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The EU's Transformative Power

**Europeanization Through Conditionality
in Central and Eastern Europe**

Heather Grabbe

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For my parents, Elizabeth and Lester

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Abstract

This book examines how the European Union (EU) uses its conditions for membership to influence the policy choices made by candidate countries. The author argues that the EU has enormous potential influence on public policy in candidate countries, but that its influence in Central and Eastern Europe did not fulfil this potential because of the inconsistency and lack of precision in the Union's membership criteria.

The EU had many specific routes of influence through which it could shape policies and institutions in candidate countries, as well as the general and powerful attraction of membership. To explore the way that EU influence worked in detail, the author presents case-studies of how the EU actively sought to shape policy-making on regulating the movement of persons. The EU did not use its full potential to shape outcomes effectively because its influence was diffuse – partly owing to the diversity of its current member-states – and because of the multiple kinds of uncertainty that characterised the accession process. However, the accession process had a long-term impact because it embedded 'Europeanisation' processes in the candidate countries.

About the Author

Dr Heather Grabbe is a member of the Cabinet of Olli Rehn, the European Commissioner for enlargement. When this book was written, she was Deputy Director of the Centre for European Reform, an independent think-tank based in London. She is also an Associate Fellow of the European Institute at the London School of Economics and member of the Senior Common Room of St Antony's College, Oxford University. She has worked extensively on EU enlargement and its implications, as well as on other European issues and questions of conditionality. Her publications include 'The Constellations of Europe: How Enlargement will Transform the EU' (2004, CER); 'Who's Ready for EU Enlargement?' (written jointly with Katinka Barysch, 2002, CER); 'Germany and Britain: An Alliance of Necessity' (written jointly with Wolfgang Münchau, 2002, CER), 'Profiting from EU Enlargement' (2001, CER) and 'Enlarging the EU Eastwards' (written jointly with Kirsty Hughes, 1998, RIIA/Continuum). She was previously Research Fellow at the Royal Institute of International Affairs and she has been a visiting fellow at the European University Institute (Florence), the European Union Institute for Security Studies (Paris) and the Centre for International Relations (Warsaw). She was educated at Oxford and Birmingham universities.

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Abbreviations

- AP – Accession Partnership
- CDU/CSU – Christian Democratic Union/Christian Socialist Union
- CEC – Commission of the European Communities
- CEE – Central and East European
- CFSP – Common Foreign and Security Policy
- CIS – Commonwealth of Independent States
- COMECON – Council for Mutual Economic Assistance
- COREPER – Committee of Permanent Representatives
- DCP – draft common position
- DG – Directorate-General
- EA – Europe Agreement
- EBRD – European Bank for Reconstruction and Development
- ECOFIN – Council of Economics and Finance Ministers
- ECOSOC – Economic and Social Committee of the European Union
- EFTA – European Free Trade Area
- EMU – Economic and Monetary Union
- EU – European Union
- FDI – foreign direct investment
- FMP – free movement of persons
- GDP – Gross Domestic Product
- IFI – international financial institution
- IGC – inter-governmental conference
- IMF – International Monetary Fund
- JHA – justice and home affairs
- MFA – Ministry of Foreign Affairs
- NATO – North Atlantic Treaty Organisation
- NGO – Non-Governmental Organisation
- NPAA – National Programme for Adoption of the *Acquis*
- OECD – Organisation for Economic Cooperation and Development
- SIS – Schengen Information System
- SMWP – Single Market White Paper

Chronology

<i>Events in EU</i>	<i>Events in Central and Eastern Europe</i>	<i>Development of EU accession policy</i>	<i>Development of policies on movement of persons</i>
1985			Schengen Accord signed between Belgium, France, Germany, Luxembourg and Netherlands
1989	Fall of the Berlin Wall, collapse of communist regimes across CEE	EU sets up Phare aid programme for CEE; European Commission starts coordinating aid to CEE from the G24	
1990			Schengen Accord becomes the Schengen Convention
1991	Independence of Estonia, Latvia and Lithuania from the Soviet Union; independence of Slovenia from Yugoslavia	EU starts to sign Europe Agreements bilaterally with CEE countries, starting with Hungary and Poland	
1992	Maastricht Treaty signed	EU sets conditions for membership for the first time	
1993	Copenhagen European Council	EU establishes eastern accession policy	
1994	Essen European Council	Hungary and Poland are the first CEE countries to apply for membership	
1995	Austria, Finland and Sweden join EU	Commission issues Single Market White Paper on sequencing of legislation to be adopted by applicants	Abolition of controls at common frontiers between Schengen members
1996	Inter-governmental conference begins on institutional reforms for enlargement		

Chronology – continued

	<i>Events in EU</i>	<i>Events in Central and Eastern Europe</i>	<i>Development of EU accession policy</i>	<i>Development of policies on movement of persons</i>
1997	Amsterdam Treaty signed; Luxembourg European Council	Bulgarian Socialist Party voted out of office	Commission publishes 'opinions' on readiness for membership of 12 applicants, and 'Agenda 2000' pre-accession strategy; EU offers candidate status to 12 countries	
1998		Mečiar government voted out in Slovakia; EU cuts Phare assistance to Poland because of non-fulfilment of conditions	EU opens accession negotiations with Cyprus, Czech Republic, Estonia, Hungary, Poland and Slovenia; Commission issues first Regular Reports and Accession Partnerships; Catch-Up Facility established for Bulgaria and Romania	
1999	Single currency launched; Helsinki European Council; Lisbon European Council establishes 10-year economic reform programme	NATO bombs Serbia after Serbian troops enter Kosovo; Slovakia meets political conditions, opening the way to negotiations; candidates establish first national programmes for adoption of the <i>acquis</i>	EU offers candidate status to Turkey and accession negotiations to remaining applicants; start of 'twinning' programme	Schengen Convention incorporated into EU treaties; EU publishes Schengen <i>acquis</i> for first time
2000	Nice Treaty signed; new EU budget begins for 2000–2006; Lisbon process begins		EU opens accession negotiations with Bulgaria, Latvia, Lithuania, Malta, Romania and Slovakia	Commission puts forward initial draft common position on free movement of persons

Chronology – continued

	<i>Events in EU</i>	<i>Events in Central and Eastern Europe</i>	<i>Development of EU accession policy</i>	<i>Development of policies on movement of persons</i>
2001	Gothenburg European Council		EU decides on 'big bang' enlargement to ten new members	Commission presents full draft common position on free movement of persons; Schengen members liberalise visa regime with Bulgaria
2002	Copenhagen European Council; Convention on the Future of Europe begins		EU concludes accession negotiations with ten candidates	Schengen members liberalise visa regime with Romania
2003	Draft constitution completed by European Convention	Accession treaties approved in referenda in nine candidate countries	All accession treaties ratified by national parliaments and European Parliament	
2004	Ten new members join EU on 1 May; European Parliament elections; inter-governmental conference approves constitution		EU concludes negotiations with Bulgaria and Romania; EU sets dates for Croatia and Turkey to begin accession negotiations	12 of the 15 member-states decide to restrict access to their labour markets for CEE workers