of the Union in 1986 lasted nine years.

In general there are two basic opposing views about eastern enlargement of the EU: According to the first the EU is still waiting for the progress political reform in Central and Eastern European countries. An opposite argument favours early accession and is used by the applicants themselves. It suggests that EU membership would help speed up and guarantee the progress of reforms needed.³⁰ The main internal issues of EU that divide the memberstates's views on eastern enlargement are institutional development of the Union, the common agricultural policy (CAP) and the structural policy and funding from the Union. Germany, Britain and Denmark at least support eastward expansion. However even these countries seem to be unwilling to pay for the enlargement. The "poor four" - Spain, Portugal, Greece and Ireland together with the agricultural lobby are against enlargement because they are likely to cede many of the subsidies that they receive from the community funds.³¹

France, Italy, Spain and Portugal have adopted a "wait-and-see" approach. These states argue that the state of the economy as well as the lack of experience of societies based on the market economy and democratic principles would make East European countries vulnerable to competition inside the EU and reduce them to economic satellites.³² On the other hand Germany and UK argue for closer integration of eastern European countries both for security and stability reasons but also because economic restructuring would be faster and more efficient if they were inside the EU framework³³.

Belgium, like the other Benelux countries, is a keen federalist and fears that enlargement in

general may water down the Union. Belgium sees itself as a guardian of the independence of EU institutions and endeavours to make the EU more federal³⁴. However the Belgium foreign minister, Mark Eystens, has stated that the East European states should be admitted sooner rather than later in order to protect their "young democratic structures". Belgium's foreign minister referred to the similar status of Greece when it joined in 1981.³⁵ During the Belgium presidency in the last part of 1993 Eastern Europe fell off the EC agenda. At that time the EU was preoccupied with economic recession and with accession negotiations of Austria, Finland, Norway and Sweden.³⁶

Certainly the Baltic states will have the advantage of supportive Nordic neighbours. It is in the interests of those Baltic Sea states belonging to the Union to avoid the division of the Baltic Sea region. For this reason the Scandinavian members of the Union have pressed for enlargement towards the Baltic region. In a government response to the parliament on the Finnish EU policy the Finnish government indicated support to the accession of Central European and Baltic states. Finland has stressed that the Baltic countries should follow the same timetable as the Central European countries.³⁷ Similarly, Sweden has also been a strong advocate for EU-membership of the Baltic states.³⁸

Germany has been active in developing closer relations with the Eastern and Central Europeans. The free trade agreements were signed and the decision to start negotiations for the Europe agreements with the three Baltic states was made during the German presidency. Through geography, history and culture Germany has a special interest with Eastern Europe. The historical origins for Germany's activity in the east can be found in Willy Brandt's Ost Politik in the early 1970s. German unification also increased Germany's political interests in the east. As an eastern frontier of the Union in Central Europe, Germany is worried about the instability and potential mass migration from the east. According to the foreign minister, Klaus Kinkel, "if there is one special foreign policy responsibility of Germany in light of its history, it is that the Europe which we are striving toward should be built together with the new democracies of Eastern and Central Europe."³⁹

Germany has even gone so far as urging some of the Eastern European countries to apply for membership. When the negotiations with Austria, Finland and Sweden were concluded in March 1994, the German Chancellor, Helmut Kohl urged Hungary to "strike while the iron was hot". He told the Hungarian Prime Minister Peter Boross that, "it would be an intelligent decision if Hungary applied as early as spring." The Hungarians applied on 1 April and the Poles followed on 8 April of that year.⁴⁰

However, during its presidency in the second half of 1994 Germany found increasing resistance to its plans for the early entry of Eastern Europeans. France, Spain and Belgium resisted German plans to hold a joint meeting with the East Europeans arguing that no decisions should

be made during the meetings and that they should not become routine. The southern EU countries, led by France, questioned why the East Europeans should be given priority over other countries that have applied, such as Turkey. Others, including Belgium, objected to the implications these meetings would have for EU decision-making.⁴¹ The invitation to the Visegrad countries to take part in the Essen summit meeting was delayed partly because France was reluctant to sanction regular meetings between the EU and Visegrad countries⁴².

The Commission's proposals for Associate Agreements with the three Baltic countries were accompanied by a note stating that association did not automatically open the door to accession. This note, which was thought to have been included to placate some member states which feel that the EU is opening its doors too wide too soon, caused controversy. All the other Association Agreements (so called Europe Agreements) include clauses of eventual membership and some countries have even submitted formal applications. The question was whether the Baltic states should be treated the same way as the other Eastern European countries. German Foreign Minister Klaus Kinkel was at pains with the question and tried to avoid conflict on this issue.⁴³ The Europe Agreements with the Baltics have been signed and most likely these agreements include the possibility of eventual EU membership for the Baltic states as well.⁴⁴ However the date of eventual accession was not yet discussed.

After the German presidency France became the holder of the president's chair during the first part of 1995. In the beginning of its presidency France concentrated on arranging the Union's relations and reaching an agreement with Turkey. Clearly, France is more interested in the southern and Mediterranean issues than in eastern enlargement. Prior to its presidency of the EU, the French Prime Minister Balladur said France would concentrate on increasing growth and employment, preparing ideas for institutional reform to be discussed at the 1996 EU intergovernmental conference and developing a policy towards the Mediterranean region.⁴⁵ France will be followed by Spain and Italy, none of them are as enthusiastic about admitting East European states to the club as the Germans⁴⁶.

The EU has to also balance between enlargement to the south and east. One clear example of this was the Commission announcement in mid-November of a plan of economic cooperation with the Mediterranean countries. The Mediterranean plan was seen as an attempt to balance the German presidency's stress on eastern enlargement.⁴⁷

Supporting enlargement of the Union might be backed up by other political interests as well. It is common knowledge that the British resist the idea of a more federal Europe. Britain would gladly see the Union develop in the direction of a looser intergovernmental organisation. For this reason Britain favours enlargement at the expense of deepening integration, that is widening without deepening. This was the also the case with the accession of EFTA countries. The British wanted the accession negotiations with the EFTA countries to be opened before the

Treaty on the Political Union was ratified⁴⁸. As to the issue of enlargement in the east the British foreign secretary Douglas Hurd already pointed out in 1991 that he would be disappointed if they were not admitted before the year 2000⁴⁹. This comment was made when the association agreements with Poland, Hungary and Czechoslovakia were signed. Even though the British might be regarded as favourable to eastern enlargement, they admit that there are foreign and security policy problems related to the geographical location and position of Baltic states⁵⁰.

France fears that eastern enlargement of the Union would shift the balance of power in the EU eastwards away from France. President Mitterrand's initial reaction to the idea of eastern enlargement was that it would take decades and decades. This reaction was also reflected in the Commission's proposal to the Council for the negotiation of the Europe Agreements, which stated that future membership was "not among (their) objectives."⁵¹ To gain influence along with the Germans in Eastern and Central Europe France launched the idea of the Stability Pact which is also known as the Balladur Plan according to French prime minister Edouard Balladur. There are also agricultural reasons for France's reluctance towards eastern enlargement. France with a vocal and powerful farm lobby has hinted that eastern enlargement would have to be put off if CAP (Common Agricultural Policy) subsidies were stopped⁵². The French farmers have demonstrated particularly strongly against the CAP. For instance the accession of Spain and Portugal was held up for several years because of the reluctance of French farmers, who feared the new competition. Now the French and the Iberians have similar motives for the reluctance over admitting the central Europeans⁵³. The EU Competition Commissioner, Sir Leon Brittan criticised France. He remarked, "There was a moment in France last year [1991] when the French farming industry nearly erupted under various economic pressures - not least of which was having to accept that beef could be more easily imported from Eastern Europe."⁵⁴

Ireland, Greece, Spain and Portugal want to make sure that the eastern and central European countries are economically strong enough so that the enlargement would cause any changes on the distribution of the community funds. "The poor four" want to protect their share of the community funds. These countries resist any hasty accessions to the Union. Portugal and Greece are also more interested in settling the issues of Maltese, Cypriot and Turkish applications to become full members. It has been estimated that the costs and job losses of enlargement and the opening and liberalisation of trade with the East European countries would predominantly fall on the poorer countries of EU. Thus it is hardly surprising that Portugal, Spain, Ireland and Greece resist enlargement.⁵⁵

However, Spain and France along with Germany have pressed for Poland to be included in the possible first wave of the eastward expansion. This has been regarded as Spain's strategy to delay eastern enlargement. Spain believes that the Czech Republic and Hungary falls within the German orbit and would need to be balanced by Poland. Spanish considerations are based on

the fact that Poland is economically less developed than Hungary or the Czech Republic.⁵⁶ EU trade policy towards eastern Europe has also been affected by internal problems. This was stated by a French representative who said that East cannot expect concessions in precisely those areas where the EU was having internal problems, such as agriculture and steel. In early 1993, the EU banned all beef imports from Eastern Europe because some cattle imported from Croatia had hoof-and-mouth disease. The Eastern European applicants found this ban particularly galling because it was one of the few areas in which they ran a trade surplus with the EU. One Hungarian official complained, "This is reminiscent of the old bloc-thinking: when there is a problem in one country, there is reaction against the whole bloc. We're are fighting such thinking".⁵⁷

A coalition of member-states against early entry of eastern European states was also manifest in a decision by EU industry ministers not to remove quotas on Czech and Slovak steel imports. Although these were later lifted by the EU foreign ministers, some countries including France, Portugal, Luxembourg, Belgium and Greece resisted lifting the quotas.⁵⁸

From the point of view of the different positions of member-states towards the issue of eastern enlargement the Europe Agreements are compromises between those states who favour early accession of the Eastern Europeans and those who resist or at least try to stall eastern enlargement. The Europe Agreements offer a partial political relationship with the EU and bring the Eastern and Central European countries closer to European integration. On the other hand, the Europe Agreements relieve the pressure for full membership and do not effect the working of the common institutions because Europe agreements they do not offer any participation in the decision-making process of the EU.⁵⁹

After the referendum of the Maastricht treaty in Denmark and France and because of the democratic deficit the EU has taken a stronger interest in the opinion of citizens in the member-states concerning the further development of the Union. In a survey conducted by Eurobarometer in October 1992 (that is before the accessions of Austria, Finland and Sweden) an absolute majority of EC citizens expressed their support for the EC to consist of 21 countries in the year 2000: the then current Twelve, six EFTA countries, Poland, Hungary and Malta.⁶⁰

The accession of the Baltic States's did not receive an absolute majority among the EU citizens. The Czech republic was next with 47 per cent followed by Cyprus with 44 per cent. According to the survey 42 per cent of the EU citizens would like to see Estonia as a full member of the EU. Lithuania's membership received the support of 41 percent of the EU citizens (as did Bulgaria and Turkey). Latvia was a little bit behind with 40 per cent. Russia's membership of the Union by the year 2000 was supported by only 39 per cent of the EU citizens. Interestingly, absolute majorities of the Danes and Dutch would like to see all three Baltic states become members of the Union by the year 2000.⁶¹

The survey was conducted before the accession of Austria, Finland and Sweden. Now that these countries have become members of the Union from the beginning of 1995, the new figures would most certainly be very different. Also, when the results were published Estonia had been independent for little more than a year.

3. ACCESSIONS IN SIGHT

From the EU's point of view Estonia's possible accession forms part of a wider horizon. It is obvious that Estonia's accession would have only minor impacts on the institutions and on the policies of the Union but the whole eastern enlargement poses major challenges for the EU. Even though each candidate country will be examined on an individual basis, the EU has to be prepared and have plans for the accession of several countries at the same time.

Countries seeking membership of the Union after 1995 can be divided into two groups:

- A) countries that have formally submitted an application and
- b) countries that have not formally applied but have publically announced their intentions and are generally known to be seeking membership in the near future.

By early 1995 the following countries had submitted a formal application to join the Union: Turkey (14 April 1987), Morocco (July 20, 1987), Cyprus (4 July 1990), Malta (16 July 1990), Hungary (1 April 1994), Poland (8 April 1994). Switzerland presented its request for accession on 26th May 1992 but after a referendum (12 December 1992) failed to ratify the EEA treaty. For Hungary and Poland the EU has made decisions setting in train the accession procedure pursuant to Article O of Treaty on European Union adopted by the Council on 18 April 1994⁶². The other Central and Eastern European and Baltic countries have publicly announced that their ultimate goal is membership of the European union. Estonia has not formally applied for full membership of the Union.

When asked whether the Baltic states could join at the same time as the Central and Eastern European states, European Commission Director of External Economic Relations, Daniel Guggendahl, replied: "Hungary and Poland have already completed their applications for membership ... If we are realistic, negotiations should logically begin with the first applicants, because they are probably the most prepared."⁶³ Regardless of the Europe Agreements and the green light showed towards the Eastern and Central European countries, the Union has not committed itself to any exact dates of accession.

4. CHALLENGES AND PROBLEMS OF EASTERN ENLARGEMENT

It is increasingly clear that widening is inevitable, with a long list of applicants waiting in line. It is also equally clear that the Union's institutions in their current form could not withstand the pressure that enlargement would exert on their administrative processes and decision-making capacity⁶⁴. The Maastricht treaty relieved this pressure to some extent but did not remove the pressure for changes caused by the eastern enlargement.

A deepening of integration means strengthening the position and improving the decision-making capabilities of the common institutions and developing common policies towards the goals set in the basic treaties of the union. Widening means basically the same as enlargement, that is accepting new members to the Union. The basic problem is that enlargement increases and intensifies the diversity of the member-states which might cause difficulties for the working and decision-making of the common institutions. The EU would like to make sure that enlargement does not dilute the effectiveness of the common institutions.⁶⁵ This is why the union has stressed during each phase of enlargement that widening must not happen at the expense of deepening. The Union has tried to solve this problem by combining the widening and deepening aspects of integration. Basically, this happens so that before the start of the accession negotiations the EU makes important decisions concerning a deepening of integration which the applicant country has to accept. This was also the case with the recent northern enlargement. The Maastricht treaty had to be ratified and the negotiations on the financial and structural measures had to be completed before the accession negotiations with the EFTA countries were started.

Before the eastern enlargement will take place the EU has to digest the new members. Present problems and challenges of deepening are related to the implementation of the Maastricht Treaty. Institutionally, the EU has to test the new decision making procedures set by the Maastricht Treaty, and clarify the concept and implementation of the subsidiarity principle. Also, the problem of the deficit in democracy in the Union needs to be tackled. Clearly, the intergovernmental conference dealing among other things with the institutional reform of the EU and the common foreign and security policy issues will take precedence over eastern enlargement⁶⁶. Along with institutional aspects agriculture is and will remain the most difficult internal issue of eastern enlargement and EU Eastern Europe relations. The Europe Agreements did not succeed in liberalising agriculture.⁶⁷

Estonia's impact on the common institutions would not be significant. According to the present rules Estonia would have two votes in the Council and 12 members in the parliament. However

Estonia's small size might be a problem. For instance, the Maltese application provoked some concern in the EC because of the institutional complications of a microstate as a member. Even if Estonia with its 1,5 million population is not exactly a microstate compared to Malta, the basic question is whether small states are able to take full institutional responsibility of membership (for instance to take on the role of presidency of the Council, have a commissioner and parliamentarians) or should small microstates be offered a special status?⁶⁸

In the context of the whole eastern enlargement it has been envisaged that the EU would consist of more than 30 countries. This would clearly have a major impact on the Union. For instance, the major powers have two seats in the Commission, but eastern enlargement would mean that the Commission would have more than thirty commissioners and the European parliament would have at least 998 parliamentarians unless the rules are not changed.⁶⁹

Eastern enlargement of the Union will also have profound impacts on the rotation of the Presidency of the Union which sets the agenda for the Union. According to one scenario, the EU would have 32 memberstates including all the Baltic states.⁷⁰ If the rules (alphabetical order, six months each) of the rotation of the presidency are not changed the EU would be under the agendas of small countries like Cyprus, Latvia, Lichtenstein, Lithuania, Luxemburg, Hungary and Malta all in a row. This might prove unacceptable for the major powers of the Union (France, United Kingdom and Germany for instance) since they would have to surrender themselves for more than three consecutive years to the agendas formulated by the lesser powers.

The Estonian foreign minister realises that a larger EU cannot be federalist when the Eastern and Central European states are members of the Union.⁷¹ It is clear that an enlarged EU consisting of more than 15 states will be unable to function unless institutional changes are not made. It is also argued that the present policies are far from adequate meaning that neither the Eastern Europeans nor the EU are ready for early enlargement⁷². It is clear that the whole eastern enlargement requires enormous economic and institutional restructuring and policy reforms within the EU itself.

Development of the common foreign and security policy will be on top of the agenda in the intergovernmental conference of member-states in 1996. According to the Commission President, Jacques Santer security policy is the most difficult problem of the future accessions of the Eastern and Central European countries. The fundamental questions are: How will the possible accession of these countries to the WEU be guaranteed? How will this effect the security of the EU as a whole? The Commission President emphasised that EU enlargement should not be connected or confused with Nato's expansion while admitting that the two issues largely depend on each other. Santer was also worried about the impacts of eastern enlargement on the relations of the EU's major allies. The EU should keep in contact with the USA and he

also warned that eastern enlargement should not have a negative impact on the EU's relations with Russia.⁷³

Uptil now the EU has stressed the importance of harmonising and developing appropriate legislation and agricultural or economic aspects of enlargement, but now foreign and security policy issues seem more important than ever. In general this reflects the withering optimism of a united Europe which seemed more achievable during the first years of the post Cold War era.

Estonia, being a sovereign nation, looks after its own security interests but the EU has to assess enlargement from a wider European perspective. Obviously, Estonia's accession would not contribute significantly to the possible division of Europe. However in the context of the whole eastern enlargement the question is to what extent the possible eastern enlargement contributes to a new division of Europe or a New Iron Curtain. Basically this depends on the reactions of Russia and is also connected to Russia's internal political development. Since it is clear that Russia cannot become member of the European Union, a special place must be found for Russia within a wider European framework before the accession of Estonia, other Baltic states (or Central Eastern European countries) can be realised. The question is how and to what extent Russia will be connected to Europe? If Russia cannot be integrated to Europe, the possible enlargement of the Union might contribute to a new division of Europe since Russia will feel itself excluded from the development of Europe. This could create tensions between Russia and Europe which were generally thought to be over when the Cold War ended. For this reason there is a clear need for Russian involvement in the European security system since there cannot be any durable European wide security system without the cooperation of Russia.

The EU-Russian Partnership and Co-operation agreement, concluded in June 1994 contributes or at least aims at the normalisation of relations and improves the prospect for further co-operation. The basic objectives of the agreement are to intensify mutually beneficial political, commercial, economic and cultural co-operation and to support the reforms in Russia. The agreement paves the way for Russian integration into Europe, but the Chechnya conflict has complicated Russia's entry into European cooperative structures. The EU foreign ministers decided on March 6 1995 to withhold trade preferences for Russia until there was evidence that Moscow was making progress in resolving the crisis in Chechnya. In order not to give the impression of isolating Russia, it was stressed by the EU foreign ministers that the decision was only a postponement and that the pact could be signed at the next council meeting.⁷⁴ The Estonian foreign minister was happy with decision of Hans van der Broek, the foreign affairs commissioner of the EU, to freeze Russia's Partnership and Co-operation agreement with the EU⁷⁵. Also Russia's membership in the Council of Europe was put on hold because of the conflict in Ccechnya.

The European-wide security policy problem lies not so much in the question of Estonia's EU-

membership but more in the question of Nato membership and Nato's eastward expansion. Russia does not seem to oppose the EU membership aspirations of the Baltic states. According to the spokesman at the Russian embassy in Brussels, Moscow is quite positive about the EU ambitions of the Baltic states⁷⁶. The reason why Russia does not oppose EU membership by Estonia or other Baltic states could be that the EU's common foreign and security policy, especially its military dimension, the WEU, is still in the developing stage. Also, the nature of the two major organisations is different. Unlike Nato, the EU is not a military organisation and does not pose a military threat to Russia to the same extent as Nato. However, if Estonia is not accepted as a full member in the Union, Estonians might instead concentrate and put their strength on becoming a full member of NATO. Estonia's Nato membership seems unlikely and some of the quasi-positive statements from Nato or its member-states might be regarded more as courteous diplomacy than serious offers.

5. ESTONIA AND THE EU

5.1 Development of Estonia-EU relations

The Republic of Estonia was established on February 24th 1918. On August 20th 1991 Estonia regained and proclaimed its independence from USSR after being under occupation for more than four decades. Latvia gained its independence on 4th May 1991 and Lithuania on 1st March 1991. The European Community confirmed official recognition of the independence of all three Baltic states at the end of August 1991 and established diplomatic relations and promised support for the reform process. The Commission acted quickly and started the negotiations for the trade and cooperation agreements with the Baltic states in early September 1991⁷⁷. Trade and Economic cooperation Agreement between the EU and Estonia was signed on March 1st, 1993.

In May 1994 Estonia was admitted associate status to the WEU. Associate status in the WEU means consultation rights which allows the new partners to attend every other weekly meeting of the WEU in Brussels, to send liaison officers to planning groups, to take part in manouvres and joint operations such as maintaining/restoring peace and humanitarian assistance. However, perhaps the main point of associate status is that Estonia will be able to participate in the work towards building up a future joint defence and security umbrella.⁷⁸

A new Estonia-EU free trade agreement was signed on July 18th 1994 in Brussels. This agreement entered into force on January 1st 1995. The free trade agreement obliges the Baltic states and the EU to drop all limitations on the import and export of industrial goods, and also imports and customs duties and quotas. The free trade agreement provides limited concessions in agriculture. For Estonia the treaty had political and strategic aspects as well as economic

because it meant further integration with Europe. The treaty also indicated Estonia's desire to join the common foreign and security policy. "As a result of this agreement we will feel much safer", an official of the Estonian Ministry of Foreign Affairs said.⁷⁹

Estonia's policy concerning free trade with the EU was different from other Baltic countries. Unlike the other Baltic states the agreement with Estonia was enforced from the beginning of 1995. Also, unlike other Baltic states Estonia did not require any transition period. Latvia's free trade agreement includes a four year transition period and Lithuania a six-year transition period.

The negotiations for the Europe (Association) Agreement between the EU and Estonia were opened on 15th December 1994 in Brussels. The Commission mandate to open the negotiations was decided by the Council of Ministers on 31st October. The agreement with Estonia was signed on 13th April 1995. Although negotiations were opened jointly with all the Baltic states, the talks were held separately with each of them and the contents of final agreements vary according to the different reform paths followed by the three countries. When finalised the significance of the agreement will be that Estonia like the other Baltic countries will be on the same footing with other Eastern European countries with associate status.⁸⁰ The Estonian Ambassador to Brussels considered the EU's decision to authorise mandate for negotiations for the Europe Agreement "a victory for Estonian foreign policy and passing a watershed. We are now officially included among the states whose aim is integration with the EU."⁸¹

Talks on the Baltic EU associate membership took place during the first months of 1995. The negotiations with the Baltic states concerned political, cultural, social and other aspects⁸². Although Estonia's major concern, the date of possible full membership in the EU, was not discussed⁸³ the Europe Agreement is clearly a step towards full membership. When the negotiations started it was widely accepted that the talks towards Association Agreements with the Baltic states will not take the same amount of time as they did with other associated states. The agreement with Estonia was signed in about three months from the start of the negotiations. One reason for the rapid progress of the negotiations was the Baltics had already concluded trade aspects of the Europe Agreements under their Free Trade agreements and will have to negotiate political and other aspects. Also Baltic state's strong desire to join the Union and to catch up with the central eastern Europeans probably speeded up the negotiations.⁸⁴ The Europe agreements with the Baltics will be finalised by the Cannes European Council Summit meeting next summer.

The Estonian foreign minister, Juri Luik, said that association with the European Union is extremely important for Estonia. It is a means to achieve one of my country's primary foreign-policy goals, which is to become fully integrated into Europe", said Luik.⁸⁵ Luik also sees the Europe Agreement as a tool to get closer to the Western European Union (WEU). He said that in the WEU Estonia is an associated partner at present and will not be able to proceed further.

We have to conclude an association agreement with European Union first, he said.⁸⁶

The Europe Agreements are much broader than the free-trade agreements. Along with the free-trade agreement, which will be incorporated, the Europe Agreement includes political dialogue. Estonia has stressed the importance of the political aspects of association status. Estonia places great importance on the political dialogue associated with Union membership and the implications of the Common Foreign and Security policy for European security and stability. According to the foreign minister, Juri Luik, this is the most significant aspect for Estonia.⁸⁷

Estonia was the first country to sign the Europe Agreement without any request of a transition period. Estonia did not request any transition period because Estonia feels that the transition period may slow down the process towards full membership. Foreign minister Luik said that similar agreements between countries of Central Europe and the EU set a 10-year transition period, only after which those countries can join the EU. Estonia's position on the transition period has caused some disagreement in the EU. A transition period is meant to give would-be associate members time to bring their economic laws into line with EU regulations and curb tariff barriers. "As Estonia's customs policies are liberal and the market economy related legislation is generally in line with market economy principles, the final touches could be made when the Association Agreement is in force", Foreign Minister Luik said.⁸⁸

The relevance of the Association Agreements for the Baltics states is that they provide for the possibility of eventual membership and other benefits from the pre-accession strategy.⁸⁹ The Baltic states were not initially included in the pre-accession strategy formulated by the Commission. It was considered a diplomatic setback that the Baltic states failed to get an invitation to the EU Essen summit 9-10th December 1994 where the pre-accession strategy towards Eastern Europe was discussed and adopted.⁹⁰

As with other East European countries the EU is reluctant to give any exact date when Estonia could become a full member of the EU. This became clear during the visit of the EU Commissioner in charge of Eastern Europe, Hans van der Broek, on the 9-11th February 1995. According to Broek, the EU has to be prepared to absorb new members. This will be discussed during the 1996 Inter-Governmental Conference. Van der Broek said that "we are really talking about a process and we [should] talk about conditions which have to be met rather than try to be speculative about the calendar".⁹¹ Van der Broek was clearly evasive about the exact date of when Estonia could become a full member.

Estonia has received financial assistance from the Union's PHARE, TACIS and TEMPUS programmes since 1991. At first the funds were directed towards humanitarian, food and emergency purposes.⁹² In 1994 PHARE programme funds to Estonia amounted to 22,5 Mecus (million ecus), of which 8 Mecus, went to the private sector, that is to small and medium sized

companies. In 1994 PHARE funds to other Baltic states were considerably more. Lithuania received 39 Mecus and Latvia 29,5.⁹³

The EU policy has been to provide encouragement to reform in Eastern Europe now and to ensure smooth transition to membership of the EU later on. Also, the EU policy has been to indicate that there is a hierarchy of relations - trade and cooperation agreements, Europe Agreements and only then the possibility of full membership.⁹⁴ The Baltic states have moved along this gradual path with ease. Historically, the evolution of relations between the Baltic states and the Union has indicated that the Baltic states were at first treated in a similar way to the former Soviet republics. This is no longer the case. Also, the Baltic peoples regard themselves as a part of the European grouping rather than any new Eurasian grouping.⁹⁵

The free trade agreement and the Europe Agreement were clearly spurred by the Finnish and Swedish accessions. In the accession negotiations Finland and Sweden requested an extension of their free- trade with the Baltics⁹⁶. This encouraged the European Union to establish free trade agreements with Estonia, Latvia and Lithuania by the end of 1994. The free-trade agreement was important to Estonia as well since it ensured an unbroken continuation of Estonia's free trade agreements with its Nordic neighbours. Estonia and the other Baltic states benefit from the Finnish and Swedish accessions. The Estonian foreign minister saw three good things about Finland's and Sweden's accessions: firstly, Baltic issues receive better coverage in the European union; secondly, Estonia will receive support for its prospective membership; and thirdly, Finland's membership in EU will be a good example to show that Russia and the EU can live close together.⁹⁷

Estonia, in particular, has tried to take advantage of the Nordic countries' accession to the Union. One feature of the Estonian policy towards the EU is to lean on its Scandinavian neighbours. This has caused tensions between the Baltic states. The Lithuanian President, Brazauskas, has accused Estonia of resorting to unfair practices in an effort to project a positive international image of itself at the expense of its neighbours. Estonia is clearly seeking EU membership more in the image of a Nordic rather than an Eastern-Baltic country while Lithuania is trying to exploit its historical ties with Poland. The Lithuanian president also expressed dissatisfaction about the way the socio-economic development of the three countries varies so greatly. On the other hand, Estonia, while itself pursuing a very liberal economic policy, is concerned that the economic difficulties of the other Baltic states might hinder the integration process with the EU of all the the Baltic states.⁹⁸ Estonian officials have also expressed dismay at slow cooperation with Baltic counterparts. Estonians claim that because of opposition from Latvia the Baltic Trade Agreement does not cover agriculture.⁹⁹

The accessions of Finland and Sweden highlighted the need for the Union to formulate a policy towards the Baltic Sea region. The Baltic region became more important to the Union because

the number of the Baltic Sea Region states has increased. In May 1994, the EU Commissioner for External affairs admitted that Brussels had been inward-looking in the past but the Baltic region was now a major focus of EU policy.¹⁰⁰ Partly to calm down the Baltic states worries for not being invited to the Essen summit and not being initially included in the Commission pre-accession strategy, the Commission in communication to the Council outlined the EU's Orientations for a Union Approach Towards the Baltic Sea Region. This Commission paper was published in October 1994. The political purpose of the paper was to overcome the perception that there is a security vacuum in the Baltic region. The Commission stressed the importance of Nato's Partnership For Peace program, the Conference on Security and Cooperation in Europe, the Stability Pact, the Council of the Baltic Sea States and the WEU's associate partnership status of Baltic Sea region states. Importance was also attached to the political dialogue in the context of the Union's agreements. The Partnership and Cooperation agreement with Russia was also seen as providing for intensive political dialogue.¹⁰¹ For Estonia the problem of the Commission policy outline towards the Baltic Sea region is that this policy outline does not contain any promise of concrete and material security guarantees for Estonia, the very things Estonia is looking for.

Because of their strong desire and need for political cooperation and dialogue with the Union, mere economic integration with Western Europe would have been unsatisfactory to the East Europeans. This is why the EU had to develop new instruments, the Europe Agreements, for developing closer relations with Eastern and Central Europeans instead of using the EEA (European Economic Area) treaty- model which was suitable for the neutral Efta countries.

5.2 Estonia's eligibility and the criteria for EU membership

Estonia clearly fulfills the European criteria. When accepted as a full member of the Council of Europe in May 1993 Estonia was also interpreted as having a European identity. It will be hard to understand why EU should adopt different criteria.

As to the democratic principles EU membership has been justified in the past for countries such as Portugal, Spain and Greece precisely to counteract trends to instability in a period of transition to democracy¹⁰². Also, membership could be expected to politically bolster the stability of the new democracies, as it had done in the past with the case of southern enlargement¹⁰³. Although Estonian democratic structures may be considered young, two parliamentary elections after regaining its independence indicate that Estonia has adopted democratic principles and that the democratic structures are stable.

As early as December 1992 the European parliament tackled the issues surrounding the EC's relations with the three Baltic states and assessed the trade and cooperations agreements signed

between the parties earlier that year. The report by the European parliament on the EC's agreement with Estonia recognised the problems of human rights as the only real threat to enlargement. In particular the report referred to the non-Estonian ethnic minority.¹⁰⁴ Also, in its policy outline towards the Baltic Sea Region the Commission addressed the issue of human and civic rights. According to the Commission, political development implies full respect of human and civic rights. An appropriate integration of non-citizens, in particular Russian speaking residents of Baltic states, especially in Latvia and Estonia, in accordance with the relevant recommendations from the international organisations, as well as constructive dialogue between parties concerned, would strongly contribute to the improvement of regional security and stability.¹⁰⁵

The problem seems to be partly solved since the Estonian parliament passed The New Citizenship Law and the Law on Aliens (19th January 1995) and President Lennart Meri proclaimed the law on citizenship on 31st January 1995. According to Estonia the new law brought Estonia's law into line with the European Union. So it was part of the process of ensuring that Estonia's legislation matches that of the European Union. However, the consequences and implications of the practical implementation of the law remains to be seen.

The EU criticised the earlier drafts of the citizenship law. The law was changed so that the time of the permanent residency required for the Estonian citizenship was lengthened. It is now six years, five years permanent residency plus a one year processing time for the citizenship application. However, this change does not affect the situation of those permanent residents already living in Estonia. The new law does not have a retroactive force. This means that the law does not affect Estonia's current non-citizen population, made up of Russians who have settled in Estonia during the Soviet era. Demobilised or retired Soviet military personnel who are not now resident in Estonia will not, in general, have the right to receive Estonian citizenship unless married to an Estonian.

The law on citizenship was also reviewed by the Council of Europe. The Council of Europe also gave its opinion on the draft law of Estonia on Cultural Autonomy for National Minorities in 1993. In its opinion the Council of Europe emphasized that the draft law would not have adequately fulfilled its purpose unless it is based on the principle of maximum integration of the communities of non-citizens resident within the state.¹⁰⁶ On February 1995 Estonia signed the Council of Europe's National Minorities Protection Convention. The Convention includes regulations which require the states that have joined it to support national minorities. In addition the Convention requires the state to create necessary conditions in order to preserve and develop the culture and identity of minorities. Clearly, the purpose is to show that Estonia is committed to international standards when solving the issue of the Russian speaking minority.

Estonia does not seem to have problems in accepting the *aquis communautaire*. Estonia is very

willing to adopt the EU legislation. However the problem is that Estonia does not yet have the necessary legislation in all areas. For harmonising the current and future legislation of Estonia a two-year PHARE-programme was started in March 1995. The European Commission has approved allocation of 70 000 ECU for the project. Estonia's laws will be reviewed by McKennan & Co in cooperation with the Scandinavian Business Law Group. During the two years of the project Estonian legislation will be analysed in the fields of finance, business, social security, labour, environment and transportation. In addition, assistance will also be given to coordinating Estonia's legislation which is still in the process of being drafted.¹⁰⁷

As to the criteria of the market economy it is widely accepted that Estonia is economically better qualified to join the EU than most Eastern and Central European Countries. Estonia has pursued radical market reforms and has a fairly well functioning market economy. It has also been claimed that Estonia is closer to meeting the EMU convergence than most Central Eastern European Countries.¹⁰⁸ The criteria of legal and administrative capabilities for implementing EU policies might be problematic. Since the EU is also a customs union the capability of implementing trade policy towards the third countries is important. Under EU membership Estonian customs will have to prevent goods from the vast Russian territory of the former Soviet Union from appearing in the EU common market illegally. This raises the question of efficiency and capabilities of Estonia's custom on the Russian border.¹⁰⁹

In January 1995, during the negotiations of the Europe Agreement, the issues dealt with were the movement of the work force, the transfer of social insurance and setting up of businesses. It was stated that these issues needed more work.¹¹⁰ The head of the Estonian governmental commission for integration with the EU, Ivar Reig, said that three main sectors were weak: these were the social sector, the citizenship law which was more liberal than the rest of Europe, as well as the high inflation and low interest rates.¹¹¹ Apparently, Estonia has problems with the public sector responsible for the implementation of public policies. Clearly, Estonia's possible accession to the Union poses challenges for other Estonian policies as well, such as in its agricultural policy¹¹².

6. ESTONIA AND THE EU COMMON FOREIGN AND SECURITY POLICY

EU membership requires the acceptance of the *aquis politique*. This means that the applicant country has to commit itself to the common foreign and security policy of the Union. For Estonia, accepting the *aquis politique* and committing herself to a common foreign and security policy seems unproblematic because integrating itself politically as close as possible to EU has been the very goal of Estonia's foreign policy since regaining its independence. As a newly independent state and having no long continuous traditions of foreign policy, accepting and committing herself to the *aquis politique* does not constitute any change or redefinition of

Estonia's foreign policy. In this respect Estonia's and the Baltic states's accession also differs from the accession of the neutral Efta countries.

According to the foreign minister, Juri Luik, Estonia's security policy consists of two aspects: integration and normalisation. Integration means full membership of Nato and the EU/WEU. Normalisation refers to establishing normal relations with Russia.¹¹³ The purpose of this clearly defined Western orientation in Estonian foreign policy is supposedly meant to elevate Estonia from the status of a Soviet province to an unmistakable European country. According to the foreign minister, Estonia wants to create a situation where an attack against Estonia would be as unthinkable as an attack against Austria or Sweden.¹¹⁴

The main reason for the Baltic states to integrate themselves with Europe is the threat of Russia and its internal political instability. Estonia feels insecure in the close neighbourhood of an politically unstable military superpower. This became clear when Ulo Nugis, head of the Estonian delegation to the Nato Assembly, on 27th May 1994 in Oslo, criticised the delay to accept Baltic states as full members of Nato. He pushed for speedy Baltic Nato membership "in the face of a continuing threat of annexation on the part of Russia." He also referred to Russia's imperialists voices.¹¹⁵

The Baltic states have been alarmed particularly on two occasions both of which indicated a toughening of Russian policy towards the Baltic states. The first was Zhirinovsky's Liberal Democratic Party's success in the Russian elections. The second was President Yeltsin's expression, "Near Abroad". Zhirinovsky's success in the Russian elections led to Lithuania's official application to Nato¹¹⁶. Estonia and Latvia supported the Lithuanian decision but adopted a different approach. The Estonian President, Meri, said that he understands the Lithuanian approach, especially taking into account the electoral success of Vladimir Zhirinovsky.¹¹⁷ Russia regarded the Lithuanian application to Nato as "destablising"¹¹⁸. As to the future of Russian policy towards the Baltic states and Russian foreign policy in general, much will depend upon the Russian presidential election in 1996.

It seems that Estonia wants to join the Union mainly for security political reasons. Estonia, like the other Baltic countries, sees itself as a grey area between Russia and Europe without any security guarantees. The Baltic States do not want this insecurity and have made their positions clear by integrating themselves with Western Europe as best they can. To make sure of its security, Estonia would like to join Nato as a full member. Military cooperation with Russia has been ruled out as impossible. Estonia has turned down the Russian offer of military cooperation which was presented by the Russian defence minister, Pavel Grachov. A spokesman for the Estonian parliament's foreign affairs committee said it is out of the question. All the Prime Ministers of the Baltic states have said that such Russian proposals should be rejected.¹¹⁹

Since Estonia's security has to come first it seems that Estonia's domestic affairs and policies are subordinated to the security policy orientated goals of Estonian policy towards the European Union. While seeking greater political commitment and security guarantees from the Union, Estonia is willing to harmonise its legislation voluntarily even prior to membership and requires no transition periods and has adopted a very liberal trade policy. This implies that Estonia is making concessions in domestic or economic policies in order to achieve its security policy goals.

Estonian foreign minister, Juri Luik outlined Estonia's views of the WEU in a speech held in a meeting of defence and foreign ministers of the Western European Union in Noordwijk, Holland on November 14th 1994. He stressed that it would not enhance the security if some of the Associate Partners were to be left on the waiting list in a grey zone, or a kind of security vacuum. He saw this as an attempt to increase the security of some which would in fact end up lessening the security of all.¹²⁰

Estonia sees the WEU both as a pillar, a tool and a bridge. The foreign minister stressed the WEU's importance as the security pillar of the Union. He anticipated that Estonia's structured political dialogue with the EU will increase. According to Luik the prospects for a similar dialogue with the WEU are closer at hand and are of a more practical nature. He also believed that the consultations would prove more useful if they were to be expanded into a forum for actual coordination of policy positions. The WEU could also serve as a useful tool with which the Associated partners would help to develop and shape the EU's Common Foreign and Security Policy, including the evolution of the WEU's own role vis-a-vis the EU. He also added that besides political consultation, the WEU could be used more as a tool in military affairs and stated that Estonia is very interested in developing direct ties with WEU military structures and its Planning Cell.¹²¹ Finally, the foreign minister mentioned that the WEU could serve as a bridge to Nato and welcomed the increasing ties between WEU and Nato. "For Estonia the WEU can then really become a bridge toward strengthening our ties with Nato, just as Nato's Partnership for Peace program can enhance common activities within the WEU framework", foreign minister Luik stated.¹²²

It is apparent that Estonia also wants to join the WEU as a full member. Even though the associate partner status goes a little bit further than the Nato Partnership for Peace program, the WEU associate partner status does not offer the new partners a defensive shield in the event of a third party aggression. Only full membership will give that. However, full membership of WEU requires full membership of the EU. The problem is that Estonia as a small nation has no resources to contribute significantly to the military security of the WEU. The Baltic states are trying to increase their military contribution by regional cooperation. For this purpose the Baltic states have just signed (13th September 1994) an agreement to establish a joint peace keeping unit, Baltbat.

From the European Union point of view allowing associate status strengthens its political and military ties with the Baltic countries without alienating Russia. However the Baltic states find it hard to understand the logic of a half-committed policy (being offered associate status but not as full members) of EU/WEU and NATO. Basically the Baltic argument goes as follows: If the West is right that Russia will become a democratic and civilised country there would be no such need for military security guarantees for the Baltic states. On the other hand if the development in Russia takes another direction and Russia's policy will become more aggressive then the Baltics and Estonia will rightly feel that the NATO's Partnership for Peace program or WEU associate status are not enough.¹²³

The recent parliamentary elections will hardly effect Estonia's foreign policy goal of full membership of the EU. Tiit Vähi, the leader of the Coalition party, which won the parliamentary elections, has promised that right wing policies would continue under his leadership.¹²⁴ Closest to criticism or scepticism to Estonia's possible EU-membership are the Estonian Green Party. In January 1994 the Green Party declared that Estonia's entry into European Union should be decided by a referendum. The Green Party also complained about a lack of information and demanded that the government and the parliament should publish the major documents of the European Union in Estonia. The Green Party also warned that the possible benefits in joining the Union might be smaller than the damage that might instead result.¹²⁵ The Green party did not have any great success in the recent parliament elections and failed to get any seats in parliament. According to a government report the Estonian people supports the goals of Estonia's official foreign policy. The report declared that the majority, that is about 80% of Estonians, support the policy towards EU membership and about 10% oppose.¹²⁶

6.1 Estonia and Russia

In the event of EU membership by the Baltic States the main impact on the common foreign and security policy of the EU will be that the geopolitical centre of gravity would almost certainly shift towards the north-east. Unlike Central and Eastern European countries Estonia was part of the Soviet Union and now shares a common border with Russia. This means that possible membership of the Baltic States would bring Russia even closer to the Union as it did when Finland joined the Union in 1995. As result of this relations with Russia will become even more important for the EU.

Estonians themselves emphasise that Estonia's EU membership is also in the interests of the Russians and that the Russians will benefit from the stability of increased trade and economic activity in the Baltic region. Economically this might be the case but from the foreign and

security policy point of view things are different.

The rationale of Estonia's foreign and security policy is: the closer Estonia is integrated into Europe and the more normal relations it has with Russia, the more secure Estonia feels. However the two foreign and security policy goals, that is normalisation and EU membership, which according to the definition by the minister of foreign affairs contribute most to Estonia's security might be contradictory or at the very least might affect each other.

Compared with the other Baltic states, Estonia has adopted the most militant position towards Russia and had made little effort to avoid confrontation. Estonia refused to alter its legislation that allowed non-citizens, primarily Russians, to vote in municipal elections but not run for office. Estonia also refused to alter its stance on social guarantees for the Russian military pensioners, even when it appeared that Estonia's insistence could have postponed the withdrawal of Russian troops.¹²⁷ Estonia, unlike Latvia, did not give up its right regarding retired Russian military officers in Estonia. Estonia did not accept linking of withdrawal of the troops with any other conditions.¹²⁸ Lithuania, on the other hand, approved Russian military transit regulations to and from Kaliningrad region¹²⁹.

Estonia's hardline policy towards Russia is partly explained by internal pressure since the coalition parties informed that they would object to any measure that could be regarded as a concession to the Russians.¹³⁰ For instance, in the Estonian parliament, the Paldiski agreement came under criticism by opposition, which said that the deal had created Estonia's Skrunnda, the Russian radar base in Latvia, which Russia will continue maintain for five years. The Paldiski agreement requires Russians to dismantle the Paldiski nuclear reactor by september 30th 1995.¹³¹ Estonia's policy towards Russia over the border dispute creates tension between the Baltic states as well. Lithuanian officials consider Tallinn's calls for restoration of its eastern border an irresponsible baiting of the Russian bear.¹³² It has been feared that the Baltic states might have difficulties to formulate common positions concerning relations with Russia. Estonia has felt that it has been left alone with it's own problems concerning Russia.¹³³

In connection with Russia's rejection to Nato's Partnership for Peace program at the end of 1994 foreign minister, Juri Luik, described Estonia's relations with Russia as follows: "Our relationship with Russia has always been rather volatile, from better to worse and worse to better. So we are not very surprised at sudden changes. They are probably connected to the internal political situation in Russia."¹³⁴ In October 1994, the Estonian State Assembly chairman, Mr. U. Ugi, criticised Estonia's foreign policy by saying that Estonia still has no conception of how to regulate its relations with the East because Estonia is more orientated to the West. He went on to state that nevertheless Estonia stands for good relations with Russia and does not wish to cause an economic or any other kind of blockade by its actions.¹³⁵ Clearly, Estonia has problems with Russia. Even the term normalisation used by the foreign minister

indicates that relations with Russia are not normal at the moment. From the point of view of Estonia's possible EU membership the significance of the problems is that they have to be settled before Estonia can become a member of the Union because the EU does not want any more foreign policy problems, especially with Russia.

6.1.1 Economic relations

Because of the political between Estonia and Russia there is a potential for economic conflict. In July 1994, Estonia claimed that Russia has been applying discriminatory economic policies against Estonia. Russia's imposition of duties on transit goods that enter Russia from Estonia has been mentioned as an example. Estonia has regarded this as a one-sided economic war.¹³⁶ Some Balts feel that Russia is following Soviet tactics using economic pressure to get crucial political concessions from the Baltic states. The Russian view of the problem is that Russian fuel and raw materials can be marketed outside the CIS for hard currency whilst consumer and agricultural goods produced in the Baltic states cannot. According to Russia the basic problem is that there is no real symmetry in the trade interests between Russia and the Baltic states.¹³⁷

6.1.2 Russian troops

The withdrawal of Russian troops was a number one priority for Estonia's foreign policy¹³⁸. The agreement on withdrawal of Russian troops was signed on the 26th July 1994 after the first presidential summit between Estonia and Russia. The agreement consists of documents concerning the withdrawal of the troops and social guarantees for Russia's retired officer's and environmental damages caused by the Russian military. Russia withdrew its army from Estonia on 31st August 1994. The final agreement on social guarantees for military pensioners reaffirmed the Estonian government's right to decide about issuing residency permits for Russia's military pensioners on a case by case basis in accordance with Estonian law. A special commission which includes a representative from the CSCE, will be formed to evaluate applications for residence permits. Russia will pay the pensions of those who receive Estonian residence.¹³⁹

Before the agreement was reached and the withdrawal was completed there were serious problems. In March 1994 the talks on withdrawal of troops came to a complete standstill. Even though Russia had earlier proposed the deadline of 31st August 1994 for the total withdrawal of Russian troops the two sides were at odds over the deadline. Russia claimed that it had not received financial assistance to build housing in Russia for the withdrawal of troops. Russia has also asked for all retired officers of the ex-Soviet army to be granted a permanent residence permit.

Delays in reaching the agreement of withdrawal of the Russian troops and Estonia's hardline policy raised some worries in Europe as well. While visiting France the ex-prime minister, Mart Laar, was advised by the French President Mitterrand to keep calm and constructive during talks with Moscow.¹⁴⁰ In support, the European Council gave a statement after the Corfu Summit meeting which stated that the European Council expects Russia to complete its withdrawal from Latvia and Estonia by 31st August 1994.¹⁴¹

In Estonia the withdrawal of troops was considered part of the normalisation of Estonian-Russian relations. The Foreign Minister said this was the first step toward greater security but admitted that the security problem in general remains.¹⁴² The security political rationale of the regional cooperation between the Baltic states must be to indicate that a threat towards one is a threat towards all three. In this sense it is clear that until the Russian troops have been withdrawn from all the Baltic states, the Russian military presence will continue to complicate political relations between the Baltic states and Russia. For instance there is the problem of Russian military transit to and from Kaliningrad through Lithuania.

6.1.3 The Border Dispute

The border dispute between Estonia and Russia started when Russia began unilaterally to mark off the border along the present line which according to the Estonian view is only temporary. Russia started marking the borderline near Värskä and southeastern Estonia.¹⁴³ The total length of the border between the two countries is 460 kilometres.

Estonia demands that Russia reaffirms its commitment to the Tartu Treaty which is the only internationally legally recognised document defining the border. During March 1994, foreign minister Luik said that Estonia will not make concessions to Russia in the border issue.¹⁴⁴ However the tone seems to have changed and Estonia is willing to make concessions on the border issue. In November prime minister, Andres Tarand, said that Estonia's heroic but impractical attitude in the border dispute has come to an end¹⁴⁵. Also during his visit in Helsinki Prime Minister Tarand said that Estonia would be willing to make concessions in this area if Russia recognises the Tartu Peace Treaty¹⁴⁶.

Estonia has softened its stance on the border issue because an agreement with Russia would allow Estonia to move more quickly towards membership in the European Union¹⁴⁷. This means that Estonia is more eager to solve the problem than Russia. However Russia may deliberately keep the border issue unsolved in order to hamper Estonia's EU or Nato membership aspirations. The ex-prime minister, Laar, referred to Russia's domestic political situation and said that there is no quick solution to the issue.¹⁴⁸

Partly to exert international pressure towards Russia, Estonia has suggested an international solution to the problem. However Russia has turned down the offers, for instance the Estonian offer to solve the border dispute at the International Court of Justice. The Hague court will take up the matter only on request from both sides.¹⁴⁹ Russia's unwillingness to open up the border issue with Estonia is based on the fear that it could lead to opening up similar issues elsewhere on Russia's borders. Russia claims that this would have a destabilising influence for the whole Europe¹⁵⁰.

The significance of the border issue is that the EU is unwilling to accept the accession of a new member who has a border disputes with Russia. It is obvious that the EU would like the potential new member country to settle such disagreements before being admitted into the Union. The border issue must be settled permanently and in a way which satisfies both sides. Unless an agreement with Russia is reached Estonia cannot become a full member of the Union.

6.1.4 The Minority Issue

The problem during the drafting of the law on Estonian citizenship was that Russia pushed for a policy of dual citizenship. The Estonian view was that dual citizenship could raise serious questions for individuals about where their loyalty lies. Russia sees that the new law strips a significant part of the Russian-speaking population of the possibility of receiving Estonian citizenship and closing the way for the natural integration of non-citizens in Estonia.¹⁵¹

In 1993, the Russian foreign minister, Kozyrev, attacked in rather strong language the Estonian policy on citizenship and aliens. The Russian foreign minister claimed that contrary to the Treaty signed by Estonia and Russia in 1991 one discriminatory law has followed another. According to Kozyrev, the treaty has established a principle of choosing and obtaining citizenship with no restrictions.¹⁵² The Russian foreign minister listed laws which according to him have affected the status of the Russian speaking minority in Estonia. Kozyrev accused Estonia that the local administration law has deprived Narva's resident non-citizens of the possibility of nominating their own candidates for the local administration, that the education law limits children's opportunities to be instructed their native language and that yet another law has declared all non-citizens of Estonia to be aliens. According to Kozyrev this law was ironically passed immediately after Estonia's admission to the Council of Europe. He criticised the compulsory need to learn Estonian in order to obtain citizenship. Kozyrev accused Estonia by saying that it is unable to forget the offences of the past, for which in his view the present day Russia has no responsibility.¹⁵³ This attack against the drafts on the Estonian citizenship law by the Russian foreign minister indicates how sensitive the minority issue is between Estonia and Russia.

The German foreign minister, Klaus Kinkel, worried about the minority issue and its possible impact on Baltic-Russian relations, suggested in March 1994 to his Baltic colleagues the urgency of integrating Russians into the Baltic societies. He also recommended that the Baltic countries follow obligations given to international organisations about honouring the rights of local Russians "to avoid making Russia's nationalists angry".¹⁵⁴

Although the law on citizenship has been approved, the issue of the Russians and Russian-speaking population in Estonia will remain highly sensitive. Any political, cultural or economic discrimination against Russian residents by the Baltic states, as well as any attempts by Moscow to use Russian settlers as a "fifth column" will, inevitably colour Russian-Baltic relations and undermine the chances for a stable political and security partnership¹⁵⁵. Also the success of the Russian speaking "Our Home is Estonia" (Meie kodu on Eestimaa) Party, which won six seats in the recent parliamentary elections, might have some impact on the minority issue.

6.1.5 Chechnya

The Chechnya conflict has hampered the relations between Estonia and Russia. Statements of political sympathy for Chechnya from Estonia and other Baltic states has triggered allegations by the Russian officials that the Baltic States smuggle arms and send volunteers to Chechnya. This was denied by Estonian officials. However, Estonians have admitted that there were problems with the illegal arms trade, especially prior to the departure of Russia troops.¹⁵⁶ A Russian parliamentary delegation cancelled its visit to Tallin because of the statement by the Estonian parliament to the government on the Realization of the Right of Self-Determination of the Chechen People. In the statement, the Estonian parliament demanded the Estonian government to recognise the Chechen Republic at the first "internationally probable opportunity".¹⁵⁷ The Estonian parliament became the first in the world to propose the recognition of Chechen republic. Russia regarded this move by the Estonian parliament as a direct interference in its internal affairs. The Russian foreign ministry spokesman, Grigory Karasin, said that "this is a provocative step which will definitely have most negative consequences for the relations between the two countries."¹⁵⁸

The foreign minister, Luik, said that the Russian action in Chechnya was a strong argument in favour of the expansion of Nato towards Eastern and Central Europe. According to Luik, "Russia has shown its instability in this conflict, and this will promote more decisiveness in Brussels and in Washington towards the enlargement of NATO. Nato would allow a sense of stability in the neighbouring countries of Russia."¹⁵⁹

The prime minister of Estonia was forced to tone down statements by Estonian officials because

of the positive lessons of the Chechnya conflict for Estonia. The Estonian defence minister was quoted as saying: "If the time comes, we'll fight like Chechnya." The foreign-affairs committee of the Russian parliament's lower house sent a demarche to its Estonian counterpart, calling the Estonian parliament statement of support to Chechnya "the most blatant form of interference" in Russia internal affairs. The Russian MPs also threatened to cut all ties with Estonian parliament's foreign affairs committee until Estonia clarifies its position.¹⁶⁰

As to the future, the question is how strongly will Estonia react to more possible conflicts like Chechnya? With their own recent memories in mind surely the Baltic States feel sympathy towards the Chechnians or towards other nationalities who are fighting for their independence from Russia and for their right to self-determination.

CONCLUSIONS

Eastern enlargement of the EU is inevitable but the EU has not given or committed itself to any exact dates of accession. The decision of enlargement requires unanimous decision by member-states and the approval of the European parliament. Some member-states like Germany and other member-states of the in the Baltic Sea have more favourable attitudes towards the full membership of the Baltic States. Southern member-states of the Union are more reluctant towards eastern enlargement.

Even if the candidate fulfills the formal membership criteria there is the question of the momentum of integration. This means that accession negotiations will not begin before the EU has solved its own internal policy problems. The EU has to sort out, firstly, the problems relating to deepening of integration before the process of eastern enlargement can begin. The present problems and challenges of deepening integration are related to the implementation of the Maastricht treaty. There is among other things, especially, the issue of developing the common foreign and security policy which will be addressed at the 1996 intergovernmental conference.

The relations between Estonia and the EU have developed quickly and Estonia is now attaining the same status as the other countries that have concluded Europe Agreements. The development of the relations between Estonia and the EU would suggest that Estonia could join the Union at the same time as some of the Central and East European countries.

Estonians feel themselves insecure in a close proximity to an unstable superpower and that is why Estonia wants stronger political commitments and security guarantees from the West. In this sense, Estonia wants to join the Union mainly for security policy reasons. Estonia does not want to remain in a grey area or as a part of buffer zone between Russia and Europe. A basic feature of Estonia's policy and strategy towards the EU has been to lean more on its Nordic neighbours and to separate itself from the other Baltic states. This has caused friction between the Baltic states. Since Estonia's security has to come first, another feature of Estonian policy towards the EU membership has been to subordinate all other issues to the security policy goals. Thus Estonia is making the accession as easy as possible for the Union by harmonising its present and future legislation prior to membership in order to achieve maximum military and political commitment from the EU/WEU.

Basically, there are two problems with Estonia's possible membership: the larger context of the whole eastern enlargement and Estonia's relations with Russia. From the EU's point of view Estonia's possible accession is part of the larger context, that is, the EU's enlargement eastwards. The accession of Estonia or even of all the Baltic states will have only minor

impacts on the institutions and the policies of the Union, but the EU must prepare and have plans for the accession of several countries at the same time. The whole eastern enlargement process poses enormous challenges for the Union. There are institutional and internal policy problems that have to be addressed before the accession of the Baltic States can really begin.

For Estonia, accepting the *aquis politique* and committing herself to the common foreign and security policy of the EU is not a problem because it is the very goal of Estonia's foreign policy and does not cause any change or redefinitions of Estonia's foreign policy. However, Estonia has problems with Russia which have to be settled permanently and in a satisfactory manner to both sides before Estonia can join the Union. Amongst the Baltic states, Estonia has adopted the most hardline policy towards Russia. The EU and its member-states do not want any new foreign policy problems, especially with Russia. Estonia is trying to solve its foreign policy problems by softening its stance towards Russia in some areas, like in the border dispute, in order to move more quickly towards full membership of the Union.

Estonia and the other Baltic states differ from the applicants of the Central Eastern European countries in two respects. Unlike the Central Eastern European countries, that is the Visegrad countries and Rumania or Bulgaria, the Baltic states have been Soviet republics and proclaimed their independence from Russia only four years ago. The second difference is that the Baltic states share a common border with Russia. Clearly the main impact of Estonia's possible membership on the EU common foreign and security policy would be that the EU's relations with Russia will become even more important to the Union.

Estonia's chances of becoming a full member of the EU depend on the development of EU/WEU and Nato relations with Russia. In this respect, Estonia's EU membership is not entirely in the hands of Estonians. However, Estonians may in their own way contribute to the development of relations with Russia and Europe by solving present problems and disputes and normalising their relations with Russia in a constructive manner.

Estonia's small size is both an advantage and a disadvantage. It is an advantage in the sense that Estonia's impact on the institutions and policies of the Union will be relatively minor. On the other hand, Estonia's contributions to the Union will be minor. From the common foreign and security policy point of view the problem is that, at present, Estonia's membership will probably cause more foreign policy headaches for the Union than Estonia is able to contribute a sense of security and defence to the Union. Estonia can change this situation by solving its present foreign policy problems with Russia.

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