1. Introduction

When this paper will be published the new EU enlargement will have been accomplished. From May 1st 2004, ten Central and Eastern European and two Mediterranean countries will officially enter the Union. These countries are the three Baltic Republics (Estonia, Latvia and Lithuania), Poland, Hungary, the Czech Republic, the Slovakian Republic, Slovenia and the two Mediterranean islands of Malta and Cyprus.

These countries will be entitled to take part to the next Intergovernmental Conference that may adopt the new Union Treaty (an actual Constitution based on the European Convention); they will also participate to the European elections for the renewal of the European Parliament, which will be held right after the enlargement, in June 2004.

The text of the closing statement of the Copenhagen European Council says that "this result proves European people's common determination to merge into a single Union that has become the driving force for the achievement of peace, democracy, stability and prosperity in our Continent".

This powerful and crucial statement crosses out past tensions, latent conflicts, difficult dialogue between two areas of the same continent: the Western area, a market context dominated by the Atlantic influence, and the Eastern area, intent on experimenting with a form of society that was based on the concepts of real communism. At the geopolitical level, the transition from a form of co-operation that is focused on mainly mercantilist principles to a configuration that is driven mainly by the progressive accentuation of a tangible political integration represents an extraordinary opportunity for the new European Union to play a much more incisive role on the global scenario during the years to come.

At the same time, in explicitly pragmatic terms, one cannot underestimate the fact that such a broad area has a primary influence on internal market transformations, on European labour market division, on the new opportunities that will arise from a growing international competitiveness. In order to understand the extent and the perspectives of the process triggered by the new enlargement, and to reflect over the challenge that the new Parliament and Commission will have to face, a brief account of geopolitical and geoeconomic evolution of the Union is appropriate.

The original integration process was conceived in order to favour economic aspects mainly, although the contrasts between East and West during the 50s were so tense that the entire Eastern front was openly exposed to the danger of Soviet penetration, which threatened especially the UK and USA.

An emphasis on internal European relationship in terms of regional economies in such a context may have seemed absurd without considering the actual awareness of an 'impossible' overcoming of that fence, the Berlin Wall, which would restrain any 'political' enlargement of continental Europe.

After all, the post-war race for welfare urged to concentrate all efforts on the economic 'reconstruction' of Europe, focusing all Community partners' attention on some significant interventions both by ECSC (European Coal and Steel Community), and EURATOM; the former aimed at revaluating troubled industrial areas that were involved in conversion processes of steel activities, and the latter dealt with cooperation in the field of nuclear research for peaceful aims. Inevitably, with the Treaty of Rome, the first six European partners tackled the problem of supporting underdeveloped regional economies: the main goal was bringing Italian Mezzogiorno and Southwestern French territories closer to more dynamic and active regions such as Lorraine, Île de France, Dutch Randstad and north-western Italian industrial triangle (Compagna, 1973).
The origin of European integration can be interpreted as an urge for economic convergence, so much so that the policy of progressive extension itself ends up being the explicit motivation for the need of extending the 'market' dimensions, and it overshadows that political integration which had been roused by liberal progressive intellectual wings (D’Aponte, 1983). Nevertheless, a closer look to the enlargement processes of the sphere of influences and of the consequences brought about by the countries of the new European Union unveils certain dynamics which tend to a progressive balance of the new Community subject in geopolitical terms. This reassessment of the overall structure is certainly favoured by the most recent perspective which will be discussed in this paper: the unexpected disruption of the insurmountable Eastern border that the Iron Curtain had made ‘impossible’ at the beginning of the constitution of the Treaty of Rome.

As a consequence of the new political world geography, today we can reflect about the relationship that links geopolitics and geoeconomy, both on a global scale and in the European enlargement process. Such observations should start from the fact that over the past fifty years profound transformations in the international economic order have caused:

1) a progressive trend towards economic systems’ interdependency;

2) a clear polarization of development problems and of economic growth processes in terms of strong dichotomy between the North and South, and the East and West of the world.

In other words, while the integration between rich countries’ economies has evolved along a model that has determined a notable welfare increase (both in cumulative terms and in terms of social distributive effects), the gap between these and less developed or less resourceful countries has increased, causing serious economic, political and social consequences.

However, due to a number of predictable reasons, such a persistent unbalance between different geographic and political regions on the planet has caused tensions and violence that reverse on richer countries and affect the international economic order. Needless to say, a complicated tangle of circumstances explain the contrast between high GDP concentration areas and areas with a weak Product accumulation.

In order to understand that, we can simply observe the relationship between consumer countries and countries that produce energy goods, and between technology exporting and importing countries, in terms of comparison between per capita income distribution and individual consumption. This would highlight that an overall rebalance of development social effects is necessary in order to prevent the risk of sudden changes in the international order.

Recent crucial political transformations that have followed the fall of the ‘wall’ in eastern European countries and the consequent opening of such countries to market economy, represent extraordinary geopolitical circumstances that have immediate direct effects at the economic and social level, and they outline more advances in integration scenarios which – as in the case of European Union enlargement – have a significant political value.

Notwithstanding, we ought to acknowledge that the consequences of profound transformations in international relationships occurring in contemporary world reflect on a general reorganization of international labour division; hence, the whole of the above mentioned geopolitical events correspond to a significant geoeconomic readjustment on a global scale. Nevertheless, while new political situations and different geopolitical orders take shape in Europe and among more industrialized countries (OECD area), hotbeds of war and religious, social and economic tensions have had upsetting effects on the international order.

At this level, major concerns come from the tensions that have been growing during over forty years of unwise international policy with Arabic countries and the complex Middle-Eastern sector. Here, due to the lack of a solution to age-old territorial contrasts, a state of permanent conflict has caused the loss of tens of thousands of lives and the emergence of dangerous widespread terrorist manifestations.

Generally, also with reference to the sad crumbling of the Yugoslavian federal state, the most critical areas confirm the need for a general reassessment of North-South and East-West relationships, independently from traditional logics of mere commercial incidence based on the control of base product resources.
Tab. n. 1. External fronts transformation due to the enlargement of the community

<table>
<thead>
<tr>
<th>Year</th>
<th>Millions of Inhabitants</th>
<th>Surface(km²)</th>
<th>% of 2004 pop.</th>
<th>NORTHERN</th>
<th>EASTERN</th>
<th>SOUTHERN</th>
<th>WESTERN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1958</td>
<td>189 Mill. in. -%43</td>
<td>1.276.500</td>
<td>1958 = 43</td>
<td>W. Germany Holland</td>
<td>W. Germany</td>
<td>Italy</td>
<td>France</td>
</tr>
<tr>
<td>1973</td>
<td>273 Mill. in. -% 62</td>
<td>1.634.000</td>
<td>2004=100</td>
<td>Denmark</td>
<td>W. Germany</td>
<td>Italy</td>
<td>France</td>
</tr>
<tr>
<td>1981</td>
<td>288 Mill. in. -%65</td>
<td>1.766.000</td>
<td>1981=65</td>
<td>Greece</td>
<td>W. Germany</td>
<td>Italy</td>
<td>France</td>
</tr>
<tr>
<td>1986</td>
<td>338 Mill. in -%76</td>
<td>2.363.000</td>
<td>1986=76</td>
<td>Spain</td>
<td>W. G</td>
<td>Italy</td>
<td>France</td>
</tr>
<tr>
<td>1995</td>
<td>368 M.ab. -%83</td>
<td>3.234.000</td>
<td>1995=83</td>
<td>Sweden</td>
<td>Germany</td>
<td>Italy</td>
<td>France</td>
</tr>
<tr>
<td>2004</td>
<td>443 Mill. in.=100</td>
<td>3.762.000</td>
<td>Pop. 2004 =100</td>
<td>Hungary</td>
<td>Lithuania</td>
<td>Italy</td>
<td>Greece</td>
</tr>
</tbody>
</table>

This perspective shows that each enlargement phase of European borders expresses different geopolitical configurations which are intensely influenced by the evolution of East-West relationships according to the prevailing crisis on the different fronts of the continent.

As a matter of fact, considering the course of enlargement phases and connecting the different extensions that each phase has reached with the consequent geopolitical configuration, we get a picture that shows a progressive reconstitution of the spheres of influence following the consolidation of marginal geographical fronts.
In the 50s, during the constitutive phase of the Treaty of Rome, the whole Community area formed an extremely exposed front from all sides. The area featured also an evident tension on the Eastern front where the political border corresponded to an ideological border, between capitalism and real communism. Over those years, the problem of the Mediterranean front was considered through an essentially endogenous perspective, because Italy is one of Atlantic Alliance's biggest concerns due to Italian strong Sovietic-phile party. As a consequence, despite a significant number of evident issues on the middle-eastern border, hit by serious economic problems and a severe political instability, Europe would pay little attention to the Southern border. From this point of view, the front that concerned more the Atlantic Alliance is precisely Italy, although major attention could be paid to the Northeastern sector in terms of strategy.

From this point of view, the new frontier of European integration policy moves from the eastern European side to the Mediterranean area, which poses several problems in terms of regional development in spite of member states' past efforts for a realignment of the economies. On the Atlantic front, despite the traditional economic and technological dependency of Europe on United States will hardly decrease, despite the significant competition increase in the productive system that is concentrated in European 'strong' areas, the different views that form the economic and financial policies of dollar and euro-influence areas determine a very unbalanced order of the commercial interchange that favours American economy, which has recently broadened its supremacy in many productive sectors thanks to a reduction of the dollar/euro exchange rate.

2. The geopolitical approach

Facing a scenario that features such a strong uncertainty and the need of a total overcoming of any unbalance that restrains a peaceful coexistence, it seems appropriate to develop an argument that originates from a geographical analysis of regional set-ups which cause the differences of the organizational models that govern the economic development of EU area countries.

The aim of such an approach is to put forward observations on contemporary scenarios with a particular attention to both the organization of single regional set-ups in the context of general economic theory, and single macroeconomic aggregates, which can be identified according to the role they play in the organization of the main sectors of the productive structure.

The thread that runs through such observation rests on the following consideration: the policy for the protection of the Atlantic unity is the most significant joining factor for national interests and political cohesion. Around this factor, for over a century Europe has developed privileged cultural and economic relationships with the most industrialized western countries.

Naturally, such a set-up ended up with the search for an internal cohesion that aimed at strengthening the Atlantic option of the Community rather than pushing it towards policies focused on exogenous crisis factors.

Basically, these strategic lines were suggested again and again over about twenty years through periods of intense or latent crisis without major transformations, so much so that the hypothesis of the UK entry raised the opportunity of a significant Atlantic consolidation of the Community.

The enlargement of the first half of the 70s and that of the 80s are the events that modified substantially the geography of centre-periphery opposition: wider regions of the continent and the UK were included in the European core, as well as the marginal areas on the Mediterranean front (from the Iberian Peninsula to Southern Italy and Greece) and a western ring formed by Ireland and UK's northern and western territories.

Actually, the UK entry into the Community definitively placed Europe within the western sector, so the weakness of an internal boundary, as the fictitious one that separated the two Germanies, seemed a rather trivial issue. At the same time, the Anglo-American opposition against the danger of a strong German state gradually eased back. Therefore, the Paris-Berlin axis took on a considerable incisiveness on the international scenario. Nevertheless, the approach of Paris-Berlin initiatives focused mainly on economic aspects and headed towards the leadership of a long massive post-industrial transition.
This context highlighted how regional differences are intolerable. In spite of its fundamental inspiration based on free competition and the rejection of any form of protectionism, the Community was forced to introduce assistance initiatives for the less developed regions; so, in mid-70s, the Community formally gave birth to its own Regional Policy through the institution of specific financial endowment.

In conceptual terms, the legitimisation of the regional intervention was justified by the territorial projections of a development that was led by free market forces: regional interventions became a key standard for such forces in the interregional orientation of mobile capital towards unprivileged regions, which would have attracted the capital through specific conditions arranged according to financial and fiscal promotion interventions.

At the same time, as a consequence of centre-periphery and development polarization theories, the analysis of territorial projections of capital interregional mobility highlighted a particular attention for the geographic bonds of periphericity. The result was that non-secondary resources were conveyed towards infrastructure investments, also on behalf of EIB, in order to favour the relational nature of unprivileged areas through their integration in a wider extra-regional circuit.

In the first phase that preceded the launch of the regional policy, between 1958 and 1975, the European Investment Bank was assigned the task of promoting the development of peripheral regions. In those years the EIB issued more loans to national governments (65% of the total) for infrastructure interventions than to productive activities to start up new business. Moreover, many authors pinpoint that the EIB's activity has favoured the demand mainly, thus the market, and it did not address such demand towards the launch of regional development projects that would combine infrastructure interventions with productive activities initiatives in the same developing peripheries.

On several occasions we focused on specific geoeconomic aspects of this important process, which is characterised by an explicit orientation towards the 'convergence' of European economies. The purpose of this work is highlighting that the consolidation of the Community's Atlantic projection, favoured by the entry of UK and Ireland, reassembles the Western front of the European sector on one hand, while it enhances the economism perspective of the Union on the other hand; this trend is also characterised by a greater exposure to United States, to which the UK is the closest and most consistent European partner.

Ultimately, the key factor in the Atlantic consolidation of Europe's geopolitical community set-up is an economic policy trend that is even more bound to American development and not considerate of the political perspectives, especially on the Mediterranean front.

With the following entry of Spain and Portugal in 1986 the process of the Mediterranean front enlargement was accomplished. Greece had entered the community at the beginning of the 80s after the end of the Greek authoritarian regime over the 70s. The Southern quadrant was still extremely weak and exposed, as the Mediterranean scenario, despite many would not acknowledge it, was the most politically tense and economically complex area of the contemporary world.

The first phase of the Euromediterranean policy proved a weak tool for the realignment of the economies that were more directly involved into the entry of new Mediterranean partners. Especially for Italy that policy turned out into aids for agriculture and incentives for the integrated development of rural areas, as well as some interventions in training and planning for the promotion of international commercial relationships. Only in the 90s, with Barcelona European Conference, Europe got to support a number of initiatives that would favour the cooperation with Southern Mediterranean countries. Actually, Europe seemed to open to wide-ranging geopolitical issues paying more attention to contemporary dynamics on that front. After all one cannot underestimate the circumstances that over those years will lead to the fall of the 'wall' in 1989: the ancient tension on the Eastern front was rapidly easing back and further set-ups in the geopolitical scenario were outlining on the Eastern front.

The first half of the 90s produced a further progress in the European integration process: the entry of Austria, Sweden and Finland. With the exception of Norway, traditionally hostile to the new political-economic situation of the continent, the Northern front was steadily
integrated in the Community; at this point also the rest of the Northern side, the Baltic countries, were increasing their interest in the European Community.

As a matter of fact, the negotiations for the entry of ten more countries in the Union came to an end quite briefly. Talks were driven by the common desire of accomplishing the complete enlargement of the community on the Eastern front, a wide transition geographical area that had long threatened the European Western-phile attitude that was born with the Treaty of Rome. Indeed, on the geopolitical level this is a great perspective; but due to a number of reasons the huge differences in structures and socio-economic conditions that separate the new members from the rest of the Union could increase the unbalance that is already affecting the EU on the geo-economic level.

3. The myth of convergence

After the experimentation of more and more definite and structured formulas of intervention to favour peripheral areas, followed by the enlargement of the 70s, from mid 80s on the regional policy gets a deeper involvement of less developed regions giving birth to a second phase. This phase, which has recently come to an end, has seen the affirmation of the primacy of an explicit EEC Regional Policy that was firmly grounded in the constitution of a European Regional Development Fund; the ERDF was endowed of resources transferred from the Community that were worth about 10% of total community budget.

The most interesting characteristic, on the plane of territorial projections, was represented by the emphasis placed on the role of coordination and targeting of intervention plans which regional authorities had been called to manage. Another key factor was the principle of intervention additionality, which would favour a greater concentration of public in problem-regions expenditure in order to amplify the community intervention effects on the territory and drive national governments to a more considerate and efficient planning of internal resources.

Many criticisms have been expressed by the doctrine also on these criteria, and in particular on the scarcely constructive role played by regional bureaucratic machineries, as well as on the actual value of community resources compared to those allocated by the national state. Anyway, it needs to be stressed that, even in the case of ERFD, the most conspicuous intervention was the accomplishment of the co-financing of infrastructure works (more than 80% of the Fund expenditure undertaking) aimed at crossing out the geographic bonds of periphericity.

Under many perspectives, the third phase, characterised by 1988 reform for structural Funds, has been considered more appropriate for an intervention of regional policy with an explicit geographic value.

The reasons that justify this evaluation are a consequence of the characteristics of the new intervention model, which is grounded on 5 targets that feature a common criterion of geographic and financial concentration of available resources.

With the adoption of these criteria a solution is given to one of the main defects of community intervention: the sectionalization of aids, which is caused by a strong conditioning of the expenditure in favour of agriculture activities, with an evident advantage for the richest countries of the Community. Instead, the 'regionalization' of resources allows not only a greater transparency in the characterization of pursued goals, but it also highlights the actual effects of the intervention, which appear from the growing levels of regional competitiveness.

The principle of geographic concentration works essentially in the sphere of less developed regions (goal 1); the definition of such regions is determined by a per capita GDP that is at least 25% lower than community average. The principle is realised in operational programmes that co-finance different kinds of programmes: from infrastructures to the promotion of the productive development of goods and services.

However, despite the growing employment of community budget for regional policy interventions, and despite the long experience which has lead to major transformations introduced by 1989 reform, without any doubt the centre-periphery distance between community regions has been hardly reduced and in some cases it has been increased.

Indeed, the most complex issue, among those that limit the full accomplishment of community integration, is the one which concerns community regions economic convergence.
The concept of economic convergence can be translated into the emphasis of 'spatial' terms of the development policy that aims at accomplishing in European regions:

a) spread conditions of socio-economic homogeneity;

and above all:

b) equal opportunities for all regions in structural terms, which means positive conditions for the development of productive activities where adequate environmental conditions can favour territorial diffusion and economic survival of such activities, and promote the germination of business initiatives.

After all, the belief that discussing of wage differentials in terms of qualitative evaluation is neither convenient or useful, is proven by the fact that at the beginning of the 90s the gap between the 10 more advantaged regions and the 10 less advantaged ones was around 1:3. This figure expressed a rate that could not be possibly brought back to the unitary value (if we consider a gap of 25 points and an average growth rate of 3% per year of central regions, the peripheral areas should develop by 6% in order to reabsorb the differential over 10 years).

Otherwise, the real problem is of a qualitative nature, as the accomplishment of regional GDP growing levels implies a process that needs the promotion of endogenous resources and services for a self-centred development; on top of this, it is necessary to establish an integration and cooperation link between companies that belong to strong territorial fields which can interface with companies in weak territorial fields through forms of productive cooperation, innovation experiences and the disposition to managing the challenge of market globalisation.

Under this perspective, the economic convergence should be the ultimate goal to be achieved in terms of opportunities rather than through results of an 'unlikely' statistic equalization of regional development indicators.

Evidently, such a position favours a 'geographic' interpretation of economic regionalism rather than an interpretation that follows a sort of parametric evaluation of the configuration of each community regional economy.

From this point of view, some central problems need to be tackled in order to rebuild the territorial projections of a development process that is favoured by adequate instruments of regional policy; such issues must necessarily concern the evolutionary scrutiny of the factors that affect at least two main factors:

a) human resources;

b) productive system competitiveness.

If the economic delay is considerable in most of the community periphery, the situation is different for one of the most important factors of the regional development potential: manpower resource.

While indicators such as GDP and income outline a peripheral sector formed by weak European areas that is separated from the core of European regional development, employment rates and variation trend of manpower have varying features, even within the regional geography of community peripheries.

With reference to the process that have taken place between 1985 and 1990 as a direct consequence of a generalized and profound restructuring of European productive system carried out during the first half of the 80s, we can observe two scenarios:

a) EEC regions (central and peripheral), where the reconversion of the apparatus produced more favourable work conditions;

b) Southern and central regions, as well as Liguria, Aquitaine, and most of Greek and Cantabrian territory, where a weak reconversion and a widespread stagnation of investments provoked a deterioration of employment dynamics.

The most interesting thing here is that the most favourable scenario is the one that involves the largest part of Europe, about 83% of the total community population, which has enjoyed a gradual and significant decrease in unemployment.

The second scenario, the one that involves Italy more than any European partner, has a growing unemployment rate even on the basis of very sensitive variation rates (Campania, Basilicata, Calabria, Sicily).
So, Italian Mezzogiorno's negative dynamics of the 80s was extremely serious for a number of reasons, despite a limited increase in employment that went against Italian general trend in early 80s, especially in the industrial sector.

First of all, this negative dynamics proved a further exclusion of Southern productive system from the modernization process that was taking place in the rest of the country. Moreover, such an employment dynamics was in contrast with the demographic trend and with European half-term trend of work force variation.

This trend was the manifestation of a geographic model of demographic set-up that was characterised by the well-known progressive birth rate decrease that had started in early 70s in many community regions.

As an effect of this process, in the first decade of the second millennium community population will certainly reach the same levels of the previous decade. Later, the demographic decline will reach a rate that will vary between 1-1.2% per year, so much so that Europe will necessarily turn to manpower from outside the EU and orient immigration policies in order to face the new Eastern EU countries front and the irresistible attraction that EU will exert on the Mediterranean and Asiatic quadrants.

On the level of the regionalization of these processes, the most significant differentiations are the ones that oppose the territories that form the core of European economic development to more marginal peripheries.

As a matter of fact, the general demographic decline has been curbed by the input of human resources from such regions as Southern Italy, Spain, Portugal, Ireland and some areas of France.

If we tackle this issue from a different perspective that considers human resources as the focus of a system that leads towards the increase of production and development, we highlight that in over 60% of European population manpower will have a first phase of stagnation and it will later decrease consistently.

On the other hand, the most considerable increases are the ones that should take place in peripheral community territories, where the demographic base hardly forms 15% of total European population.

Therefore, if the most 'fertile' population represents less that 1/8 of the total, a considerable increase in population is not likely to take place; this is due to the fact that low birthrate demographic models, which give negative natural balances, will soon reach the regions that still perform a good demographic behaviour in terms of fecundity.

This observation concerns also Southern peripheral regions, which will curb the positive natural balance in one generation and then they will experience a demographic decline.

The point is that the Marxian conceptual scheme of relative overpopulation, which is currently characterising Southern Italy, with an excessive load of population that exceeds global productive resources of the area, will not persist for long, at least according to the predictable demographic evolutionary dynamics.

However, the transition is not simple or short: complex phenomena as the progressive feminilization, the increase of retirement age, the qualitative transformation of employment components, and the extra-EU migration pressure will complicate community labour market and its regionalization.

The economic convergence will not be only a problem of peripheral areas, but if we think in terms of availability of local human resources, the economic convergence will be a problem of the strongest areas if new elements will not intervene.

In other words, the standardization of development criteria in community regions should be carried out through a decrease in higher levels, i.e. a considerable halt in more developed regions that would allow peripheral regions to progress.

This would not be affected by the smaller demand of manpower from the European core that will be triggered by the process of capital-labour substitution.

Another issue that needs to be tackled is that of productive system potential. In this respect, many authors have paid special attention to the issue of regional development in terms of inclination to the realization of adequate conditions for global scale 'competitiveness'.

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The level of reliability of an economic system in the long term is strictly linked to its ability to adjusting its own potential of knowledge, and realizing its inclination to innovation through adequate investments. This can favour the launch of new products and the rationalization of production cycles (in levels of quality and in terms of productivity), so that the system will be adequately competitive towards a more aggressive international competitiveness.

On the regional scale, this is translated into specific investments for research and development of any level of work force. This should be based on a entrepreneurial context that is dominated by an explicit culture grounded on the importance of individual professional skills in the evolution of the system.

If the culture of innovation is the product of generalised scientific progress and of a speculative and progressive mentality, the increase of knowledge is certainly the result of adequate investments.

In Europe a little is spent on R&D (the highest levels have been reached in Germany, France and UK, which form 2/3 of the entire European expenditure), while in Southern Italy virtually nothing is invested in research (in Italy, 70% is concentrated in North-West, 25% in North-East and Centre; only 5% in the South); the terrible consequence of such a geographic structure is that some extraordinary potentialities of isolated prestigious technology research centres in the South do not reach the necessary criticality for the production of diffused effects on the territory.

Therefore, one of the structural causes of regional inequalities of income and employment is strictly connected to the reduced competitiveness of the productive system that does not produce work opportunities and that is not open to innovation. Such a configuration has very few chances to produce development, while on the other hand the backwardness itself is paradoxically the cause of a reduced unemployment.

In short, this argument is claiming that the issue of the economic efficiency of a region pivots around the continuous development of innovative models in productive processes (in order to favour productivity increases), and in the research for new products (in order to proportion them to the demand), but also for the achievement of extra segments which can produce acquisitions of greater market quotas (internal and external), in order to get a positive evolution of regional domestic product.

The terms and the effects of the future further enlargement of EU on this process cannot be easily predicted; however, some observations in the field of macroeconomics seem appropriate.

4. Possible transformations in the geoeconomic scenario

In the light of the discussion developed above, the condition of unbalance that results from the three structural factors mentioned above (demographic models, quality of human resources and competitiveness of regional productive system) seem rather unlikely to be transformed. Hence, in order to achieve an adequate development on a community scale of both central and peripheral regions, some very specific interventions will have to be accomplished. But due to this, the repositioning that is going to take place will necessarily affect the geoeconomic dynamics that upset the scenario of future community development.
First of all, we need to pay much attention to the incontrovertible circumstance of a development model that will lack work force in the productive system located in more developed regions, because there will not be real chances to recover from an unbalance caused by internal demographic factors.

Second of all, such a situation becomes even more significant with reference to the new entities that are about to join the Union and their human resources. The new work force has a considerable technological qualification that is ready to enter a more advanced restructuring plan due to internal bonds on the level of productive systems modernization and to a more favourable social distribution of wealth. The situation outlined by the analysis of the possible contribution of new human and technological resources brought about by the enlargement of the Eastern border of the EU highlights that the achievement of the economic convergence may be pushed further away.

In addition to this, wider unbalances than the current regional differences are likely to be achieved; these unbalances tend to move the barycentre of European regional policy from South to East with unpredictable negative effects that will arrest a course that is still paved with obstacles, which is still far from the goal even in the current 15-state structure.
With reference to year 2000, the comparison between the ten more developed areas of the EU-15 and the ten more underdeveloped areas highlights extremely wide distances, as we can easily observe in the following table.

Tab. 3. GDP differential between EU more developed and less developed regions (15 Countries, 2000)

<table>
<thead>
<tr>
<th>MORE DEVELOPED (EU=100)</th>
<th>MORE DEVELOPED (EU=100)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inner London (UK)</td>
<td>241</td>
</tr>
<tr>
<td>Bruxelles-Capitale (B)</td>
<td>218</td>
</tr>
<tr>
<td>Luxembourg (L)</td>
<td>195</td>
</tr>
<tr>
<td>Hamburg (D)</td>
<td>182</td>
</tr>
<tr>
<td>Ile de France (F)</td>
<td>158</td>
</tr>
<tr>
<td>Wien (A)</td>
<td>157</td>
</tr>
<tr>
<td>Oberbayern (D)</td>
<td>154</td>
</tr>
<tr>
<td>Darmstadt (D)</td>
<td>149</td>
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<td>Ipeiros (EL)</td>
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<td>Dytiki Ellada (EL)</td>
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<td>Alentejo (P)</td>
<td>54</td>
</tr>
<tr>
<td>Anatoliki Makedonia, Thraki (EL)</td>
<td>55</td>
</tr>
<tr>
<td>Norte (P)</td>
<td>56</td>
</tr>
</tbody>
</table>

Source: EUROSTAT, Statisticians for Europe, Yearbook 2003

The most underdeveloped regions are located in the South of the Union and in particular in France overseas territories, Portugal, Greece and Spain, while Italian Mezzogiorno, even if it does not appear in this chart, features a number of regions that are well below the European average.

Tab. 4. More developed regions in the countries of the enlargement (GDP referred to EU average EU=100 in 2000)

<table>
<thead>
<tr>
<th>MORE DEVELOPED</th>
<th>LESS DEVELOPED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Praha (CZ)</td>
<td>121</td>
</tr>
<tr>
<td>Bratislavský (SK)</td>
<td>98</td>
</tr>
<tr>
<td>Cyprus</td>
<td>76</td>
</tr>
<tr>
<td>Közép-Magyarország (HU)</td>
<td>76</td>
</tr>
<tr>
<td>Slovenia</td>
<td>67</td>
</tr>
<tr>
<td>Mazowieckie (PL)</td>
<td>59</td>
</tr>
<tr>
<td>Nyugat-Dunántúl (HU)</td>
<td>57</td>
</tr>
<tr>
<td>Jihozápad(CZ)</td>
<td>52</td>
</tr>
<tr>
<td>Közép-Dunantul(HU)</td>
<td>50</td>
</tr>
<tr>
<td>Jihovýchod (CZ)</td>
<td>49</td>
</tr>
</tbody>
</table>


If we take into account the economic structure of the countries of the enlargement and we calculate their GDP in proportion to the community average, inevitably the result is that, with the exception of two regions in the Northeastern quadrant, the rest of the territories of the new European partners is in severe economic delay.

Nevertheless, if we consider the GDP increase rate over the last years in the largest part of the countries of the enlargement, we could claim that in their case the course of economic convergence could be shorter than it was for underdeveloped areas of EU-15. Certainly, if the trade that appears in the table will stay as it is, even after the inclusion of local economies in the European system, the process of economic convergence with respect to the area of 2004 enlargement would be rather fast, also due to the contemporaneous slowdown of Euroland.
Tab. n. 5. GDP yearly growth rate in the countries of the enlargement in percentage of the year before

<table>
<thead>
<tr>
<th></th>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Cyprus</td>
<td>6.5</td>
<td>1.9</td>
<td>2.3</td>
<td>4.8</td>
<td>4.7</td>
<td>5</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Czech Rep. n.d.</td>
<td>n.d.</td>
<td>n.d.</td>
<td>n.d.</td>
<td>n.d.</td>
<td>3.3</td>
<td>3.1</td>
<td>2</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>Estonia</td>
<td>4.3</td>
<td>3.9</td>
<td>9.8</td>
<td>4.6</td>
<td>-0.6</td>
<td>7.3</td>
<td>6.5</td>
<td>6</td>
<td>4.4</td>
</tr>
<tr>
<td>Hungary</td>
<td>1.5</td>
<td>1.3</td>
<td>4.6</td>
<td>4.9</td>
<td>4.2</td>
<td>5.2</td>
<td>3.8</td>
<td>3.5</td>
<td>2</td>
</tr>
<tr>
<td>Latvia</td>
<td>-1.6</td>
<td>3.7</td>
<td>8</td>
<td>4.8</td>
<td>2.8</td>
<td>6.8</td>
<td>7.9</td>
<td>6.1</td>
<td>6</td>
</tr>
<tr>
<td>Lithuania</td>
<td>6.2</td>
<td>4.7</td>
<td>7</td>
<td>7.3</td>
<td>-1.8</td>
<td>4</td>
<td>6.5</td>
<td>6.8</td>
<td>6.6</td>
</tr>
<tr>
<td>Malta</td>
<td>n.d.</td>
<td>n.d.</td>
<td>n.d.</td>
<td>n.d.</td>
<td>4.1</td>
<td>6.4</td>
<td>-1.2</td>
<td>1.7</td>
<td>0.7</td>
</tr>
<tr>
<td>Poland</td>
<td>2.7</td>
<td>6</td>
<td>6.8</td>
<td>4.8</td>
<td>4.1</td>
<td>4</td>
<td>1</td>
<td>1.4</td>
<td>3.3</td>
</tr>
<tr>
<td>Slovakia</td>
<td>5.8</td>
<td>6.1</td>
<td>4.6</td>
<td>4.2</td>
<td>1.5</td>
<td>2</td>
<td>3.8</td>
<td>4.4</td>
<td>3.8</td>
</tr>
<tr>
<td>Slovenia</td>
<td>4.1</td>
<td>3.8</td>
<td>4.4</td>
<td>3.7</td>
<td>5.9</td>
<td>4.1</td>
<td>2.9</td>
<td>2.9</td>
<td>2.1</td>
</tr>
</tbody>
</table>

Source: Statistical Yearbook on candidate and southeast European countries, 2002.

Nevertheless, we can maintain that if on one hand the integration process will bring about considerable immediate advantages to new partners that will contribute to support the growth of internal GDP, a number of upsetting events will be produced by the local social system; this will be due to an integration that will underline the enormous differences in terms of wages and wealth distribution among the population of EU and of the enlargement countries.

Tab. n. 6. Monthly and hourly average pay and international trade with EU (% of total trade)

<table>
<thead>
<tr>
<th>Country</th>
<th>Monthly average pay (euro)</th>
<th>Import. from eu 2000</th>
<th>Import. from eu 2001</th>
<th>Export. to eu 2000</th>
<th>Export. to eu 2001</th>
<th>Main trade partners (importations)</th>
<th>Main trade partners (exportations)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cyprus</td>
<td>1.306</td>
<td>61.9</td>
<td>55.5</td>
<td>50.7</td>
<td>49</td>
<td>UK – Italy</td>
<td>UK-Germany</td>
</tr>
<tr>
<td>Czech Rep.</td>
<td>322</td>
<td>63.3</td>
<td>61.8</td>
<td>63</td>
<td>68.9</td>
<td>Germany-Slovakia</td>
<td>Germany-Slovakia</td>
</tr>
<tr>
<td>Estonia</td>
<td>262</td>
<td>60.1</td>
<td>56.5</td>
<td>55.1</td>
<td>69.4</td>
<td>Finland-Russian Fed.</td>
<td>Finland-Sweden</td>
</tr>
<tr>
<td>Hungary</td>
<td>282</td>
<td>64.1</td>
<td>57.8</td>
<td>72.9</td>
<td>74.3</td>
<td>Germany–Austria</td>
<td>Germany–Austria</td>
</tr>
<tr>
<td>Latvia</td>
<td>201</td>
<td>55.2</td>
<td>52.6</td>
<td>56.7</td>
<td>61.2</td>
<td>Germany-Russian Fed.</td>
<td>Germany-Uk</td>
</tr>
<tr>
<td>Lithuania</td>
<td>222</td>
<td>47.2</td>
<td>44</td>
<td>38</td>
<td>47.8</td>
<td>Germany-Russian Fed.</td>
<td>Russian Fed. Germany</td>
</tr>
<tr>
<td>Malta</td>
<td>850</td>
<td>69.4</td>
<td>67.7</td>
<td>65.5</td>
<td>62.2</td>
<td>Germany – Italy</td>
<td>Germany - Czech Rep.</td>
</tr>
<tr>
<td>Poland</td>
<td>335</td>
<td>65.9</td>
<td>61.4</td>
<td>68.3</td>
<td>69.2</td>
<td>Germany – Italy</td>
<td>Germany - Italy</td>
</tr>
<tr>
<td>Slovakia</td>
<td>253</td>
<td>50.1</td>
<td>49.8</td>
<td>55.8</td>
<td>59.9</td>
<td>Germany – Italy</td>
<td>Germany - Czech Rep.</td>
</tr>
<tr>
<td>Slovenia</td>
<td>850</td>
<td>69.4</td>
<td>67.7</td>
<td>65.5</td>
<td>62.2</td>
<td>Germany – Italy</td>
<td>Germany - Italy</td>
</tr>
</tbody>
</table>

Source: Statistical Yearbook on candidate and southeast European countries, 2002.

Moreover, while the covering of the inter-export trade between the Fifteen and the Ten is currently rather significant, the main problem is the inevitable acceleration that internal prices will experience due to the integration; also, new negative consequences on the growth rate of internal production will be provoked by an increasing mobility of active population, or at least of that portion of more qualified work force that will be certainly attracted by more convenient wages offered by EU more developed regions.

Anyway, a widespread European integration will provoke a widespread lack of skilled labour in most of the regions that form the core of community development; these regions will be the target of more qualified professionals, competing with the productive system of those countries that run for the same economic convergence. More disadvantaged regional situations will have to come into terms with a mix of economic and environmental incentives that stronger areas will exploit in order to grant the best labour offer on the international market.
Internationalisation, or at least a full Europeanization, of the labour market transforms the concept of migrations and it transforms it in a more modern concept of mobility of employment factors.

Geographic sciences observe this process and explain how the relative effects become a considerable drive towards a profound revision of development territorialization logics, which end up being oriented by innovative localising factors that are extremely different from the ones that had regulated development territorialization in a recent past. The resulting kind of regional geography is redesigned both by emerging advantages and territorial opportunities for the allocation of productive activities, and by a different distribution of work force, which is definitively disengaged from the places of origin.

Therefore, the problem of the unequal distribution of human resources comes back. During the most accelerated period of post-war economic boom, the efforts in addressing the erection of new productive plants in overpopulated areas had proven that people mobility was much more feasible than enterprise mobility. Of course, this does not mean that industry exportation towards the new Eastern countries will not continue the trend that has been de-localising productive cycles and some activity branches to Eastern Europe, with excellent results for foreign investors. Nevertheless, through the process of economic and social convergence that will involve the countries of the enlargement, the original localising advantages will be considerably reduced due to the diffusion of new values that originate from the standardization of inter-European economic models.

The economic geography of a 'larger' Europe will have to consider the different structure of the industrial enterprise and the problems of dimensioning that will not help the localization of business-related activities.

Moreover, facing advantageous conditions that are amplified by the competitiveness of good quality employment, workers are not emigrants anymore, but they enjoy a professional mobility; also, they are not exposed any longer to the kinds of contrasts and hardships that poorly qualified work force had experienced in the past.

Due to all these reasons, the decentralisation of small and medium-sized enterprises (the core of regional development) will not be either easy or automatic despite the convenience of a wider supply of human resources. There are actual conditionings that follow the strong personification that takes place in small enterprises, as place of origin and social life, which characterise the expectations and the habits of an entrepreneur. These extra-economic ties, which concern the sphere of family and social relationships, should not be underestimated when a plan is conceived for a wide re-territorialization of productive settlements.

Nevertheless, on one hand it is difficult to conceive a rearrangement of the economic geography of the new European productive system that would feature considerable physical fluxes moving on the territory; but on the other hand, a more realistic hypothesis is the movement of financial and commercial fluxes, mainly oriented towards the East, where the cheaper cost of labour will grant more localizing advantages for a longer period than in the South, where wage and social integration has been long accomplished.

As far as the development in Southern Italian regions, we should address the discussion on the effects of the new EU enlargement towards the search of an option for the creation of enterprises in Italian Mezzogiorno. The necessary intervention should be innovative and it should focus on new kinds of enterprise rather than on strategies of enterprise movements and decentralised productive units’ enlargement. Such a regional policy planning should aim at realizing a 'network' of relationships between differently developed regions and reducing the technological and organizational gap between centre and periphery, in order to promote an 'endogenous' development of Southern regions.

As Cappellin maintains (also Kevin Allen, Douglas Yuill, Vasquez Barquero, Scott and Storper maintain this theory), this perspective emphasizes a 'market' point of view, which focuses on the promotion of the dynamics of productivity and innovation as the main instrument for the internationalisation of enterprises in marginal areas.

However, this approach implies the identification of endogenous enterprises that can accomplish the function of 'bridge' towards the internationalisation through their past experience and disposition for innovation; these could also trigger the development of small
and medium sized enterprises which could 'adopt' their experience and market presence strategies.

The supporting policy should be rather selective, it should privilege the rationalisation of business organisation and the introduction of innovation processes. But this policy should intervene in the very first phase only, in order to free enterprises from cultural, organizational and technological 'bonds', then rapidly exhaust its supporting effects and allow enterprises to work in full autonomy on the market.

If the direction of economic rebalance or convergence on the European scale is valid, intervention policy should be addressed towards the accessibility of those organisational, social and political factors that peripheral regions still lack. This applies especially to Italian regions of Objective 1, which in recent years have accomplished interesting results in terms of modernization of the bureaucratic machinery and openness towards the internationalisation of local productive systems. As a matter of fact, a good incentive policy has favoured the concentration of resources in technologically advanced sectors (ICT) with considerable results, which should be backed by an adequate promotion of their territorial diffusion.

At the same time, it is necessary to implement a policy that supplies infrastructure resources for metropolitan networks, as services and infrastructures themselves have their main organisational core right in the urban environment.

<table>
<thead>
<tr>
<th>PROBLEMS</th>
<th>INSTRUMENTS</th>
<th>GOALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Geographic marginality</td>
<td>Acceleration of investments in intermodal infrastructures</td>
<td>Reducing the disadvantages caused by geographic configuration through an efficient network of integrated transportations that exploits port facilities potentiality</td>
</tr>
<tr>
<td>Weakening of convergence policies that favour Southern regions</td>
<td>Consideration of disadvantage parameters – differentiation of regional policies co-financed according dynamic levels of convergence</td>
<td>Allowing the completion of convergence processes and the coordination between national and community regional policies</td>
</tr>
<tr>
<td>Competitiveness in productive localisation</td>
<td>Fiscal policy that favour foreign investments – organizational innovation and administrative simplification</td>
<td>Development of good administrative conducts. Rationalisation of school and education orientation. Planning of settling convenience</td>
</tr>
<tr>
<td>Technological gap and competitiveness of productive system and labour market</td>
<td>Development of research and transfer of innovative technologies. Promotion of technical and scientific cooperation. Surfacing of informal work. Introduction of further instrument of flexibility</td>
<td>Introducing instruments of organisational efficiency. Increasing productivity. Technological advance and diffusion of systemic interaction processes.</td>
</tr>
<tr>
<td>Concentration of development in the extended Lotharingian corridor</td>
<td>Strengthening of Euro-Mediterranean policy and widening of cooperation agreements for development assistance</td>
<td>Favouring the development of a positive North-South interface that aims at the inter-Mediterranean cooperation.</td>
</tr>
<tr>
<td>Life quality and urban and territorial safety</td>
<td>Crime prevention – Territory control. Policies of urban and territorial promotion. Policies of cultural promotion</td>
<td>Making the settlement supply competitive through interventions of urban and territorial marketing and of individual and collective security</td>
</tr>
</tbody>
</table>
In short, the model of economic convergence that will be targeted will prevent that the enlargement to the East provoke further disadvantages for the less developed regions. Such model will have to result from a careful reading of the 'issues' that prevent the diffusion of the conditions for a balanced growth in order to isolate the necessary 'instruments' for the support of a virtuous process; also, the goals will have to be oriented towards the achievement of an efficacious political project of regional development, in relation to the plan of European integration.

The scheme has been formulated on the basis of the most recent literature; it outlines a number of mechanisms that would eliminate the conditions of underdevelopment of some marginal areas working on fundamental issues, which could prevent the implementation of valid instruments for regional economic development.

In conclusion, despite the future enlargement, the geopolitical scenario is dominated by the weakness of the Southern front. A smaller enlargement (Malta and Cyprus) cannot have a considerable effect, unless this is followed by a hypothetical entry of Turkey and more stable relationship with the Maghreb-Mashreck area. Such a goal has a significant strategic role as it allows the achievement of a real inter-regional cooperation bridge that is oriented toward the Middle-Eastern area. This area is extremely important and it seems essential that the EU increase its weight on such a complex political scenario.

In the meanwhile, the integration process that targets the European East has an enormous symbolic value, of a purely political nature, in spite of some economic concerns caused by the need of dividing scarce resources among a greater number of partners and less developed regional environment. As a matter of fact, such policy has a crucial role due to the difficulties in terms of economic convergence and due to the sacrifices that many EU countries will have to face because of the extension of the more disadvantaged area.

After all, the motivations of geopolitics, which have been regularly sacrificed on the altar of geo-economic convenience, are definitively strong: the binding force that Europe is looking for, the real cohesion that can cement the population from Thames to Seine, from Rhone to Danube, from the North Sea to the Mediterranean Sea, is nothing but that single common ideal that unites our origins and our cultural experience, giving the ideal dignity and the political unity to this larger European Union that is facing the 21st century.

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