'New Central Europe' Program Put Forward

by Rachel Douglas

Sept. 22—A programmatic report titled, "Toward a New Central Europe! Addressing the Crisis in Central Europe through Building a New Macroregion," was released Sept. 17 at a press conference in Minsk, Belarus. The report's lead author, Yuri Tsarik, presented the document, which received extensive coverage from the Belta news agency, the state newspaper *Zvyazda*, the opposition press, and other newspapers.

The report, drafted by the Center for Strategic and Foreign Policy Studies (Belarus) for the Belarusian Development Group, is a 24-page outline of a prospective infrastructure and industrial renaissance in an area spanning EU members Poland, Slovakia, the Czech Republic, Estonia, Latvia, Lithuania, Hungary, and Romania, as well as Belarus, Ukraine, and the parts of Russia west of the Urals. Separate chapters look at Belarus, Poland, Russia, Slovakia, and Ukraine from the standpoint of activating their surviving industrial potential in joint real-economy projects to overcome the political tensions built up in the region in recent years.

Coverage in the Belarusian paper Yezhednevnik emphasized that the report proposes to close down the EU Eastern Partnership program for relations with former Soviet republics, in favor of a real-economy-centered New Central Europe (NCE) concept. Indeed, the report strongly attacks the geopolitical premises of the Eastern Partnership, tracing them to 19th-20th-Century British geopolitics, which was subsequently adopted by the Nazis. "The Eastern Partnership program," Yezhednevnik quoted the report, "initiated by Carl Bildt and Radoslaw Sikorski as a way for Brussels to extend its political influence into the six post-Soviet republics of Central Europe and the Caucasus, has already been shown up as completely untenable. Devoid of any economic policy content and, in particular, paying no attention to the real political situation in the designated countries or their need for comprehensive modernization, especially in the area of infrastructure and industry, this program has done a lot to discredit the very idea of close cooperation between the countries of this region and the European Union."

The Principle of Development

The press conference was attended by academic and think-tank economists, journalists, and diplomats from Lithuania, Kazakstan, Poland, Romania, Russia, and Ukraine. Several questions focused on the recent scandal involving the arrest in Belarus of Russian executives from the Uralkaly fertilizer company, to which Tsarik replied, "The principle of development can be described very well, as a contrast to the recent potash scandals. Instead of fighting over existing assets and whom they belong to, the principle of cooperation means relations based on creating new assets, new economic projects, and essentially a new physical economic basis for a shared market in the New Central Europe."

Tsarik criticized the "confrontational" reaction from within the EU, against the formation of the future Eurasian Union. "This confrontational attitude limits the possibility for these countries to cooperate," he said. "The region thus becomes less stable and secure." In reality, Tsarik said, countries that are members of the EU and those participating in the Eurasian Common Economic Space have a common interest: "We emphasize infrastructure and industrial development because we think it is undeniable, that industrial labor is the basis of a good quality of life in any country, from the standpoint of demography and social development."

In particular, the report calls for expansion of the existing nuclear power programs of all countries in this region. "We need to move toward creation of a nuclear zone in Eastern Europe," Tsarik told the press conference, according to the Belta news agency. "This would be a major shift in the geopolitics of the region and would create cheap energy for industrial development." In discussing infrastructure, the report cites *EIR*'s 1997 report "The Eurasian Land-Bridge: The 'New Silk Road'—Locomotive for Worldwide Economic Development." We quote:

"The tremendous role the New Central Europe can play as a transit bridge between various parts of Eurasia is obvious. Of critical importance for full realization of the New Central Europes transit potential is the Eurasian Land-Bridge project, which is designed to unify



Republic of Belarus

The "New Central Europe" program proposes to create an industrial renaissance in the region, recognizing the need for modernization and infrastructure development. Shown: a Belarus-Austrian glass factory in Elizovo, Belarus.

Eurasia on the basis of next-generation technologies. It is most appropriate to apply the approach developed by project-design groups in Russia, the USA, and Europe, which envision the transformation of these transportation projects into the basis for development corridors, including development of the infrastructure for a population influx, as well as for building new industries and power sources.

"It is also crucial to upgrade the transportation infrastructure itself, through building high-speed rail lines and other advanced types of land-based transportation. The exigencies of establishing a Eurasian development belt should determine how the NCE's transit potential will be used and should govern all smaller-scale projects in the region.

"Equally important is the development of transportation connections within the region, as well as improvements in North-South transit between Northern Europe and the Mediterranean. Here the emphasis should be not only on ground transportation, including high-speed transportation corridors, but also on developing the regional aviation, based primarily on cooperation among the Czech Republic, Slovakia, Ukraine, and Russia. In addition, defining unified transportation systems for the region will require instituting special,

simplified procedures for border crossings by passengers and cargoes.

"Energy policy is the second essential dimension of the New Central Europe.

"The NCE should become an energy-surplus region through the comprehensive development of generating capacity, especially nuclear power. The expansion of nuclear power plant (NPP) capacities in Slovakia and construction of the Belarusian NPP, the Baltic NPP in Russia's Kaliningrad Region, and a new NPP in Romania are the first projects of this type. They need to be continued and expanded. Bulgaria and the Czech Republic are preparing to implement nuclear power projects. At the same time, the parallel development of energy corridors and power transmission capacity

will serve to shape a unified energy system in Central Europe."

Organizing an Economic Upsurge

The authors of the New Central Europe report look beyond their own region, writing: "The chief objective of such an industrial renaissance is not only to address the task of developing Central Europe itself, but to organize an economic upsurge in regions of critical importance for Greater Europe, such as North Africa, the Middle East, and Central Asia."

Also noteworthy is that the report calls for financing the projects through "intergovernmental credit agreements among the participating countries, relying on a sovereign credit system in each of them." It says that private agencies or EU funds could participate "to the extent that they are prepared to reconcile their commercial interests with the goals and specific joint development projects defined by the countries in the region." It calls for the New Central Europe countries to "present a united front to the great powers in pushing for the initiation of a revision of the existing financial architecture, in order to promote industrial and infrastructure development."

The report is available in English online.