

SCUSA 60 THEME:
“MEASURING PROGRESS AND DEFINING NEW CHALLENGES”

CENTRAL AND EASTERN EUROPE

Delegates to SCUSA 60 on the Central and Eastern Europe roundtable will explore what progress has been made and attempt to elucidate the challenges that loom on the horizon in this critical region. In the aftermath of the Cold War, this region was opened to the powerful forces of globalization and international development, leading to a rapid and sometimes turbulent push for democratization. How can U.S. foreign policy take advantage of these gains and prevent a reactionary backslide particularly in the face of a resurgent Russia. What are the U.S. interests in Central and Eastern Europe (CEE)? How is the security environment in CEE relevant to U.S. interests? Delegates on this panel will have to deal with considerable uncertainty as they struggle to address these critical questions and develop sound foreign policy recommendations for the United States in this region.

In the absence of traditional security threats following the end of the Cold War, much of Europe has focused its attention on the challenges associated with integration, but Russia remains a constant source of concern. “From the Baltics in the north to the Caucasus and Central Asia, a geopolitical power struggle has emerged between a resurgent and revanchist Russia on one side and the European Union and the United States on the other.”¹ Caught between are the states of CEE. Russia has continued to threaten the western oriented states of its near abroad. In the past two years, Russia has temporarily shut off energy supplies; conducted cyber-attacks; threatened military action in Lithuania, Latvia, Estonia, Poland, and Ukraine; and intervened militarily in Georgia. The proliferation of weapons of mass destruction (WMD) is also a perennial concern. What role do CEE states play in preventing the theft and smuggling of arms and nuclear material from the former Soviet Union, and how can the United States strengthen those efforts? The Proliferation Security Initiative (PSI) was launched in Krakow, Poland in an attempt to combat this critical problem of WMD trafficking. Since its inception over five years ago, the initiative has expanded to include over 90 countries committed to a framework for coordinating counterproliferation activities.² This is but one effort being made in the region and around the globe. What other bilateral and multilateral efforts can be made in the area of WMD proliferation?

Although the resurgence of Russia concerns both U.S. and European leadership, the question of whether Western policies have helped deepen the estrangement of Russia from the West is an important and unavoidable one. The expansion of the EU to 27 states, the signed agreement for a missile defense system in the Czech Republic and Poland³, and the expansion of NATO to Russia’s very borders has led Moscow to call for suspension, or even nullification, of the Conventional Forces in Europe Treaty (CFE), the Strategic Arms Reduction Treaty (START I), and the Intermediate-Range Nuclear Forces Treaty (INF).⁴ What can be done to assuage Russia’s legitimate security concerns?

¹ Robert Kagan, “Putin Makes His Move,” *Washington Post*, (Aug 11, 2008): A15.

² United States Department of State. “Proliferation Security Initiative,” <http://www.state.gov/t/isn/c10390.htm>

³ Tracy McNicoll, “We Want To Believe,” *Newsweek*, Sep 6, 2008.

⁴ RFE/RL, “Russia: CFE ‘Moratorium’ Causes Consternation In Europe,” <http://www.rferl.org/featuresarticle/2007/04/f33954af-d1b2-491e-823e-40d8197c7e22.html>

Many diplomats believe that Russia's recognition of South Ossetia and Abkhazia is a direct response to the West's recognition of Kosovo following its unilateral declaration of independence in February 2008.⁵ In addition to Kosovo, the Balkans are home to unresolved conflicts in Bosnia and Macedonia, and are a continuing source of instability.⁶ What is Europe's capacity for dealing with continued conflict in the Balkans? Is this a recipe for Europe going it alone, or for Trans-Atlantic cooperation and collaboration?

In addition, Europe faces a terrorist threat similar to the one faced by the United States. The increase in radical Islamic activity in the Balkans is of particular concern. How can the United States leverage its European allies in the struggle against terrorism? In light of current discussions to shift U.S. military bases away from old Europe, how will the new Europe play a role in U.S. security policy? How reliable is new Europe as an ally of the United States? What is the importance of this region as allies in the war on terror and the conflicts in Iraq and Afghanistan?

U.S. actions in CEE are also complicated by the differences in "old and new" Europe. The EU15 are concerned with preserving energy channels, utilizing Russian influence with North Korea and Iran, and limiting confrontation.⁷ However, new Europe is concerned with maintaining security and wants the protection of the EU and the U.S. to keep Russia at bay. Will the CEE region reshape the balance of power within EU central institutions? Will old Europe block new Europe from full participation in these institutions? How credible are the collective security agreements under Article 5 of the NATO charter as NATO presses to expand to Russia's doorstep?

Environmental issues have become an important security issue in CEE. The United States Agency for International Development's (USAID) environmental efforts in this region focus on energy efficiency, emissions reduction, and encouraging domestic policy/legal/regulatory reforms within each country.⁸ Several intergovernmental organizations and multinational corporations⁹ provide support to the region with millions of dollars in loans for the USAID to leverage toward energy efficiency improvements.¹⁰ In addition, eight of the 15 European signatories to the 1997 Kyoto Protocol to the United National Framework on Climate Change (UNFCCC) are from CEE.¹¹

Within the broad area of trade relations, the United States has strong interests in CEE, especially now that most of CEE has joined the EU. However, as the world develops into a more global marketplace, there are increased concerns over cross-border mergers and acquisitions and their political, economic, and national security implications. These deals require careful consideration and often run afoul of government regulations.¹² While the EU attempts to create a free market for mergers and acquisitions, national sentiments in old Europe generate legal and political barriers to such economic unions.¹³ Will these barriers affect mergers and acquisitions involving U.S. companies?

⁵ "Parallel Bars," *The Economist*, Aug 28, 2008, <http://www.economist.com/world/europe/12010417.html>

⁶ "Independence for Kosovo is off the agenda, envoy reveals," *The Independent*, Sep 18, 2007.

⁷ Edward Lucas, http://www.timesonline.co.uk/tol/comment/columnists/guest_contributors/article4698316.ece

⁸ USAID "Global Climate Change: CEE/NIS," http://www.usaid.gov/our_work/environment/climate/country_nar/cee_nis.pdf.

⁹ USAID efforts are closely coordinated with many intergovernmental organizations, to include the Nexant Corporation, World Bank, EBRD, United Nations Economic Commission for Europe, and European Union.

¹⁰ USAID, http://www.usaid.gov/our_work/environment/climate/country_nar/cee_nis.pdf.

¹¹ UNFCCC, "Kyoto Protocol," http://unfccc.int/essential_background/kyoto_protocol/items/3145.php.

¹² Dolbeck, I.

¹³ Ben Wright, "Nationalism is blocking the way for mergers in Europe," *Knight Ridder Tribune Business News*, (May 8, 2005): 1.

The European Bank for Reconstruction and Development (EBRD) has declared that eight CEE countries which are now members of the EU will have “graduated” to full-market economies by the end of 2010. Until recently, growth rates in most of CEE have been better than expected. “A big pool of cheap and diligent workers, along with the unleashing of entrepreneurial talents, has produced thriving new private businesses.”¹⁴ However, this trend may not last long. CEE supplies most of its exports, a major portion of its GDP, to Western Europe. Additionally, CEE depends on foreign direct investment (FDI) from the Euro zone to continue building its production capacity. Recessionary fears in the Euro zone may begin to slow the flow of FDI while energy supply threats from Russia are starting to slow CEE economic growth.¹⁵ How will an economic downturn and continued CEE transition to full-market economies affect trade relations with the United States?

One of the most significant effects of globalization in CEE is the migration of peoples. “Global shifts are driving immigration.”¹⁶ The massive movement of people is the result of many factors, including economic globalization, low-cost travel, and improved telecommunications. With the enlargement of the European Union, EU member states opened their labor markets to the new EU citizens. CEE workers flooded into these Western states.¹⁷ Although the CEE workers were initially welcomed, European states now warn that their economies may not be able to absorb more CEE workers without significant negative side-effects. Western European critics worry about low wages for native populations, excessive pressure on public services, and the erosion of national identity.¹⁸ The recent economic growth of CEE has slowed and, in some cases, reversed migration to western states. However, current worries about a possible recession in Europe may slow movement back to CEE and cause more tension between migrant and native populations. Will these global forces prove too powerful for European governments to control? How will migration shape and affect Europe, particularly in light of projected demographic decline in old Europe? How will migration influence Europe’s relationship with the United States? How do these concerns influence the prospects for a revival of the European Union Constitution?

Immigration can also lead to the spread of disease. The number of people living with HIV in Eastern Europe and Central Asia reached an estimated 1.1 million in 2007. It is estimated that 110,000 people became infected with HIV while 58,000 died of AIDS in the same year.¹⁹ What impact will HIV and other communicable diseases have on CEE societies, and how might this affect the region’s relationship with the United States?

Large migrations also raise concerns about criminal and terror networks. Transnational crime syndicates have expanded their operations into CEE, engaging in passport forgery, counterfeiting, and piracy.²⁰ Large criminal networks also engage in cybercrimes, drug trafficking, and human trafficking. Today cybercrime is one of the FBI’s biggest priorities, close behind counterterrorism and counterintelligence, and Eastern Europe is home to flourishing cybercrime activity.²¹ How can the United States coordinate with the governments of CEE to

¹⁴ “The party is nearly over,” *The Economist* print edition, Aug 14, 2008.

¹⁵ Carolyn Cohn, “Euro zone slowdown, Russia seen hurting E.Europe,” *Reuters* (Aug 27, 2008).

¹⁶ Stefan Wagstyl, “The uneasy cosmopolitan: how migrants are enriching an ever more anxious host,” *Financial Times* (Sep 21, 2006).

¹⁷ OECD, “Immigration rises in OECD countries but asylum requests fall, says OECD,”

http://www.oecd.org/document/8/0,2340,en_2649_37415_36855048_1_1_1_37415,00.html.

¹⁸ Stefan Wagstyl, “The uneasy cosmopolitan: how migrants are enriching an ever more anxious host,” *Financial Times* (Sep 21, 2006).

¹⁹ UNAIDS, “United the world against AIDS,” http://www.unaids.org/en/Regions_Countries/default.asp.

²⁰ Denisa Maruntoiu, “Basescu: Counterfeiting is a cancer that encourages terrorism,” *Knight Ridder Tribune Business News*, (Jul 12, 2006): 1.

²¹ Robert L. Mitchell, “Making a Federal Case,” *Computerworld* 40, Iss. 31 (Jul 31, 2006): 21.

fight these criminal networks? What information and technology might usefully be shared in countering cybercrimes?

How can the United States prevent CEE states from becoming transshipment points for the illegal trade of drugs, women, and weapons? How can the United States reverse those trends already underway? The War on Drugs is far from over, given the permeable borders and increased trade routes in Central and Eastern Europe. States in this region have been identified as important producer, transit, and destination countries of illegal substances, including cocaine and heroin. European law enforcement has also noticed a gradual shift of amphetamine and methamphetamine production to Eastern Europe, leading to new trafficking routes in the region.²² How can the United States support both individual states and the EU in fighting the War on Drugs?

Ensuring human security remains a vital concern in all parts of the globe. Human trafficking, for example, is a growing problem in CEE and the Commonwealth of Independent States (CIS). Victims either remain in CEE, indicating a significant intra-regional “market,” or are transported to Western Europe.²³ Central and South Eastern Europe is a highly reported transit region, which helps to produce related criminal offences including the violation of immigration and border-control laws, the corruption of officials, forgery of documents, and acts of coercion against the victims.²⁴ How can the United States help CEE eradicate human trafficking?

Finally, even as former Soviet bloc countries develop legislation to safeguard human and political rights in part to satisfy EU membership requirements, the region continues to struggle with the problem of protecting and integrating ethnic and religious minorities. One example is the estimated 8 to 15 million Roma (gypsy) population scattered throughout CEE. Often characterized by poverty, social problems, and a weak political voice, the Roma have anti-discrimination lawsuits pending in at least two Eastern European states.²⁵ In a new world of migrant populations, will current difficulties in the integration of various ethnic minorities be an indicator of future problems in this region? How will these challenges affect Europe’s attempt to form a multiethnic community that incorporates and accepts its minority groups? Does the ethnic or religious background of the EU’s new members, coupled with declining native-born populations in “old” Europe, fundamentally change the nature of what it means to be European?

This year SCUSA delegates will consider the issues confronting CEE. In some areas, CEE has made considerable progress but many old and new challenges remain. While many of the issues identified in this summary focus on European problems, they ultimately must be evaluated in terms of their short- and long-term impact on U.S. interests. When debating appropriate policy choices, the CEE roundtable must consider the political, economic, and military costs of different policy choices.

²² UNODC, “2006 World Drug Report,” http://www.unodc.org/unodc/en/world_drug_report.html, 89.

²³ UNODC “Trafficking in Persons: Global Patterns,” (April 2006), 26.

http://www.unodc.org/pdf/traffickinginpersons_report_2006ver2.pdf

²⁴ Ibid.

²⁵ Jeffrey Fleishman. “New Gypsy Vision for the Future,” *Los Angeles Times* (Jun 23, 2006): A1.

RECOMMENDED READINGS

*= essential reading

Articles

- *Adamson, Fiona B. "Crossing Borders: International Migration and National Security." *International Security* 31:1 (2006): 165-199.
- Buchowski, Michal. "The Specter of Orientalism in Europe: From Exotic Other to Stigmatized Brother." *Anthropological Quarterly* 79:3 (2006): 463-482.
- *Bullen, Gilpin, Henty, Lemos, and Portes. "The impact of free movement of workers from Central and Eastern Europe on the UK labour market." British Department for Work and Pensions, Working Paper No 29, 2006.
- **The Economist*. "The party is nearly over." Aug 16, 2008: 52.
- **The Economist*. "Parallel Bars." Aug 30, 2008: 50.
- Goldston, James. "Public Interest Litigation in Central and Eastern Europe: Roots, Prospects, and Challenges." *Human Rights Quarterly* 28:2 (2006): 492-527.
- Haughton, Tim. "When Does the EU Make a Difference? Conditionality and the Accession Process in Central and Eastern Europe." *Political Studies Review* 5:2 (13 Apr 2007): 233-246.
- Kavalski, Emilian. "From the Western Balkans to the Greater Balkans Area: The External Conditioning of 'Awkward' and 'Integrated' States." *Mediterranean Quarterly* 17:3 (2006): 86-100.
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RFE/RL <http://www.rferl.org/featuresarticle/2007/04/f33954af-d1b2-491e-823e-40d8197c7e22.html>

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*Schimmelfenning, Frank. “European Regional Organizations, Political Conditionality, and Democratic Transformation in Eastern Europe.” *East European Politics & Societies* 21:1 (2007): 126-141.

*Udovyk, Oleg. “Energy, Environment and Security in Eastern Europe.” *Sustainable Energy Production and Consumption*. Springer Netherlands, 2008.

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Vassilev, Rossen. “Bulgaria’s Population Implosion.” *East European Quarterly* 40:1 (2006): 71-87.

Zsiga, Erik. “The New Europe: Lessons from countries in transition.” *European View* 7:1 (June 2008): 147-153.

Web Resources

European Union (EU)

<http://www.europa.eu.int/>

United States Agency for International Development (USAID) – Europe and Eurasia

http://www.usaid.gov/locations/europe_eurasia/

Organisation for Economic and Co-operation and Development (OECD) – by topic

http://www.oecd.org/maintopic/0,2626,en_2649_201185_1_1_1_1_1,00.html

United Nations Office on Drugs and Crime (UNODC)

http://www.unodc.org/unodc/en/world_drug_report.html

United Nations Framework Convention on Climate Change (UNFCCC)

<http://unfccc.int/2860.php>

United Nations Cartographic Section

<http://www.un.org/Depts/Cartographic/english/htmain.htm>

North Atlantic Treaty Organisation (NATO)

<http://www.nato.int/>