

Project acronym: MAXCAP
Project full title: Maximizing the integration capacity of the European Union:
Lessons for and prospects of enlargement and beyond
Grant agreement No.: 320115
Funding scheme: Collaborative Project

The European Union Enlargement: A Preliminary Look into External and Internal Scope Conditions

Meltem Müftüler-Baç



This project has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under grant agreement no 320115.

DOCUMENT INFORMATION

Project	
Project acronym:	MAXCAP
Project full title:	Enlargement and the integration capacity of the EU: past experience and future prospects
Grant agreement no.:	320115
Funding scheme:	Collaborative Project
Project start date:	01/04/2013
Project duration:	36
Call topic:	FP7-SSH-2012-2
Project web-site:	http://maxcap-project.eu/
Document	
Deliverable number:	D4.3
Deliverable title:	Working Paper identifying the scope conditions for the EU's enlargement tools and strategies building on the findings of WP1 (effects) and WP3 (discourses)
Due date of deliverable:	18 November 2015
Actual submission date:	18 November 2015
Editors:	Felix Rüdiger, Laura Milchmeyer
Authors:	Meltem Müftüler-Baç
Reviewers:	Adam Fagan, Elitsa Kortenska, Julia Langbein, Ulrich Sedelmeier
Participating beneficiaries:	SU, LSE
Work Package no.:	4
Work Package title:	Designing the enlargement process: strategies and negotiations past and present
Work Package leader:	Meltem Müftüler-Baç
Work Package participants:	UL, LSE, ETHZ, SU, SU-BG, BCSDN
Estimated person-months for deliverable:	5
Dissemination level:	PU
Nature:	R
Version:	1
Draft/Final:	Final
No of pages (including cover):	20
Keywords:	EU enlargement, internal and external scope conditions, Western Balkans

1. Introduction¹

The European Union's enlargement policy has been one of its most successful tools in its foreign policy. The enlargement policy, however, is under scrutiny in terms of its effectiveness in bringing about changes in the aspirant countries. A pending question is whether the EU's enlargement policy still has the same leverage for fostering domestic change in the current candidates as in the previous round of enlargements. This leads us to question the scope conditions for the EU's usage of certain strategies and tools in various contexts. The EU enlargement process is impacted by the external, global environment, as well as the domestic context in the candidates and the member states. The EU could not alter or shape these factors easily, yet they matter significantly in setting the boundaries and the environment within which the EU's strategies for enlargement would work. At the same time, the EU enlargement strategy itself functions in such a way as to shape the scope conditions in third-party countries. This short concept paper looks at these conditions - internal and external – under which the enlargement process proceeds and proposes that the preferences of member states, geopolitical interests, bilateral relations between members and particular candidates play a much more important role in shaping the EU's enlargement policy, increasingly after 2011.

The European Union's global economic and political context, its political stability and the geostrategic environment constitute the external conditions of the enlargement process, whereas the candidates' commitment to costly political reforms and their levels of economic and political preparedness for EU accession are internal conditions. These conditions are not mutually exclusive, but there is a high degree of interplay between them, impacting the EU's effectiveness. The EU's effectiveness in its enlargement, in turn, is tied to the credibility of its accession process which is shaped by the consensus among its members over the accession goal, and the relative strength of its conditionality. The intra-EU consensus inevitably affects the EU's credibility as a negotiating partner and its role as an anchor for reforms for the candidates. Inexorably, the effects of scope conditions change in each round of enlargement as a reflection of the alterations in the global and European environment, as well as the domestic conditions of the candidate countries. In the current enlargement round, the external conditions encompass the European economic crisis, the changing geostrategic environment, but also the absence of a structural change such as the collapse of the bipolar balance of power of the post-Cold War years. In addition, there are marked divergences among the member states over some candidates which further exacerbate the already troubled external environment. That is because the EU's effectiveness is reduced when there are multiple voices heard from different member states with contradictory messages. Similarly, the EU's

¹ I would like to thank Adam Fagan, Elitsa Kortenska, Julia Langbein for their feedback on the general structure, for the initial thoughts and ideas for the drafting of the paper to Antoaneta Dimitrova, and Tanja Hafner-Ademi for her feedback on Macedonia. Aylin Ece Cicek deserves special acknowledgement for help in compiling the data.

effectiveness declines when its scope conditions are seen as contradictory, for example when it advises financial discipline but also increased public spending for the adaptation of the *acquis*. At the same time, the levels of political and economic preparedness of the current candidates impact the effectiveness of the EU's scope conditions.

It is within this altered environment that the EU's current enlargement process is underway. As of 2015, there are key differences that set the current process apart from the previous round of enlargement. First, it seems to be that there is declining support amongst EU member states to continue with the enlargement policy (Dimitrova/Kortenska 2015; Dimitrova et al. 2015). Second, the member states have visible diverging preferences over certain candidates' accession, exemplified in the Greek veto of Macedonia and Cyprus' veto of Turkey. These diverging member state preferences decrease the EU's ability to speak with one unified voice over enlargement and thus decrease the effectiveness of its conditionality. Third, the current candidates seem less than committed to the goal of EU accession (Börzel 2015), while at least some of these countries have particularly low levels of preparedness for EU accession. Analyzing the scope conditions that impact upon the effectiveness of the EU to drive domestic changes requires close examination of political, social and economic conditions within (potential) candidate countries. Much of the research conducted as part of the MAXCAP project has sought to uncover the impact of particular domestic scope conditions on political and judicial reform in the current candidates (Börzel 2014; Dimitrova et al. 2015; Müftüler-Baç 2015). Based on these research findings, the paper's main contention is that there is an interplay between the EU's credibility and the domestic economic and political conditions in the candidates that shapes the effectiveness of the EU enlargement policy.

Since the early 1990s, the EU has been the main driver of domestic transformation in the Central and Eastern European countries (Schimmelfennig 2001), the Mediterranean countries and the Western Balkans (Vachudova 2005). The EU's effectiveness in its enlargement strategy largely depends on the tools at its disposal (Schimmelfennig/Sedelmeier 2002), and the credibility of these tools (Schimmelfennig/Sedelmeier 2005). While the EU was effective in transforming the Central and Eastern European Countries (CEEC) through the accession perspective (Sedelmeier 2008), its ability to influence the current candidates in the Western Balkans (Fagan/Sircar 2015) and Turkey (Müftüler-Baç 2015) remains limited and in question. The EU possesses a toolbox of mechanisms (Schimmelfennig/Sedelmeier 2002): gate-keeping, candidacy, launch of negotiations, monitoring, benchmarking, providing clear road maps for domestic change (Börzel 2015; Dimitrova 2010) and supporting such changes with technical and financial assistance, such as twinning and the Instrument for Pre-Accession Assistance (Falkner/Treib 2008). The EU's effectiveness is tied to the explicit rules it develops for its conditionality, most notably the 1993 Copenhagen criteria. The EU adopted an enhanced pre-accession strategy in 1997 which was intended to enable the Central and Eastern European (CEE) applicants to align themselves as far as possible with the *acquis* prior to accession

(Dimitrova 2002). The Europe Agreements were the key basis for the EU to communicate with the candidates at the time, and to move forth the accession process, the EU relied on Accession Partnerships on the one hand and on pre-accession financial instruments on the other (Maniokas 2004; Dimitrova 2010; Sedelmeier 2012). At the same time, the screening process of the candidates' harmonization to the EU *acquis* is one of the key instruments for the operationalization of the EU's scope conditions.

The European Commission's Progress Reports and Enlargement strategy papers, as well as the Negotiations Framework and the Accession Partnership Documents for each of the candidate countries constituted the main tools that the EU relied upon to influence the transformation process in these countries (Börzel 2015; Dimitrova 2015; Maniokas 2004). The strict application of EU conditionality ensures its effectiveness (Dimitrova 2010; Falkner/Treib 2008; Sedelmeier 2008). However, this conditionality does not lead to an automatic rule transfer in an identical manner for each candidate country (Schimmelfennig 2009; Sedelmeier 2012). First, the enlargement strategy works only if the candidate country perceives the EU's enlargement policy as credible (Schimmelfennig/Sedelmeier 2004), and the possible rewards to be reaped as sufficiently attractive to offset the costs of far-reaching reforms. Second, the domestic conditions need to be receptive to the adoption of rule transfer (Müftüler-Baç 2015). The strength of EU's effectiveness in domestic reforms changed over time due to two main factors. First, the EU's commitment for further enlargement seemed to decline which eroded the credibility of the accession process (Avery 2009; Bohmelt/Freyburg 2013; Müftüler-Baç/Cicek 2015; Schimmelfennig/Sedelmeier 2005), and second, the domestic political and socio-economic conditions in the new batch of candidates were much less favorable compared to the earlier group of candidates (Börzel 2015; Fagan/Sircar 2015). The next section addresses the domestic conditions for the candidates' preparedness as the internal scope conditions, and the external scope conditions and their effectiveness.

2. The Internal and External Scope conditions

The internal scope conditions shaping the EU's enlargement strategy are first and foremost the level of democratic development, adherence to the rule of law, and the willingness of ruling elites to take on costly reforms. However, only looking at democratic institutions or upholding rule of law as a pre-condition for accession would be insufficient to assess the domestic conditions in the candidate countries. In terms of domestic level scope conditions these scope conditions for the EU's effectiveness include the efficacy of institutions, their administrative capacity and economic levels of development and progress in the candidate countries. In other words, the preparedness of the candidates to fulfill the EU membership criteria at the start of accession negotiations is an overarching scope condition. Both political and economic

preparedness in the candidates ultimately determine the extent to which these countries could adopt the costly reforms necessary to meet the EU conditionality. With the 2004 and 2007 enlargement, the candidates involved were very similar in terms of their levels of political and economic development, similar communist pasts and well educated publics. This does not seem to be the case anymore, as the current candidates are largely different in terms of their levels of socioeconomic, demographic and political characteristics both compared to each other but also in comparison to former candidates in CEE.

To start with, democracy is an absolutely necessary precondition for accession. Democracy, however, can be regarded as a clear and specific pre-condition for application for EU membership rather than a scope condition for accession tools and strategies to work. This is because unless the applicant country fulfils the basic political criteria and proves itself to be a democracy, neither candidacy nor accession negotiations could commence. Democratic political processes in the candidates shape their ability to pass the required reforms, and acquire a necessary level of development for EU accession. It seems without doubt that the Central and Eastern European countries were better in emulating the democratic conditions of the EU compared the Western Balkans or Turkey. As a result, CEE ability to accede to the EU increased exponentially. As for the Western Balkans, not only are these countries relatively weak in terms of their own democratic development, but their ability to emulate the EU's rules remains limited. At the same time, the scope conditions for the EU's effectiveness rely on the candidate countries' ability to transform themselves, the possible costs they would be willing to undertake for the transformation and the expected benefits they would reap as a consequence. Bosnia, Macedonia and Kosovo emerge as prime examples here: In Bosnia, the prospect of EU accession has not been particularly strong or credible, and internal divisions run deep preventing any progress in the enlargement process. Kosovo suffers from internal divisions and the lack of a credible position among the EU member states, but it was still able to negotiate a Stabilisation and Association Agreement (SAA). In the Macedonian case, the decision of opening negotiations has been conditioned for years now by the Council following a resolution on the name dispute with Greece². In absence of clear certainty and stronger appeal of membership, the cost of compliance to the EU conditions is regarded as too high. Even in the cases where some success and upgrading of candidates' relations with the EU are evident, - for example in Serbia, Montenegro and Albania - the enlargement policy toolbox has only limited success in helping candidates undertake far-reaching political, economic and societal reforms.

One candidate, Turkey, constitutes a rather unique case, as it possesses significant economic capabilities, which decreases the attractiveness of the EU membership among domestic actors on the one hand, but also increases resistance to the diffusion of norms on the other. The

² Greece opposes the use of the name „Macedonia“ for the area of the Former Yugoslav Republic of Macedonia, which, it is argued by Greece, does not belong to the historical region of Makedonía with which many Greeks in the Northern part of the country still identify until this very day.

Turkish domestic political factors matter in shaping the effectiveness of the EU's scope conditions, precisely because they restrict the Turkish ability to emulate the European political norms.

In addition to the political domestic conditions, the economic preparedness of the candidates matters as domestic level factors. These economic conditions also shape the EU's willingness to incorporate new countries to the EU as it impacts the utilitarian calculations and the potential material benefits of these newcomers to the EU (Börzel 2014; Schimmelfennig 2001; Sjursen 2002). It needs to be noted here that economic interests motivate the EU towards certain countries' accession, which could thus be seen as part and parcel of the external context as well. However, domestic economic conditions act as preconditions for the candidates' ability to adopt costly reforms and EU technical criteria, and as a result determine the effectiveness of the EU's scope conditions. Most of the Western Balkan countries lag behind the CEE candidates at the time of their accession negotiations in terms of their economic preparedness. Among the current candidates, Turkey presents a different picture due to its economic capabilities and as part of the G20. It is the 6th largest economy in Europe and acts as a power on its own right in the Western Balkans. Furthermore, it is the only one of the current candidates that is characterized by the Commission's progress reports as a 'functioning market economy' (Commission 2013: 4). For example, this sits in contrast to Kosovo, a small state that is not even fully recognized, or Bosnia, where the economy is significantly weaker than other applicants. This is why there is also a key difference between the previous round of enlargement and the new round. The CEEC were clearly relatively more prepared for the EU in terms of their economic levels of development compared to the Western Balkans, presenting a key difference in their domestic scope conditions. The tables below present a snapshot of these key economic factors and variables for the EU 15 and the candidates based on the years of their accessions.

Table 2: Economic indicators for EU-15 in 2004

	GDP (US\$) ³	Population⁴	GDP Growth Rate (annual %)⁵	Price level ratio of Purchasing Power Parity conversion factor (GDP) to market exchange rate⁶
<i>EU 15</i>	2004			
Austria	299,857,213	8,171,966	2.7	1.1
Belgium	370,445,741	10,421,137	3.4	1.1
Denmark	251,242,843	5,404,523	2.6	1.4
Finland	196,768,065	5,228,172	3.9	1.2
France	2,124,112,242	62,704,897	2.8	1.2
Germany	2,815,470,573	82,516,260	1.2	1.1
Greece	239,648,745	11,055,729	5.0	0.9
Ireland	193,034,765	4,070,262	4.6	1.3
Italy	1,799,125,900	57,685,327	1.6	1.1
Luxembourg	34,207,847	458,095	4.9	1.1
Netherlands	646,041,718	16,281,779	1.9	1.1
Portugal	189,187,484	10,483,861	1.8	0.9
Spain	1,069,555,500	42,921,895	3.2	0.9
Sweden	381,705,425	8,993,531	4.3	1.2
UK	2,298,042,841	59,987,905	2.5	1.2

³ GDP per capita (current US \$). World Bank, Retrieved Oct 10, 2015, <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD>

⁴ Population (total). World Bank. Retrieved Oct 10, 2015, <http://data.worldbank.org/indicator/SP.POP.TOTL>

⁵ GDP Growth Rate (annual %). World Bank. Retrieved Oct 10, 2015, <http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>

⁶ Price Level Ratio of PPP Conversion Factor GDP to Market Exchange Rate. World Bank. Retrieved Oct 10, 2015, <http://data.worldbank.org/indicator/PA.NUS.PPPC.RF>

Table 3: Economic indicators for the new member states in their year of accession

	GDP (US\$) ⁷	Population ⁸	Contribution of Imports to EU Intra Trade in % ⁹	Contributions of Exports to EU Intra Trade in % ¹⁰	GDP Growth Rate (annual %) ¹¹	Price level ratio of Purchasing Power Parity (PPP) conversion factor (GDP) to market exchange rate ¹²
2004						
Poland	253,525,770	38,182,222	2.7	2.3	5.1	0.3
Hungary	103,156,817	10,107,146	1.7	1.8	4.8	0.6
Czech Rep	118,976,023	10,197,101	2.3	2.3	4.9	0.6
Slovakia	57,329,401	5,372,280	0.9	0.9	5.2	0.7
Slovenia	34,470,229	1,997,012	0.6	0.4	4.4	0.8
Estonia	12,057,639	1,362,550	0.2	0.2	6.5	0.6
Latvia	15,267,165	2,263,122	0.2	0.1	8.9	0.5
Lithuania	22,649,483	3,377,075	0.3	0.2	N/A	0.5
Cyprus	17,164,625	1,015,827	0.2	0.0	4.4	0.9
Malta	5,643,525	401,268	0.1	0.0	-0.5	0.7

⁷ GDP per capita (current S \$). World Bank, Retrieved Oct 10, 2015, <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD>

⁸ Population (total). World Bank. Retrieved Oct 10, 2015, <http://data.worldbank.org/indicator/SP.POP.TOTL>

⁹ Intra-EU Trade by Member State, Total Product. EUROSTAT. Retrieved October 10, 2015. <http://ec.europa.eu/eurostat/tgm/table.do?tab=table&init=1&language=en&pcode=tet00039&plugin=1>

¹⁰ Intra-EU Trade by Member State, Total Product. EUROSTAT. Retrieved October 10, 2015.

<http://ec.europa.eu/eurostat/tgm/refreshTableAction.do?tab=table&plugin=1&pcode=tet00039&language=en>

¹¹ GDP Growth Rate (annual %), World Bank. Retrieved October 10, 2015.

<http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>

¹² Price Level Ratio of PPP Conversion Factor GDP to Market Exchange Rate. World Bank. Retrieved Oct 10, 2015. <http://data.worldbank.org/indicator/PA.NUS.PPPC.RF>

	2007					
Bulgaria	43,637,701	7,545,338	0.5	0.3	6.9	0.4
Romania	170,613,460	20,882,982	1.4	0.8	6.3	0.6

Table 4: Economic indicators for Croatia (in its year of accession) and the current candidates

	GDP (US\$) ¹³	Population ¹⁴	Total import value (US\$) ¹⁵	Total export value (US\$) ¹⁵	GDP Growth Rate (annual %) ¹⁶	Price level ratio of PPP conversion factor (GDP) to market exchange rate ¹⁷
2013						
Croatia	57,868,674	4,255,700	5,588,307	12,123,42	-0.9	0.6
Current Candidates - 2014						
Bosnia	18,344,278	3,817,554	3,329,647	5,025,384	1.2	0.5
Macedonia	11,323,761	2,075,625	3,025,055	3,820,769	3.8	0.4
Montenegro	4,583,198	621,800	249,201	973,307	1.5	0.5
Serbia	43,866,423	7,129,428	7,111,687	10,373,838	-1.8	0.5
Albania	13,370,191	2,894,475	1,248,250	2,471,046	1.9	0.4
Kosovo	N/A	N/A	95,602	728,665	N/A	N/A

¹³ GDP per capita (current S \$). World Bank, Retrieved Oct 10, 2015,

<http://data.worldbank.org/indicator/NY.GDP.MKTP.CD>

¹⁴ Population (total). World Bank. Retrieved Oct 10, 2015, <http://data.worldbank.org/indicator/SP.POP.TOTL>

¹⁵ Data for import value and export value have been collected from

http://exporthelp.europa.eu/thdapp/comext/ComextServlet?action=output&viewName=eur_partners&simDate=20140101&languageId=en&ahscode1=00&cb_reporters=000&cb_partners=all&list_years=2014&measureList=iv&measureList=ev

¹⁶ GDP Growth Rate (annual %), World Bank. Retrieved October 10, 2015.

<http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>

¹⁷ Price Level Ratio of PPP Conversion Factor GDP to Market Exchange Rate. World Bank. Retrieved Oct 10, 2015.

<http://data.worldbank.org/indicator/PA.NUS.PPFC.RF>

The wide differences between the Western Balkans, the EU-15, the CEEC and Turkey are clearly visible in terms of their GDP, growth patterns and purchasing power. The candidates' readiness for economic integration with the EU is an important aspect of the domestic scope conditions, and clearly the Western Balkans countries are lagging behind. The Western Balkan countries are economically backward and much less developed compared to the Central and Eastern European candidates at the time of their accession - as seen in the tables above. This condition impacts their progress towards market economies which turned out to be much slower - and problematic compared to the previous round of enlargement. While economic levels of preparedness act as pre-conditions for the EU's evaluation of the candidates, these factors also foster the effectiveness of the EU enlargement as they determine the candidate countries' ability to adopt costly reforms to meet the EU conditionality. Compared to the Western Balkans, the Turkish economic readiness and level of economic preparedness is sufficient on its own, and the level of Turkish economic development enables it to adopt costly economic reforms in order to meet the EU criteria, which could be seen, therefore, as a domestic scope condition.

Since the EU's effectiveness of scope conditions depends on the receptiveness in the candidate countries and their levels of economic development, the lower levels of economic development in the Western Balkan candidates restrict their ability to adopt costly reforms, thereby decreasing the effectiveness of the EU's scope conditions. On the other hand, the Turkish case is different in terms of its ability to adopt the EU's criteria materially, but that precisely because of its economic level of development, it does not depend on EU accession for its welfare, paradoxically decreasing the effectiveness of these scope conditions. It is due to these country-specific characteristics that the EU adopted a new strategy for supporting the Western Balkans in 2013 economically. It decided to transform its Pre-Accession Economic Program (PEP) for candidate countries, and the Economic and Fiscal Programmes for potential candidates. The new instruments for supporting economic reforms include cooperation between the Commission, the joint ECOFIN Council and candidate countries to develop country-specific policy guidance, and require the candidate countries in the Western Balkans to develop structural and competitiveness reform programs together with their fiscal programs in the form of National Action Plans for reforms along the major accession criteria. All these different programs are being reviewed by the Stabilisation and Association Agreement institutions. This is a new step in deepening the European Union's involvement in the Western Balkan countries' economic development strategies and reforms. It introduces new instruments to the EU's enlargement strategy as well as stricter supervision mechanisms and corrective ones. It needs to be noted here that Turkey is the only exception in this regard as it does not require such EU supervision or help in restructuring its already highly competitive market economy.

Turning to external scope conditions, the global context of enlargement matters significantly (Vachudova 2005). Since the inception of European integration in the 1950s, its expansion to include new members and the conditions under which this would occur occupied the minds of its policy-makers. The arguments against the EU expansion whether it was for the British membership in the 1960s, the Polish in the 1990s (Friis 1998), or alternatively Turkish accession in the 2000s (Müftüler-Baç 2008), remained surprisingly similar and consistent (Vachudova 2005; Vassiliou 2007). Institutional paralysis, economic downturn, flux of unwanted foreigners, dilution of the integration process, challenges to the existing Community policies and budgetary burden all emerge as arguments which are raised to resist further enlargement (Preston 1997). However, the utilitarian logic supporting enlargement as a mutually beneficial process for all (Friis 1998; Sjursen 2002), the ideational emphasis on the notion of a historical duty to the less developed nations on the European continent (Sjursen 2002), and a path to greater posterity and security for all countered these concerns (Smith 2004). For the EU, enlargement policy has been an important foreign policy tool and a mechanism for ensuring peace and stability in its neighbourhood (Preston 1995; Sjursen 2002, 2006). This goal was as significant in the transformation of Central and Eastern Europe in the post-Cold War period (Dimitrova 2004) as it currently is for the Western Balkans after the violent break-up of Yugoslavia (Elbasani 2008).

The regional security situation and geopolitical context have always been among the obvious features influencing enlargement negotiations (Sjursen 2002). The key factors in the global context shaping the effectiveness of the EU's scope conditions are largely geopolitical and driven by security concerns as well (Preston 1995). These external scope conditions, however, vary across different enlargement rounds and candidates. For example, the Greek accession to the European Union, then European Community (EC), is a good illustration of the role of these external scope conditions for EU enlargement. When Greece applied for full membership in 1975, the European Commission argued that Greece was not ready for EU membership. Despite the Commission's opposition, negotiations with Greece began based on what was deemed to be 'larger political and security considerations' (Preston 1997: 51-53). It also needs to be stressed that for the Greek accession, the greatest role seemed to be played by France pushing for its accession in late 1970s, framing it as a historical duty for the EU (Karamouzi 2013). The French President Valerie Giscard D'Estaing at the time "described Greece's entry as a 'return to the roots', declaring 'it was impossible to exclude Greece, the mother of all democracies, from Europe' (Karamouzi 2013: 23). The Greek experience shows that geopolitical conditions can still lead to accession (Preston 1997: 51). Even though the domestic scope conditions for Greece were not conducive for its accession, the global (Cold War) conditions paved the way for the Greek accession. At the time, a similar outcome would have been possible also for Turkey, but in the 1970s Turkey was preoccupied with its own internal problems and could not foresee the

coming structural changes that would keep it out of the EU in the future, so Turkey did not apply for accession at the same time as Greece.

In the 2004 enlargement, there seemed to be a general consensus on the importance of achieving increased prosperity and security for the European continent (Dimitrova 2004; Schimmelfennig 2001; Sjursen 2006). While the larger political and security considerations, as part of the external scope conditions, facilitated the accession process for all the Central and Eastern European candidates, even for Bulgaria and Romania, this seems to be more challenging for the Western Balkans and Turkey. That is partly because the external security environment in 2015 has greatly altered compared to previous decades. For example, the Cold War dynamics that paved the way for Greece or for the CEEC as external scope conditions no longer apply. For the current round of candidates, the external scope conditions do not seem to be ripe. This could be seen as a key difference between the previous rounds of enlargement and the current round. The lack of pressing security threats and the absence of the high level of uncertainty - as in the immediate aftermath of the 1990 systemic restructuring - seem to be the main differences in the external global context with the current round of enlargement. The next section looks at the interplay between these external and internal conditions.

3. The interplay of the external and internal conditions on the EU's effectiveness

The above sections demonstrated the internal and external factors shaping the effectiveness of the EU's scope conditions. The external conditions, specifically the geopolitical environment and security concerns, and the internal domestic conditions, the preparedness of the candidates for adopting the EU's accession criteria, affect the EU's effectiveness in its enlargement policy. The findings under the MAXCAP research so far have indicated that the effects of the EU's scope conditions on developments in candidates from the Western Balkans as well as Turkey are mixed (Dimitrova 2015). Lack of reform and unintended consequences are quite common especially in some key areas, for example those emphasized by the new EU approach, such as the judiciary where a lot of efforts have been targeted (Fagan/Sircar 2015; Müftüler-Baç/Cicek 2015). Nonetheless, the question that remains is why in some candidates the EU has been more effective in pushing for domestic reforms, and how this impacts the overall credibility of the accession process (Steunenberg/Dimitrova 2007). This is particularly important in cases where there are wide divergences between the EU member states over particular candidates. To be precise, the EU's effectiveness is shaped by the credibility of its accession process and a key variable undermining this credibility is the member states' preferences and the visible divergences between them. In other words, the bilateral relations

between some member states and current candidates emerged as part of the external environment impacting the effectiveness of the EU's scope conditions.

When some member states openly make their objections known to the opening of chapters where the candidate might be meeting the EU technical criteria (Müftüler-Baç/Cicek 2015), or taking the accession process to the next level, this harms the EU's credibility as a negotiating partner and decreases the EU's effectiveness. A perfect illustration of this point is the implementation of the changes in the EU's enlargement strategy adopted in 2011. The European Council in December 2011 endorsed a new strategy as a key in the enlargement policy prioritizing rule of law and judicial reform (European Commission 2013). The EU's strategy change meant that after 2012, all accession negotiations would commence with the opening of Chapters 23 and 24, the chapters on judiciary, fundamental rights and rule of law, and these chapters would remain open until all the negotiations in the remaining chapters are to be concluded. As a result, in 2012 the accession negotiations with Montenegro and in 2014 with Serbia commenced with the application of that precise enlargement strategy. However, the EU's ability to apply this strategy effectively for all the current candidates is limited as Cyprus vetoed the opening of Chapters 23 and 24 for Turkey. This is an important validation of the factors impacting the EU's effectiveness as an EU level policy change could not be implemented due to bilateral relations between a member state and a candidate. Another similar example could be found in the case of EU's negotiations with the Former Yugoslav Republic of Macedonia (FYROM), as the Greek veto to the opening of accession negotiations despite the Commission's recommendations to do so for five consecutive years substantially decreased the EU's impact on the Macedonian government. The diverging preferences of the member states over specific candidate countries and their domestic constituents' concerns have surprisingly even impacted the EU's fundamental fights. For example, in 2005 when the EU adopted its Negotiations Framework for Turkey, it included a permanent safeguard clause for the freedom of mobility for people, a first in that regard in the EU's enlargement strategy. To illustrate this point further, one could look at the Turkish accession negotiations and/or the launch of accession negotiations with Macedonia. For example, despite the opening of accession negotiations with Turkey in 2005, various EU leaders such as the French President Nicholas Sarkozy stressed on various occasions that Turkey would never become a EU member, even if it did complete the negotiations process and conform to the EU *acquis*.¹⁸ Consequently, an equally important source of further uncertainty in impacting the effectiveness of the EU's scope conditions are the bilateral relations between some member states and candidates which is spilling over onto the EU enlargement process (Kibris/Müftüler-Baç 2011). This is why the favourable bilateral relations between incumbent EU member states and CEE candidates could be the key difference between the previous enlargements and current negotiations with the Western Balkans and

¹⁸Sarkozy blocks Turkey talks, *The New York Times*, June 25, 2007.
http://www.nytimes.com/2007/06/25/world/europe/25iht-union.5.6325879.html?_r=0.

Turkey. This is also how the external context (here bilateral relations between members and candidates) shapes the EU's internal consensus and thus its overall credibility.

It seems that the changing geopolitical context and the domestic preparedness of the current candidates affect the intra-EU consensus and enable dissenting voices such as those coming from Greece and Cyprus to be heard more loudly. Compared to the previous enlargement, the geopolitical context is different, as there is no pressing need to unify Europe as in the post-Cold War era. As a result, the altered geopolitical context impacts the European Union's commitment to enlargement, and this, in turn, affects the credibility of the EU conditionality. It is clear that the EU is no longer as committed to enlargement as it was in the 1990s. The EU's move away from further enlargement, despite the continuation of the policy on paper, is attested by the European Commission President Jean Claude Juncker as "there will be no enlargement until 2019".¹⁹

This difference in the EU's commitment to enlargement is further demonstrated by lack of clear deadlines for the current candidates. While the Central and Eastern European countries were given concrete dates for accession, none of the current candidates have a similar signal from the EU. For the previous round of candidates, the question was not whether these countries would accede to the EU as members but only when their accessions would be realized (Vassiliou 2007). In particular, the 2000 Nice summit involved preparations for their membership with the adoption of far reaching EU institutional redesign, and the 2001 Gothenburg European Council reiterated the EU's firm commitment to enlargement (Vachudova 2005). Finally, the EU's commitment to the CEEs was explicitly clear at the time with the expectation that the new members would participate in the June 2004 European Parliament elections. Thus, the 2004 enlargement and to a lesser extent the 2007 enlargement involved a multilateral EU commitment to the candidates (Sedelmeier 2012), which prompted them to stay on course with their reforms. In addition, no member state openly opposed the EU's enlargement towards the East within enlargement institutional design.

However, currently, there is a totally different picture for the Western Balkans and Turkey. Despite the existence of a European perspective for the new round of candidates there are no concrete deadlines, and neither there seems to be a preparation for institutional redesign for their accession. Unlike the previous enlargement, the (un)certainty of the outcome of enlargement process remains subject to debate. The absence of clear deadlines, as well as explicit EU commitment increases the uncertainty of the process in the eyes of current candidates. Ultimately, MAXCAP research demonstrated that the high level of uncertainty associated with the lack of clear deadlines from the EU coupled with the open resistance from

¹⁹ Maja Poznatov, "Serbia accepts grudgingly Junkers enlargement pause", *EUractiv*, 16 September 2014, <http://www.euractiv.com/sections/enlargement/serbia-grudgingly-accepts-junckers-enlargement-pause-308481>.

some EU member states decreases the EU's effectiveness in its transformation power towards the current candidates (Börzel 2015; Fagan/Sincar 2015; Müftüler-Baç/Cicek 2015).

The uncertainty of enlargement process outcome is further reinforced by the conflation of the enlargement and neighbourhood policy under the same DG, as the DG for Enlargement was changed into DG for Neighbourhood and Enlargement Negotiations (DG NEAR) in January 2015, signalling a possible shift of axis in the EU's foreign policy priorities. The acronym for DG NEAR also implies a prioritization of neighbourhood policies rather than EU enlargement.

4. Conclusion

This paper has reviewed some of the external and internal scope conditions for EU enlargement, and tried to assess their role in shaping the effectiveness of the EU's enlargement strategy. At the domestic level, a candidate country's administrative incapacities, lack of political will and/or the high material costs of compliance decrease the effectiveness of EU conditionality and assistance. At the global level, systemic factors such as geopolitical concerns, structural transformation and to a lesser extent divergences among the member states could be seen as external scope conditions. The critical factor that shapes the EU's effectiveness appears to be the credibility of the process. The changing external environment, the lack of a systemic transformation as in the post-Cold War era, and the marked differences concerning domestic preparedness between the previous and current round of candidates affect the EU's commitment to the enlargement process. A lower degree of commitment makes the EU less credible as a negotiating partner. The interplay of the EU's credibility and the domestic conditions in the candidate countries ultimately indicate whether the enlargement process will succeed or not.

The EU's commitment, clear deadlines, signals and a unified voice over enlargement enabled the EU to exercise its transformative power in the Central and Eastern Europe countries. In the current round of candidates, the absence of these signals and clear deadlines weakens its credibility and its transformative power. The EU's scope conditions harden over time, especially as the candidate gets closer to accession: the Accession Partnerships also enable increased control by the Commission over the candidate's actions. The EU's conditions matter for the candidate countries in their process of preparing for accession. The tools that the EU possesses set its transformative power and agenda - the screening process, the accession partnership documents, opening benchmarks, the common negotiating positions. The negotiation process whereby these conditions are implemented also incorporates monitoring mechanisms. However, unlike in the previous cases, for most of the Western Balkans countries²⁰, their

²⁰ Croatia is a success story here that does not fit the current mold.

relationship with the EU has yet to reach the negotiation phase - and with Turkey, it is effectively frozen.

As a result, neither could the EU norms be effectively diffused, nor could the EU perform its transformative power over the current batch of the candidates as it had with the previous round. The effectiveness of the enlargement strategy is dependent on the perceptions of its credibility on the one hand and the domestic scope conditions in the candidate countries - their ability to absorb costs of adjustment and the lack of viable alternatives - on the other. The EU's lack of clear commitment to enlargement and individual member states' reluctance towards certain candidates are increasingly eroding the EU's effectiveness. When this is coupled with the low levels of preparedness of the Western Balkans and the unique characteristics of the Turkish case, it seems without doubt that the EU's enlargement policy is at a new crossroads. This is how the effectiveness of the EU's scope conditions has also altered. One central question thus remains: what other policy options would be possible for the future of the EU's relations with the countries in its periphery if the enlargement policy is no longer seen as feasible or as credible?

5. References

Börzel, T. A. (2014) 'Coming Together or Drifting Apart? Political Change in New Member States, Accession Candidates, and Eastern Neighbourhood Countries', *MAXCAP Working Paper No. 3*, "Maximizing the integration capacity of the European Union: Lessons of and prospects for enlargement and beyond" (MAXCAP), Berlin: Freie Universität Berlin.

Börzel, T. A. (2015) 'Building Sand Castles? How the EU Seeks to Support the Political Integration of its New Members, Accession Candidates and Eastern Neighbours', *MAXCAP Working Paper No. 9*, "Maximizing the integration capacity of the European Union: Lessons of and prospects for enlargement and beyond" (MAXCAP), Berlin: Freie Universität Berlin.

Dimitrova, A. L. (2002) 'Enlargement, Institution-building and the EU's Administrative Capacity Requirement', *West European Politics* 25(4): 171-190.

Dimitrova, A. L. (2004) *Driven to Change: The European Union's Enlargement Viewed from the East*, Manchester: Manchester University Press.

Dimitrova, A. L. (2010) 'The New Member States of the EU in the Aftermath of Enlargement: Do New European Rules Remain Empty Shells?', *Journal of European Public Policy* 17(1): 137-148.

Dimitrova, A. L. (2015) 'The Effectiveness and Limitations of Political Integration in Central and Eastern European Member States: Lessons from Bulgaria and Romania', *MAXCAP Working Paper No. 10*, "Maximizing the integration capacity of the European Union: Lessons of and prospects for enlargement and beyond" (MAXCAP), Berlin: Freie Universität Berlin.

Dimitrova, A. L. and Kortenska, E. (2015) 'Understanding Enlargement: Discourses in Six Countries', Paper presented at the *European Union Studies Association (EUSA) 14th Biennial Conference*, Boston, 5-7 March.

Dimitrova, A. L.; Kortenska, E. and Steunenberg, B. (2015) 'Comparing Discourses about Past and Future EU Enlargements: Core Arguments and Cleavages', *MAXCAP Working Papers No. 13*, "Maximizing the integration capacity of the European Union: Lessons of and prospects for enlargement and beyond" (MAXCAP), Berlin: Freie Universität Berlin.

Elbasani, A. (2008) 'EU Enlargement in the Western Balkans: Strategies of Borrowing and Inventing', *Journal of Southern Europe and the Balkans Online* 10(3): 293-307.

European Commission (2011) 'Communication from the Commission to the European Parliament and the Council: Enlargement Strategy and Main Challenges 2011-2012', COM(2011) 666 final.

European Commission (2013) 'Communication from the Commission to the European Parliament and the Council: Enlargement Strategy and Main Challenges 2013-2014', COM(2013) 700 final.

Fagan, A. and Sircar, I. (2015) 'Judicial Independence in the Western Balkans: Is the EU's 'New Approach' Changing Judicial Practices?', *MAXCAP Working Paper Series No. 11*, "Maximizing the integration capacity of the European Union: Lessons of and prospects for enlargement and beyond" (MAXCAP), Berlin: Freie Universität Berlin.

Falkner, G. and Treib, O. (2008) 'Three Worlds of Compliance or Four? The EU-15 Compared to New Member States', *Journal of Common Market Studies* 46(2): 293-313.

Friis, L. (1998) 'Approaching the 'Third Half' of EU Grand Bargaining - the Post-negotiation Phase of the 'Europe Agreement Game'', *Journal of European Public Policy* 5(2): 322-338.

Friis, L. (1998) 'The End of the Beginning' of Eastern Enlargement - Luxembourg Summit and Agenda-setting', *European Integration online Papers*, 2(7).

Karamouzi, E. (2013) 'The Greek Paradox', *LSE Ideas: The Crisis of Enlargement*: 19-25.

Kibris, A. and Müftüler Baç, M. (2011) 'The Accession Games: A Comparison of Three Limited-Information Negotiation Designs', *International Studies Perspectives* 12(4): 399-427.

Maniokas, K. (2004) 'The Method of the European Union's Enlargement to the East: A Critical Appraisal', in A. L. Dimitrova (ed.), *Driven to Change: The European Union's Enlargement Viewed from the East*, Manchester: Manchester University Press, pp. 17-37.

Müftüler-Baç, M. (2008) 'Turkey's Accession to the European Union: The Impact of the EU's Internal Dynamics', *International Studies Perspectives* 9(2): 208-226.

Müftüler-Baç, M. (2015) 'The Pandora's Box: Democratization and Rule of Law in Turkey', *Asia Europe Journal*: 1-17.

Müftüler-Baç, M. and Çiçek, A. E. (2015) 'A Comparative Analysis of the European Union's Accession Negotiations for Bulgaria and Turkey: Who Gets in, When and How?', *MAXCAP Working Paper Series No. 7*, "Maximizing the integration capacity of the European Union: Lessons of and prospects for enlargement and beyond" (MAXCAP), Berlin: Freie Universität Berlin.

Preston, C. (1995) 'Obstacles to EU Enlargement: The Classical Community Method and the Prospects for a Wider Europe', *Journal of Common Market Studies* 33(3): 451-463.

Preston, C. (1997) *Enlargement and Integration in the European Union*, London/New York: Routledge.

Schimmelfennig, F. (2001) 'The Community Trap: Liberal Norms, Rhetorical Action, and the Eastern Enlargement of the European Union', *International Organization* 55(01): 47-80.

Schimmelfennig, F. (2009) 'Europeanization Beyond Europe', *Living Reviews in European Governance* 2(1).

Schimmelfennig, F. and Sedelmeier, U. (2002) 'Theorizing EU Enlargement: Research Focus, Hypotheses, and the State of Research', *Journal of European Public Policy* 9(4): 500-528.

Schimmelfennig, F. and Sedelmeier, U. (2004) 'Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe', *Journal of European Public Policy* 11(4): 661-679.

Schimmelfennig, F. and Sedelmeier, U. (2005) *The Europeanization of Central and Eastern Europe*, Ithaca NY: Cornell University Press.

Sedelmeier, U. (2008) 'After Conditionality: Post-Accession Compliance with EU Law in East Central Europe', *Journal of European Public Policy* 15(6): 806-825.

Sedelmeier, U. (2012) 'Is Europeanisation through Conditionality Sustainable? Lock-in of Institutional Change after EU Accession', *West European Politics* 35(1): 20-38.

Sjursen, H. (2002) 'Why Expand?: The Question of Legitimacy and Justification in the EU's Enlargement Policy', *Journal of Common Market Studies* 40(3): 491-513.

Sjursen, H. (2006) *Questioning EU Enlargement: Europe in Search of Identity*, London/New York: Routledge.

Smith, K. E. (2004) *The Making of EU Foreign Policy: The Case of Eastern Europe*, Basingstoke: Palgrave Macmillan.

Steunenberg, B. and Dimitrova, A. (2007) 'Compliance in the EU Enlargement Process: The Limits of Conditionality', *European Integration online Papers* 11(5).

Vachudova, M. A. (2005) *Europe Undivided: Democracy, Leverage, and Integration after Communism*, Oxford: Oxford University Press.

Vassiliou, G. (2007) *The Accession Story: The EU from 15 to 25 Countries*, Oxford: Oxford University Press.