century.¹³ The enlargement of the EU and the second round of NATO enlargement will project the Western economic and political presence further eastward still.

The importance of these developments cannot be overemphasized, above all because the very anticipation of them in post-Soviet Europe itself helped to promote political change and a redefinition of security. In 1991, well in advance of any formal agreement on EU enlargement, Polish President Leech Wales observed that "having a Frenchman or an Englishman here with his factory is like having a division of troops."14 Corporate Ostpolitik has represented the less-visible yet equally important private-sector dimension of the economic transformation required of the CEE governments in reforming their practices in accordance with the acquis communautaire required for EU membership. Although membership in the Atlantic Alliance does not of itself "spread democracy, early NATO expansion into the Visegrad states nurtured a popular sense of enhanced security and thereby permitted national governments to concentrate their efforts on the economic requirements of membership in the European Union. 15

The ambition of NATO membership prompted the same governments to undertake military reforms in order to enhance their eligibility. The reforms required by the CFE and those required by NATO were parallel. Military reform for NATO enlargement in Central and Eastern Europe began to replace the CFE norms, while Alliance expansion drastically reduced the importance arms control as such. For major states such as Germany and Russia CFE norms were still highly valued after 1991 because of the transparency and assurance they provided, 16 but NATO enlargement itself encouraged reforms with a similar outcome in terms of building confidence in potential conflict zones. "The most significant development of NATO's post-Cold War adaptation," notes one study "is not its enlargement but its transformation, which entails acceptance of a power projection role and the unilateral assumption of responsibility for European security broadly defined."¹⁷

This broader definition of European security includes not only the peace-support operations NATO has assumed in the former Yugoslavia but also greater attention to the problems of organized crime and terrorism. Indeed, NATO's experience in the Balkans heightened awareness of these security challenges even before the terrorist attacks of September 11, 2001 in the United States. The Alliance's Prague Summit of 21-22, November 2002 noted that peace support forces in the region have since taken action against local terrorist organizations with links to the Al-Oaida network. The legitimacy of fledgling national governments is at stake. The geo-strategic position of the former Yugoslav Republic of Macedonia, for example, has burdened it with trans-national crime organizations involved in drug trafficking, arms smuggling, money laundering, and the illegal trade of human beings - for which its government is ill-equipped.

The specific shape future security challenges will take will be influenced as much by EU as by NATO expansion. The establishment of border-free "Schengen" standards among the core EU states of Western Europe and the demilitarization of the German-Polish border, for example, means that one of Germany's immigration borders is for all functional purposes now in Eastern Poland. 19 The military frontier of NATO and EU Europe has thus moved eastward. While the size and deployment of conventional forces in Poland and Belarus remains important, security relations between Poland and Germany are

18 See "New Threats and Challenges," NATO Prague Summit, 21-22 November 2002. http://www.nato.int/docu/comm/2002/0211prague/in focus/terrorism/index.htm;

¹³ Angela Stent, From Embargo to Ostpolitik: The Political Economy of West German-Soviet Relations, 1955-1980, (New York: Cambridge University Press, 1981); Idem., Russia and Germany Reborn: Unification, The Soviet Collapse, and the New Europe, (Princeton: Princeton University Press, 1999), pp.233-245; Jean-Pierre Froehly, "Frankreich-Deutschland-Russland im neuen Dialog: eine Troika für Europa," Politische Studien, Vol.52, No.376, March/April 2001, pp.24-30.

14 Quoted in Zbigniew Dobosiewicz, Foreign Investment in Eastern Europe, (London: Routledge, 1992), p.25.

Mark Smith, NATO Enlargement During the Cold War: Strategy and System in the Western Alliance, (Basingstoke: Palgrave, 2000); Dan Reiter, "Why NATO Enlargement Does Not Spread Democracy," International Security, Vol.25, No.4, pp.41-67; Jiri Sedivy, Pal Dunay and Jacek Sarvusz-Wolski, "Enlargement and European Defence After 11 September," Chaillot Paper No. 53. European Union Institute for Security Studies, June 2002, p.58.

¹⁶ Celeste A. Wallander, Mortal Friends, Best Enemies: German-Russian Cooperation after the Cold War, (Ithaca: Cornell University Press, 1999), p.127.

Thomas S. Szayna, NATO Enlargement, 2000-2015: Determinants and Implications for Defense Planning and Shaping, (Santa Monica: RAND, 2001), p.132.

The first Schengen agreement involved the lifting of border controls among France, Germany and the Benelux states and was signed in 1985 in the Luxembourg town of Schengen. Twelve states currently participate in the Schengen system. Heather Grabbe, "The Sharpe Edges of Europe: Extending Schengen Eastwards," International Affairs, Vol.76. No.3, 2000, pp.519-536.