

Ten myths about the Czech Republic's accession to the European Union

by PETR MACH

When in 1989 we called "Back to Europe!," we meant to free ourselves from the bounds of the Asian culture represented by the former Russian ruler over our sovereignty and to rejoin the democratic and capitalist Western Europe. Few years later, with the ratification of the Maastricht Treaty, the European Union was established. We took it for granted that "Back to Europe!" now referred to joining the European Union. We pledged an official application in Brussels and began to amend our laws according to the European legislation. Slowly, we started to realize that the European Union was not the ideal to which we wanted to return. We started to have doubts. The European bureaucracy and European directives and regulations cannot be regarded as arguments in favour of joining the club. In spite of this, a vast majority of politicians still try to convince us that there is no reason for refusing to join the EU. Not only they use our tax money to fund the campaign persuading us about the necessity of entering the EU, but they also use many misleading arguments or myths for the purpose.

Myth No. 1: By joining the EU, the Czech Republic is not going to lose its sovereignty

This is a myth propagated with a great zeal by Cyril Svoboda, the minister of foreign affairs. In reality, however, the Czech Republic would undertake to accept the European legislation by joining the Union. While today the only laws in force in the territory of the Czech Republic are those passed by the Parliament of the Czech Republic, consisting exclusively of Czech nationals elected, again exclusively, by the citizens of the Czech Republic, after the accession a number of regulations that would apply to the Czech Republic and its citizens might be passed against the will of the Czech Republic's representatives in the EU institutions. According to the Treaty of Accession, the representation of Czechs in the decision-making bodies of the EU would account for about 3.5% of the total vote in the EU Council and the European Parliament. The European institutions will easily pass directives rising taxes higher and higher, as well as thousands of other regulations, against the Czech Republic's will. What else is this but a clear loss of sovereignty?

Myth No. 2: Once in the EU, we will travel all over Europe without border checks

In its pro-EU campaign, the Ministry of Foreign Affairs displays a Spanish bus driver saying how happy she is about driving in Europe without border controls. Yes, she is free of such controls. But the ministry omits to add that the Treaty of Accession does not give the same privilege to Czech citizens. The Czech Republic will not become a part of the so-called Schengen Area (an advantage that the Czech government failed to negotiate in Brussels), and even if we actually joined the EU, we would be subject to the same checks on the German and Austrian border as before.

Myth No. 3: Joining the EU will bring a faster economic growth

The fact is that the long-term economic growth rate of the Czech Republic is higher than that of the EU. Moreover, the EU growth rate is steadily decreasing. While in the 1960s the West European economies grew by an average 5% a year, in the 1970s it was 3% per year, in the 1990s only 2%, and this year they grow by a bare 1% per annum. There is something rotten about the European legislation, which hinders economic growth. The adoption of European directives and European taxes entails many risks for the Czech economic growth. Thanks also to a higher degree of economic freedom, the Czech economy has come very close to the West European living standard over the past 13 years. Just as German companies had moved their production to the Czech Republic, they may now, with the Czech Republic adopting the entire European legislation, move their business further to the East. The economic growth may thus slow down and unemployment may increase.

Myth No. 4: The costs of our EU membership will be outweighed by European subsidies

The truth is that the costs of our entry in the EU will be higher than the benefits. For instance, in 2005 the Czech Republic would pay more than CZK 30 billion in membership fees to the EU. Of these, 8.1 billion would be returned to the Czech Republic's budget by the end of 2005, while 11 billion would go to farmer subsidies. Another up to CZK 19 billion may, in theory, be received from other funds, such as those for transportation projects – but only with the condition that all the relevant forms will be duly filled in and that the Czech state budget will throw in another CZK 7 billion in the so-called co-funding, which, however, the budget is not likely to sustain. Add further

expenses for officials and translators necessary to process the application forms, or the billions the Czech Republic will have to pay for the deposit in the European Investment Bank, and it becomes obvious that from the financial point of view, joining the EU is not a good deal. This is hardly surprising, since the European Union spends 5% of the contributions it receives from the Member States on its own administration alone, which totals to about CZK 150 billion per year.

Myth No. 5: Joining the EU will reduce corruption

Corruption scandals are certainly not less frequent inside the EU than they are in the Czech Republic. It is not long ago that the whole European Commission was forced to resign as a result of dubious transactions. An old principle says: the more bureaucracy there is, the more space for corruption. For the sake of the accession alone (to negotiate the European subsidies), the Czech government is hiring hundreds of new officials, and the European Union itself employs dozens of thousand of officials. Today, taxes are naturally redistributed in Prague. After the accession, Prague would send CZK 30 billion out of all the taxes collected to Brussels as a membership fee; and the EU would return the money to the Czech Republic based on all sorts of projects, forms, and applications. This will create another layer that will be prone to lobbying, fraud, and bribery.

Myth No. 6: Joining the EU will give us access to the 500-million European market

Even today, 90 percent of our foreign trade is carried out with the European Union or with its would-be members. This means that we already have access to the European market, with minimal customs barriers between the Czech Republic and these countries. With the Czech Republic in the EU, these minimal customs barriers would be eliminated, but many other barriers would start to hinder the trade: namely the production quotas (the EU says what amount of agricultural products of each kind each country is allowed to produce) and production standards (the EU orders each country what criteria its products must meet in order to be sold). To cite just one example, egg producers will find themselves obliged to invest billions of Czech korunas to buy hen cages of the same shape as those used in Germany. It is clear that the “new” market will not be freer than the one in which we trade today in Europe.

Myth No. 7: The EU will reinforce democratic principles in the Czech Republic

In reality, the decision-making in the EU is far from democratic. While in the Czech Republic, the United States, and other democratic countries laws are created by directly elected representatives, the EU legislation largely originates in the European Commission and the Council of Ministers of the European Union. These bodies consist of people who have not been elected by citizens, but appointed by their governments. These officials produce one directive and regulation after another, while the citizens often wonder what will the authorities in Brussels invent next. The national parliaments in sovereign democratic countries would probably reject many of the inventions produced by eurocrats, and if they passed them, they would have to account for it to their electorate during elections.

Myth No. 8: We can always leave the European Union

The European Union is not easy to leave. The agreements, which would enter into force if the Czech citizens approved the accession in referendum, imply thousands of obligations for the Czech Republic with regard to the EU, or to the other Member States. To leave would mean to breach the obligations. These include especially the duty to pay contributions, obligation to comply with the European directives and regulations, and the right of vote in the EU bodies. A failure to comply with these obligations and rights would have severe consequences for the other members of the Union, who are not likely to tolerate a breach of such a treaty by the Czech Republic. In fact, the split-up of Czechoslovakia ten years ago has been one of few examples of peaceful separation in human history - most other attempts at independence were accompanied by more or less serious conflicts.

Myth No. 9: There is no alternative to joining the EU

If there were no alternative, the referendum would be pointless. The truth is that one alternative is to JOIN and the other is NOT TO JOIN. If we opt for the latter, the 1st May 2004 will be another day of an independent Czech Republic, which will still have valid visa-free traffic agreements with the 15 EU countries and an agreement on a nearly custom-free trade. The main difference between our non-membership and membership would be that as non-members we would pay no membership fees and receive no EU subsidies; and that we would not measure the quality of our laws by their compliance with EU legislation, but rather by the judgment of a Czech Parliament that we have elected. The European Union does not force any country to join, and it is quite possible to continue beside the EU as an independent country with a number of agreements with the EU that are equally advantageous for both parties.

Myth No. 10: Outside the EU, we would be an isolated island

Norway, Switzerland, Iceland, or Croatia – these are examples of countries that are outside the EU today and will remain so after the upcoming enlargement. In spite of this, their nationals are free to travel to the EU and their companies are free to trade with the EU. Not joining the EU, therefore, does not mean being closed up in barbed-wire isolation. Staying outside the EU only means being an “island” of legislative freedom. As an independent nation, for instance, we could introduce an attractive tax system to launch an economic growth undreamed of in the European Union.

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