

## IN FRONT OF THE EUROPEAN UNION'S GATES

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*In late April (26. – 27.4.2003) the fifth workshop in the framework of the project **Monitoring Preparations of Transition Countries for EU-Accession** was held in the Bratislava Hotel Medium. The conference, organised by the Institute of Slovak and World Economy SAS (ISWE), took place at a time when the process of entry into this integration bloc was reaching its climax. It was indeed in the course of April that the European Parliament and Council of the EU agreed to the enlargement and the Treaty of Accession of ten new members to the EU was signed in Athens.*

The aim of the conference was a mutual exchange of information on results of previous research concerning the economic and social aspects of accession for the candidate countries. Presentations were given by experts from the Czech Republic, Poland, Hungary, Bulgaria, Latvia and Slovakia. The conference was formally opened by the ISWE director, Milan Šikula, who emphasised in his speech the ever-increasing attention paid to the precise and specific calculations of costs and benefits, risks and opportunities, and the advantages and disadvantages of integration into the European structures. He highlighted also the growing importance of coordinated socio-economic research in the framework of the candidate countries, with the aim of precise formulation of national interests and integration strategies.

The guest of honour at the conference was Ján Figel', Deputy Foreign Minister of the Slovak Republic and main representative for the SR's integration into the EU. The conference was divided into three sections:

The first section, entitled **Benefits and Costs, Opportunities and Risks of EU accession for candidate countries** was chaired by Richard Outrata from ISWE. Prof. Elzbieta Kawecka-Wyrzykowska spoke on the topic of the Polish state budget, explaining that EU accession could, in her view, provide the impulse for the budgetary restructuring. Madlena Vladimirova emphasised in her presentation Benefits and Costs, Opportunities and Risks of EU accession for Bulgaria that the ongoing reforms in her country should be understood as the reforms motivated internally, not forced externally by Brussels. Zane Leduskrasta concentrated in her presentation on the competitive advantages of the Latvian economy, as

well as the threats that the country must face in connection with its integration efforts. Prof. Katarzyna Zukrowska focused on the fiscal and monetary aspects of Poland's preparation for EU membership, expressing certain doubts as to the country's early entry to the EMU. Karel Zeman spoke on the research findings examining the Czech Republic's competitive position from the economic, governmental and business performance aspects, as well as from the aspect of infrastructure.

The second section – **Entry into the European Union and Fulfilment of Triad of Objectives – Competitiveness, Social Consensus and Sustainable Overall Development** was chaired by Jiří Chlumský. In this section, Eva Klvačová focused on the issue of the compatibility of these three objectives in the Czech Republic. At the end of the conference's first day Milan Šikula evaluated the convergence position of the Slovak economy among the candidate countries in relation to the EU, as well as the position of the EU in global mega-competition of the three economic centres – USA, Japan, and EU.

The third section of the workshop, chaired by prof. Elzbieta Kawecka-Wyrzykowska, was focused on **Institutional, Nominal and Real Convergence and the Time Horizon of Accession into the European Monetary Union**. Jiří Chlumský highlighted certain negative aspects connected with foreign direct investment in the Czech Republic, as well as in other transitive economies, particularly in the coming period. He emphasised the need to coordinate two aims – to keep the real wages growth at the level of their growth in the EU and at the same time not to discourage foreign investors. In his paper, Kálman Dezseri pointed out the importance of real convergence, which he considers as essential. He dealt with the



issue of synchronisation of the Hungarian business cycle with that of the eurozone, warning also of regional differences that may be caused by the country's accession to the EU and EMU. To conclude, Jan Iša from ISWE SAS spoke on the issue of the time horizon of the new members' accession to the EMU. He highlighted the importance of finding an optimal strategy for entry and the necessity to achieve – besides the fulfilling of the Maastricht criteria – also a certain degree of real convergence.

In the discussions, which concluded each section, the conference opened up a room for a mutual comparison of research findings and the constructive exchange of views concerning the EU enlargement process. This brought numerous impulses for further research and cooperation and contributed to the exchange of findings, which may be used – in the closing phase of the accession process – in formulating the recommendations for the governments of the countries represented at the conference.