The Neighbourhood Policy of the European Union

The European Neighbourhood Policy aims at creating a ring of stable, friendly and democratic countries surrounding the European Union. While this aim is generally accepted across the Union, major differences persist as to how it should be achieved. Where does the ENP stand today? What is its profile, potential and perspective?

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The EU Neighbourhood Policy – Profile, Potential, Perspective

Since it originated in 2003 the European Neighbourhood Policy (ENP) has developed rapidly, but is still neither conceptually complete nor operationally stable.[1] The ENP is aimed at the political and economic stabilisation, modernisation and democratisation of the EU's neighbouring countries in Eastern Europe and the Mediterranean region. In the first half of 2007 the German Presidency of the Council of the EU was seeking to strengthen the ENP, to make it more effective, more attractive, more credible and to achieve greater visibility.[2] Where does the ENP stand today? What is its profile, potential and perspective?

Profile: A Composite Policy

The ENP is a highly complex policy that is directed at a heterogeneous group of countries in the eastern and southern neighbourhood of the EU. In the East it includes Ukraine, Moldova, potentially Belarus, and the three countries of the South Caucasus, Armenia, Azerbaijan and Georgia. In the Mediterranean it covers Egypt, Israel, Jordan, Lebanon, Morocco, the Palestinian Authority and Tunisia.[3] It lies at the crossroads of the foreign, security, development, enlargement and trade policies of the EU.

Above all, the ENP has a strong foreign and security policy component. It pursues the primary goal of creating stability, security and welfare on the EU's eastern and southern borders through positive interdependence. The fight against common threats, such as international terrorism, organised crime and illegal immigration as well as cooperation with the resolution of regional conflicts are at the forefront.[4] With the European Security Strategy (ESS), the EU for the first time formulated a comprehensive strategic approach

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[1] Cf. European Commission: Wider Europe – Neighbourhood: A New Framework for Relations with Our Eastern and Southern Neighbours, COM(2003) 104 final, Brussels, 1.3.2003; European Commission: Communication from the Commission: Paving the way for a New Neighbourhood Instrument, COM(2003) 393 final, Brussels, 1.7.2003; European Commission: Communication from the Commission, European Neighbourhood Policy, Strategy paper, COM(2004) 373 final, Brussels, 12.5.2004; European Commission: Communication from the Commission to the Council on the Commission proposals for Action Plans under the European Neighbourhood Policy (ENP), COM(2004) 795 final, Brussels, 9.12.2004; Benita Ferrero-Waldner: European Neighbourhood Policy, Communication to the Commission, SEC(2005) 1521, Brussels, 22.11.2005; European Commission: Strengthening the European Neighbourhood Policy, COM(2006) 726 final, Brussels, 4.12.2006; Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, 10874/07, General Secretariat, Brussels, 15.6.2007.

[2] Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit., p. 2.

[3] Russia is treated separately in the framework of the four common spaces; the countries of the Western Balkans and Albania are treated as countries with (potential) accession perspectives. Accession negotiations are under way with Turkey and Croatia.

[4] Cf. European Council: A Secure Europe in a Better World. European Security Strategy, Brussels, 12.12.2003, pp. 7-8.; Dov Lynch: The security dimension of the European neighbourhood, in: The International Spectator, Vol. 40, No. 1, 2005, pp. 33-43.

that also integrates the ENP into a more broadly conceived foreign and security policy context. In the ESS, the EU declares, "It is in the European interest that countries on our borders are well-governed. Neighbours who are engaged in violent conflict, weak states where organised crime flourishes, dysfunctional societies or exploding population growth on its borders all pose problems for Europe."[5] The progress report of the German Presidency confirms that the ENP "remains a core priority of the EU's foreign policy".[6]

A second component of the ENP emphasises, in line with the Mediterranean and development policy of the EU, the role of the EU as an external promoter of democracy and motor for political, economic and social reforms in neighbouring countries. Good governance and economic development, the strengthening of civil society, fostering the rule of law and legal certainty, and the respect of human rights are all central to this component.[7] The ESS identifies failed states, organised crime and poverty, among others, as sources of instability, all of which can be found in the European neighbourhood, especially in the Black Sea region. The call for a "ring of well governed states"[8] to the east and the south of the EU is among the key goals of the ENP.

A third source of the ENP is enlargement policy, especially its most innovative element, the pre-accession strategy.[9] This strategy was developed for the candidate countries in East Central Europe which required comprehensive support over a long period of time in order to gain the capacities that EU membership necessitates. Against this backdrop, EU support for candidate countries is linked to the strict conditionality of the Copenhagen accession criteria, with the ultimate goal of the complete adoption of the acquis communautaire. The enlargement policy hence follows the logic of integration through convergence with the EU system. In the course of accession negotiations and pre-accession, asymmetric and paternalistic relations between the EU and the candidate country are domi-

nant. The ENP received an important impetus not only from the big-bang enlargement of 2004, but also from the enlargement fatigue that subsequently took hold in the old member states.

A fourth pragmatic orientation of the ENP emphasises above all the expansion of trade and economic relations. It mainly pursues, as did the classical association policy of the EC, the goal of creating between the EC and its neighbours a free trade area (FTA) for goods and services, which can eventually be expanded from a bilateral to a multilateral FTA through the further integration of individual neighbours.

These four components – foreign and security policy, development and enlargement policies, as well as the sectoral foreign trade approach – form points of reference for evaluating the ENP and are used by the member states, the Commission and the European Parliament as sources for further conceptual and practical development. This complex nature of the ENP as a composite policy strengthens its already notorious strategic ambivalence, and the *finalité* of the ENP will remain controversial and on the political agenda (see more below).

Disputed Geography of the ENP

The ENP did not start from scratch in building its relations with the 16 partner countries. Especially with regard to the countries of the Mediterranean region, the ENP draws on a long history from the EC/EU Mediterranean policy (since the early 1970s),[10] as well as the Barcelona Process (from 1995). The EU had, in fact, concluded association agreements with all Mediterranean countries, or at least offered them. In comparison, the EU policy of partnership and cooperation agreements (PCA) with its Eastern European neighbours is much younger in terms of its legal, institutional and procedural arrangements.

Despite the inconsistent starting basis of the ENP, the EU has created the ENP as a "single, inclusive and coherent policy framework"[11] for all of the 16 neighbour states. While the Council and the Commission point to the advantages[12] of this comprehensive approach, critics see its primary deficiency in its

[5] European Council: A Secure Europe in a Better World. European Security Strategy, Brussels, 12.12.2003, p. 7.

[6] Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit., p. 2.

[7] Cf. Annette J ü n e m a n n, Michèle K n o d t: Externe Demokratieförderung der Europäischen Union. Die Instrumentenwahl der EU aus vergleichender Perspektive, in: integration, No. 4, 2006, pp. 187-196.

[8] European Council: A Secure Europe in a Better World, op. cit., p. 8.

[9] Cf. Barbara L i p p e r t: Erfolge und Grenzen der technokratischen EU-Erweiterungspolitik, in: Amelie K u t t e r, Vera Tr a p p m a n n (eds.): Das Erbe des Beitritts. Europäisierung in Mittel- und Osteuropa, Baden-Baden 2006, pp. 57-74.

[10] Cf. Eberhard R h e i n: Die EU und der Mittelmeerraum, in: Werner W e i d e n f e l d (ed.): Die Europäische Union – Politisches System und Politikbereiche, Bonn 2004, pp. 521-538.

[11] Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit., p. 3.

[12] European Commission: Strengthening the European Neighbourhood Policy, op. cit., p. 2.

"geographical arbitrariness".[13] The geographical co-herence of the ENP, in fact, reflects foremost internal interest constellations inside the EU. From the onset of the ENP, member states with a preference for the Mediterranean region (France, Spain, Italy, Greece, Portugal, later also Malta and Cyprus) have feared a further shift of emphasis by the EU toward the East and are primarily interested in permanently securing a strong political commitment to the Mediterranean region. In contrast, other member states think that the EU should give special attention to the countries of Eastern Europe and help them catch up and intensify their relations with the EU. The ten new member states of East Central Europe, Germany, Austria and the Nordic countries generally favour the intensification of relations with the eastern neighbourhood. Some, such as the Finnish, German and British governments – and also the Commission – show a sense of realism in accepting a geographical South/East balance. Therefore, they advocate a broad and inclusive ENP within a single framework. Despite the above cited consensual formula from the German Presidency's progress report on the ENP, that was accepted by the Council and also endorsed by the European Council on 21/22 June 2007, and notwithstanding the respective confirmation in the presidency conclusions, the cleavage between South and East runs through all discussions on the ENP at the working and the political levels of the EU. The South/East conflict is only papered over for the moment. As an antidote to this single and inclusive framework, the German presidency stressed the principle of differentiation: "… while the ENP's character as a single and coherent policy framework should be retained, implementation of the policy should take due account of the specificity of the partner countries."[14] The level of ambition and the substantial offers of the EU should correlate with the performance of the ENP partner countries, particularly with their progress in implementing the priorities set out in the Action Plans.

Action Plans and New Agreements

Among the most important short-term instruments in the ENP are the Action Plans. Following the principle of joint ownership,[15] Action Plans are developed and agreed upon between the two parties (the EU and the respective ENP country). They are also based on the principle of differentiation and are thus oriented in their timing and content toward the specific interests and capacities of ENP countries. Despite their specificity, the Action Plans follow a general scheme and cover the following areas:

- political dialogue and reform

- economic and social reform and development

- cooperation in questions of justice, freedom and security

- cooperation and reforms in areas such as transport, energy, information society, environment, research and innovation

- people-to-people contacts and cooperation in the areas of education, public health and culture.[16]

Commitments are based on common values which primarily reflect goals of the EU's foreign and security policy, especially:

- strengthening democracy and the rule of law, judicial reform, and the fight against corruption and organised crime

- respect of human rights and individual freedoms

- support for the development of civil society

- the fight against terrorism and the proliferation of weapons of mass destruction

- cooperation in conflict resolution and strengthening international law and international organisations.

A second set of measures and commitments are directed at concrete cooperation in political, economic and foreign policy areas. Despite the weak conditionality – in the absence of the catalogue enshrined as the Copenhagen accession criteria – the approach is to bring neighbouring countries closer to the standards, values and norms that rule the EU. Priorities are spelled out in each area for a period of 3 to 5 years, albeit often in a very general language. The joint institutions established in the various bilateral agreements (association or cooperation council, joint committee of senior officials and other subcommittees, and joint

[13] Iris Kempe: Nachbarschaftspolitik: Russland, Ukraine, Belarus, die Republik Moldau, in: Werner Weidenfeld, Wolfgang Wessels (eds.): Jahrbuch der Europäischen Integration 2006, Baden-Baden 2006, pp. 267–272, here p. 268.

[14] European Council: European Council 21/22 June 2007, Presidency Conclusions, 11177/07, Brussels, 23.6.2007, p. 12, point 46.

[15] European Commission: Strengthening the European Neighbourhood Policy, op. cit., p. 3.

[16] Cf. for example, the EU/Tunisia Action Plan, available at: http://ec.europa.eu/world/enp/pdf/action_plans/tunisia_enp_ap_final_en.pdf (last accessed: 4 April 2007); on the general scheme cf. European Commission: European Neighbourhood Policy. Strategy Paper, op. cit., p. 3.

parliamentary committees) are responsible for evaluating the steps toward implementation.

Moreover, the ENP builds upon the variety of existing legally binding agreements. Up to now, a uniform model for neighbourhood agreements does not exist, and it is unlikely that there will be anything of the kind in the foreseeable future. The fact that few original proposals for new forms of cooperation, integration and participation below membership have been presented is related to the primary law in this area, which has remained largely unchanged for decades. Only with the "specific agreements" with countries in the European neighbourhood, mentioned in the constitutional treaty (Art. I-57 TCE) and to be included in the envisioned reform treaty, has the Union hinted at a new, though substantively vague, model for an agreement. Indeed, the new reform treaty would not create new material foundations beyond those of the relevant articles in the Treaty on European Union (TEU) and the Treaty Establishing the European Community (TEC). The enhanced agreement currently negotiated with the Ukraine is expected to serve as a model and flagship for other successor agreements to the PCAs.[17] The EU now seems to interpret the opening of negotiations on an enhanced agreement as a reward for efforts to implement the priorities set out in the Action Plans.[18] At the heart of this advanced type of agreement is a comprehensive deep free trade area, which includes the convergence with parts of the EU *acquis* and its regulatory sector. Despite the currently critical domestic political situation in the Ukraine, the country shows more progress and also more potential than, for the time being, Moldova, the Southern Caucasus countries and of course Belarus. In the South, Morocco, with its close links to France and improving relations with Spain, is seeking an "advanced status" with the EU. Meanwhile the Mediterranean countries' agreements on the association with the EC/EU are being further elaborated in order to include a better integration into the internal market as far as trade in services, the right to establishment, the inclusion of agricultural and processed agricultural, as well as fishery products in the provisions on free trade are concerned.[19] However, negotiations on an enhanced agreement with the Ukraine touch upon one of the ENP's weakest features, namely its strategic ambivalence.

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[17] Cf. Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit., p. 3.

[18] Cf. ibid., p. 4.

[19] Ibid.

Contested Membership Perspective

In the context of negotiating new and enhanced agreements[20] the Eastern European and Southern Caucasus countries explicitly seek a membership perspective or at least its discussion as a medium or long-term option. This issue is highly contested and controversial among (and sometimes inside) the member states. At present, the cleavage runs mainly between old member states which are mostly opposed, or at least undecided, toward an accession perspective and new member states which tend to favour a membership perspective.

Contrary to the non-European Mediterranean countries, it is left open to ENP countries in the East to refer to the "relevant provisions of the EU Treaty"[21] (article 49 TEU) for the accession of new members. At present, we are only witnessing a "ceasefire" inside the EU between supporters and opponents of an EU membership perspective for (Eastern) ENP partners. In the case of the Ukraine, this means that the enhanced agreement will be substantively equivalent to association agreements, but not termed as such, which is, for example, criticised by the European Parliament.[22] This is because of the massive concern, for example, of France, that the countries of Eastern Europe, which undoubtedly qualify as "European States", could read an accession perspective out of their association status, thus claiming for themselves a political commitment from the EU. This was the case for the ten Eastern European countries which acceded in 2004/07 even without a proper article in their Europe agreements referring to a member state perspective. France, Italy and the Benelux states are unequivocally opposed to this.[23] That is why the mandate to negotiate a new enhanced agreement with Ukraine is carefully worded: "The Council and the Commission recall

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[20] Cf. for the Ukraine Council of the European Union: 2776th Council Meeting, General Affairs and External Relations, 5463/07 (Presse 7), Brussels, 22.1.2007, p. 6.

[21] Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit., p. 3.

[22] European Parliament: Report with a proposal for a European Parliament recommendation to the Council on a negotiation mandate for a new enhanced agreement between the European Community and its Member States of the one part and Ukraine of the other part, A6-0217/2007 final, Committee on Foreign Affairs, Rapporteur: Michał Tomasz Kamiński, Strasbourg, 8.6.2007, p. 5, point 6.

[23] Cf. on the case of France, Philippe Douste-Blazy: Excerpts from the press conference with the Hungarian foreign minister Borys Tarasjuk, 11.11.2005, Kiev, available at: http://www.diplomatie.gouv.fr/actu/bulletin.de.asp?liste=20051115.de.html&submit.x=0&submit.y=7&submit=consulter#Chapitre2 (last accessed: 3.1.2007); for Italy: Massimo D'Alema: Europe's Second Chance, Address before the European University Institute, 2006, available at: http://www.esteri.it/eng/0_1_01.asp?id=1732 (last accessed: 5.6.2007).

that the European Union has acknowledged Ukraine's European aspirations and has welcomed Ukraine's European choice in the Council conclusions and in the EU-Ukraine Action Plan, both adopted on 21 February 2005".[24] This consensual position of the Council is reflected in the agreed concept of the ENP which states, "... neighbourhood policy remains distinct from the process and policy of EU enlargement".[25] Thus the ENP shall be perceived as an instrument in its own right, without prejudice in the question of enlargement.[26] This is acceptable for the moment to the countries which seek to move further in the direction of a membership perspective, especially Poland, Lithuania and Estonia and also other new member states of East Central Europe, as well as the European Parliament.[27] Sweden and the United Kingdom also tend to support these views. Others, like the German and Finnish governments, prefer the status quo of leaving the question of the strategic *finalité* of ENP unaddressed. However, they all reject the active propagation of the ENP as an alternative to membership. So the ambivalent formula mentioned above ("does not prejudge any possible future developments")[28] appropriately represents the currently attainable consensus.

Potential: Incentives and Points for Action

Irrespective of the controversial geography and *finalité* of the ENP, the 27 member states have agreed to improve their offers to the ENP countries along seven action points:

- enhancing trade, investment and economic integration

- facilitating mobility and migration

- promoting "people-to-people" exchanges

- building a thematic dimension to the ENP

- strengthening political cooperation

- strengthening regional cooperation

- strengthening financial cooperation.[29]

While the German presidency's progress report refers in general terms to these proposals of the Commission, it highlights in particular the following three.

First, major emphasis is put on the improved access of neighbours to the EU market. It is interesting to note, that the original formula of the ENP including "everything but institutions"[30] offered as a core incentive that the partners should have a "stake in the internal market".[31] Meanwhile this level of ambition, at least in terms of EU rhetorics, has been reduced. Today, the core offer in the area of trade and economic integration is to establish a deep and comprehensive free trade area. This requires that the partner country is already a member of the WTO. In the course of establishing deep free trade areas, the bilateral relations should move beyond simple customs removal for goods and services and provide for better trade stimulation. The German presidency was successful in proposing to focus on "partners' comparative advantages and thus feature elements of asymmetry"[32] in favour of the ENP partner. In return the EU expects that the partners adopt relevant parts of the EU acquis, in particular as far as the regulatory sector is concerned. Compared to the far more ambitious pre-accession strategy for candidate countries, only partial, and not full, convergence with the acquis is foreseen in the ENP context. The ENP approach asks for a very prudent and careful selection and also a setting and sequencing of priorities which should be reflected in the Action Plans, not least because these are supported by the new financial instrument ENPI (European Neighbourhood and Partnership Instrument). Also, the opening of EU programmes and agencies to ENP countries, on a case by case basis, caters to these goals in many areas. The presidency progress report confirms that intra-regional deep and comprehensive free trade among ENP countries should also be supported. However, the Council does not go as far as the Commission in its December

[24] Council of the European Union: Relations with Ukraine – Council conclusions, 2776th Council meeting, General Affairs and External Relations, Brussels, 22.1.2007, p. 6.

[25] European Commission: Strengthening the European Neighbourhood Policy, op. cit., p. 2.

[26] Cf. Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit, p. 2.

[27] Cf. European Parliament: Report with a proposal for a European Parliament recommendation to the Council on a negotiation mandate for a new enhanced agreement between the European Community and its Member States of the one part and Ukraine of the other part, op. cit.

[28] Cf. Council of the European Union: Relations with Ukraine – Council conclusions, op. cit., p. 6, point 2; Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit., p. 3.

[29] Cf. European Commission: Strengthening the European Neighbourhood Policy, op. cit.

[30] Romano P r o d i : A Wider Europe – A Proximity Policy as the key to stability, speech delivered at the Sixth ECSA-World Conference "Peace, Security And Stability-International Dialogue and the Role of the EU", Jean Monnet Project, SPEECH/02/619, Brussels, 5.-6.12.2002.

[31] Cf. Benita F e r r e r o - W a l d n e r : Giving the Neighbours a stake in the EU internal market, speech delivered at the 10th Euro-Mediterranean Economic Transition Conference, Brussels, 6.6.2006.

[32] Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit., p. 7.

2006 proposals, to establish an economic community with the neighbours (NEC).[33] Germany and other member states are hesitant to go beyond the fragile political status quo as they do not want to import the controversial *finalité* question in the course of discussing a project as far ahead in the future as the establishment of an economic community between the EU and the neighbouring states. A point of reference for the NEC in the political debate is the European Economic Area, which the EU forms with affluent and politically consolidated EFTA countries.

Secondly, the German presidency's progress report highlights the thematic dimension of the ENP. The EU wants to encourage multilateral cooperation and probably agreements of different kinds on cross-cutting sectoral themes, such as justice and security issues, economic cooperation, infrastructure, transport, and energy networks.[34] From the EU's point of view, a closer cooperation or convergence with EU policies is imminent in the areas of energy policy and energy security as well as migration, the combating of organised crime and the fight against international terrorism. In these areas, the EU must also think about a more balanced give and take. The "give" would lie primarily in the field of visa facilitation and the support of people-to-people exchanges. However, on these issues, as in the area of opening up the EU market for ENP partners, the EU has always shown a strong sense of detailed economic protectionism and other security concerns ("fortress Europe").[35] Thus, difficult and time-consuming intra-EU negotiations and bargaining processes on a common EU position must be expected. This again reflects the different degrees of intensive interests of the EU member states with regard to the ENP as a priority of EU foreign policy and external action. Having said that, the EU has a general interest in ENP countries aligning themselves with the CFSP in terms of declarations, *démarches* etc. The thematic dimension is important because it also injects a multilateral component into an, up to now, primarily bilateral policy. The German presidency has joined forces with the Commission on establishing a Black Sea synergy, which could be perceived as a multilateral approach of a kind that did not exist in the East while in the Mediterranean the multilateral Barcelona process has been established for more than ten years.[36] In the Black Sea region, there is a big potential, but there are also limits to regional cooperation. This is not least due to "frozen conflicts" in and between ENP countries.[37] However, the EU shows neither the ambition nor the political will to turn the ENP into an instrument of conflict resolution in its own right. Moreover, when looking at the Black Sea region, one has to take into consideration Russia, the "elephant in the room". This view is predominantly adopted by old member states, namely France, the UK, Germany and Italy, which seek a cooperative policy with Moscow and do not want the ENP to jeopardise the difficult process of building a strategic partnership between the EU and Russia.

A third action point taken up by the German presidency is the strengthening of financial cooperation.[38] One aspect is to improve the capacities of the neighbours to absorb funds, for example, through the participation of ENP countries in EU programmes, agencies and partnerships for the transfer of administrative know-how (twinning and TAIEX). Moreover, a real innovation is foreseen with the establishment of a governance facility fund for which €43 million annually have been earmarked. With this governance facility as a means of positive conditionality, the EU is seeking to reward efforts and successes in the implementation of national reform agendas and the Action Plan in particular. The first two countries which will receive money from the governance facility fund will be Morocco and Ukraine, as a result of the progress they have made in building institutions, observing human and civil rights and improving governance.[39] The EU hopes that this "reward" for good governance will make the ENP more visible and popular as a policy anchor and as a point of reference for reform élites and public opinion and will strengthen domestic reform constituencies in the target countries. In addition, a neighbourhood investment fund shall be established that combines EU money and money from member states. The EU also wants to mobilise other international financial institutions like the World Bank or EBRD (European Bank for Reconstruction

[33] Cf. European Commission: Strengthening the European Neighbourhood Policy, op. cit., p. 5.

[34] On integrating Ukraine and Moldova in the Energy Community of South-Eastern Europe cf. Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit., p. 5.

[35] Cf. European Commission: The Global Approach to Migration one year on: Towards a comprehensive European migration policy, COM(2006) 735 final, Brussels, 30.11.2006.

[36] Cf. European Commission: Black Sea Synergy – A new Regional Cooperation Initiative, COM(2007) 160 final, Brussels, 11.4.2007.

[37] Breakaway regions in Georgia (South Ossetia and Abkhazia) and the Nagorno-Karabakh conflict between Armenia and Azerbaijan.

[38] For all 16 partners approximately €12 bn are foreseen over a period of seven years with two thirds for the South and one third for the East.

[39] Cf. European Commission: ENP Progress Report MOROCCO, SEC(2006) 1511/2, Brussels, 4.12.2006; European Commission: ENP Progress Report UKRAINE, SEC(2006) 1505/2, Brussels, 4.12.2006.

and Development) to give loans. Thus, the EU seeks to stimulate a coordinated external support which follows the priorities set out in the Action Plans. Here, it becomes apparent that the EU is developing into a focal point and anchor for the whole of the modernisation processes in the neighbouring countries, in particular as far as Eastern Europe is concerned. This puts additional responsibility on the EU and its member states to maintain their political and financial commitment to a substantive and sustainable neighbourhood policy. Respective calls from the Commission, and also the Council presidency, nurture doubts that the EU will stay the course and will improve the ENP given the numerous controversial aspects and heterogeneous, and sometimes diverging, preferences between member states.[40]

Perspective

The state of the ENP sketched out here demonstrates that EU actors and member states treat and support the various aspects and offers of the ENP very unevenly.[41] While the Southern member states are only interested in the ENP because of the chance to secure or revive the Euro-Mediterranean partnership and Mediterranean policy within a new framework, the original initiators and supporters of the ENP are much more oriented toward Eastern Europe. Thus, EU member states view the political relevance of the ENP very differently.

Within the EU, the *finalité* of the ENP is disputed and it will remain so. The idea of leaving aside this question and simply living with strategic ambivalence makes it possible to concentrate on the next steps toward completing the ambitious political framework of the ENP. This measure of breathing room will also enable old and new member states to address among themselves the friction points that have emerged with respect to this question. However, if one considers the possibility of a crisis scenario in the transformation in Eastern Europe or the Southern Caucasus, one has to expect a spillover into the ENP discussion (see the current situation in Ukraine). This could reopen the debate on fundamental questions, including the incentive and reform function of the accession perspective, a con-

crete pre-accession policy with road maps or even the option of an "emergency accession"[42] of neighbours into the EU. The EU's still vague strategic partnership with Russia would also be placed under considerable stress.

In view of the final stage of the ENP, the cleavage also runs between those inside the EU who are concerned about the integration capacities of the EU and others who prefer a looser and probably more intergovernmental EU. At some point in the future, the EU will have to define in functional – less in geographic – terms its limits with regard to the membership of individual candidates. Recently, some criteria and points of consideration have been outlined by the Commission as well as the European Parliament and were generally endorsed by the European Council.[43] From the perspective of German EU policy, the coalition of ENP supporters is difficult. Among the large member states, the United Kingdom, in addition to Germany, clearly supports (as was the case with the Eastern enlargement) geographic coherence and the intensification of the ENP in the East. Germany, however, has clear preferences for the Eastern European states, while the United Kingdom is more neutral and argues principally in country-specific and primarily geopolitical terms, but is open toward a membership perspective. France, like Italy and Spain, favours the Mediterranean region, but acts as a brake for overly ambitious ENP plans which run the risk of mutating into the forerunner of a new enlargement policy. Recently French President Sarkozy issued the idea of a Mediterranean Union,[44] which not only contaminates the accession negotiations with Turkey, but also weakens the commitment to a strengthening of the ENP as a single and coherent policy framework. France does, however, share with Germany (and the United Kingdom) the will to smoothly expand the ENP as much as possible without jeopardising a strategic partnership with Russia. Italy shows an essentially similar interest profile to France. Up to now, Poland has not shown any interest in the Southern

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[40] Cf. Council of the European Union: Strengthening the European Neighbourhood Policy – Presidency Progress Report, op. cit., p. 10; European Commission: Strengthening the European Neighbourhood Policy, op. cit., p. 14.

[41] For a more detailed analysis of national positions towards ENP policy features cf. Barbara L i p p e r t: Die EU-Nachbarschaftspolitik in der Diskussion – Konzepte, Reformvorschläge und nationale Positionen, Internationale Politikanalyse, Friedrich-Ebert-Stiftung, Bonn, June 2007.

[42] Barbara L i p p e r t, Wolfgang W e s s e l s: Erweiterungskonzepte und Erweiterungsmöglichkeiten, in: Cord J a k o b e i t, Alparslan Y e n n a l (eds.): Gesamteuropa. Analysen, Probleme und Entwicklungsperspektiven, Bonn 1993, pp. 439-457, here p. 444.

[43] Cf. European Commission: Enlargement Strategy and Main Challenges 2006-2007 including annexed special report on the EU's capacity to integrate new members, COM(2006) 649 final, Brussels, 8.11.2006; European Council: European Council 14/15 December 2006, Presidency Conclusions, 16879/1/06, Brussels, 12.2.2007; European Parliament: Enlargement Strategy and main challenges 2006-2007, P6_TA-Prov(2006)0568, Strasbourg, 13.12.2006.

[44] Cf. "Mediterranean Union Project is core of Franco-Italian Action", in: Agence Europe, No. 9434, 30.5.2007, p. 5.

dimension of the ENP other than in decoupling it from the "Eastern ENP". Due to this focus, Poland only half-heartedly supports the initiative for a Black Sea cooperation that would also bring Russia into the picture. In the EU's relationship with Russia and the strong call for an accession perspective for Ukraine, the differences between Poland and the other big five are evident. Faced with the membership ambitions of the Ukraine, and probably Georgia, the growing difficulties in accession negotiations with Turkey and the uncertainties over the reform treaty and its political cohesion, the EU will need to develop – in practical terms – a newly defined stage short of membership for European neighbours. This stage is located somewhere between a confederation of tasks, sectoral Unions (e.g. for energy or transport), a European Economic and Political Area and a Norwegian type of deep association.[45] Also in this regard, the EU must

apply the principle of differentiation in a transparent and convincing way, as far as the level of ambition and the scope and depth of cooperation and integration with individual neighbours are concerned. Moreover, in the case of the Eastern neighbours the problems and pitfalls of double enlargement, with a view to their NATO membership aspirations, is on the agenda without the EU having adopted a common view on this crucial issue so far.

In order to achieve the key interest of a stable and well-governed neighbourhood, the EU is under pressure, from both the outside and within, to create alternatives to the uniform strategy of enlargement. While the EU member states clearly demonstrate their geographical preferences, they seem to have real difficulty in agreeing on the substance of an attractive ENP and in striking a sound balance between offers and demands. This weakens the credibility and impact of the EU's policy towards its neighbours. Thus the ENP today is far from being a robust offer on the part of the EU. Moreover, it is an open question whether the neighbours have the capacities, as well as the political élites, to make use of the ENP as an incentive for reforms and modernisation.

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[45] Cf. Barbara L i p p e r t : Beefing up the ENP: towards a Modernisation and Stability Partnership, in: The International Spectator, Vol. 41, No. 4, 2006, pp. 85-100, here p. 87-90. On the "EEA plus" approach, cf. Elmar B r o k : Glaubwürdigkeit statt "Alles oder Nichts". Bei der Erweiterung stößt die EU an ihre Grenzen , in: Union in Europa, No. 5, 2006, pp. 4–5; for elements of political cooperation and integration cf. Barbara L i p p e r t : Teilhabe statt Mitgliedschaft? Die EU und ihre Nachbarn im Osten, in: Osteuropa, Vol. 57, No. 2-3, 2007, pp. 69-94, here pp. 85-88.

Iris Kempe*

Identifying an Agenda for a New Eastern Policy – Evaluating the European Neighbourhood Policy beyond the ENP Approach

During the last decade the European Union has been an important player in relations throughout Eastern Europe. Extending membership to eight Central European countries was not only one of the biggest success stories of European integration but also guided the countries' domestic transitions. Since the European Commission agreed on the European Neighbourhood Policy (ENP), relations with Ukraine, Moldova and the Caucasus have an extended European perspective, even if the ENP does not offer the

membership prospects that those countries expected. The European Union has some potential to be a driving force in Eastern policy, but at the same time domestic development within Eastern Europe has become more dynamic and less predictable. The neighbouring countries are fluctuating between democratic breakthroughs, as indicated by the "Rainbow Revolutions" in Georgia and Ukraine, and increasing authoritarian regimes such as that in Belarus.

Beginning with Georgia's "Rose Revolution" in 2003 and continued by Ukraine's "Orange Revolution" in 2004, a democratic wave broke out in the neighbouring

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countries.[1] Domestic developments have been marked by similar patterns. Obviously falsified elections gave the starting signal for a democratic opposition and a civil society demanding free and fair elections that upheld Western values. The civic protest in Ukraine and Georgia was much stronger than Western analysts and decision-makers, who had criticised the absence of media freedom and democratic pluralism, had ever expected. The new democratically elected governments have been trying to close the gap between the lack of transition and Western orientation. Before the latest breakthrough, the ENP countries had already declared EU membership to be a foreign policy priority, but did not make the necessary commitments to domestic changes and did not decrease their dependence on Russia, mostly continuing to rely on Russian energy.

The "Rainbow Revolutions" have most unexpectedly changed the ENP agenda: the European Union has been challenged to implement a two-pronged approach, guiding transition while integrating the ENP countries into the Euro-Atlantic structures. Yet the reality following this feast of democratic change is more complicated. Beyond the democratic breakthroughs of free and fair elections, freedom of the media and a new spirit of transition, Georgia and Ukraine so far have not succeeded in implementing a clear-cut transition strategy. Both transition processes suffer from shortcomings in the reform teams and broad-based political parties. Tbilisi almost has no opposition beyond President Saakashvili, while Kyiv lacks a government capable of acting. During this challenging period of transition, the EU is losing momentum by not being able to offer the desired prospects of membership. Overall the linkage between the development in the neighbouring countries and the ENP is too weak to implement the related European interests.[2] At the same time, Russia is poisoning the situation by using trade embargos and energy dependence as a mechanism for maintaining post-Soviet hegemony.

An Attractive European Neighbourhood Policy

The most positive outcome of adopting the European Neighbourhood Policy is the related agenda-setting. There is no longer any doubt that the ENP is part of the European agenda. However, a substantive evaluation requires an assessment of how effective

the ENP is at fulfilling the goals set by the Union. The ENP is dedicated to creating a "ring of friends" consisting of countries bordering the European Union. From a geographic perspective, it is necessary to differentiate between the East European agenda and the Mediterranean agenda. The neighbourhood in Eastern Europe is a consequence of the latest enlargement, which granted membership to eight Central European countries that have well-developed relations and strategic alliances with their neighbours further east. Very often bilateral relations, for instance between Poland and Ukraine, were also targeted at strengthening the political balance against Russia. Furthermore, among these countries Moldova and Ukraine are in the process of transition to Western-style market democracies, and they are trying to use European integration as a means of measuring their development. Considering their growing strategic significance and potential for democratic change, the European Commission decided to broaden the ENP agenda to include Kazakhstan, Armenia and Azerbaijan, while in the Mediterranean, the ENP agenda has been limited to the interest of southern EU member states in preventing migration and keeping the internal balance of European integration.

In principle, the ENP opens a broad spectrum of functional cooperation at all four levels of European integration: the freedom of movement of goods, services, capital and people.[3] That would potentially include implementing free movement from Lisbon all the way to Lugansk. Beyond functional cooperation, however, the ENP does not offer any kind of institutional tie, which differentiates this approach from the strategic option of membership. Nevertheless, the interests are quite similar to the interests related to membership. The European Commission has declared its support for security, stability and prosperity beyond the Union's borders through strengthening cooperation, having a positive impact on solving regional conflicts, and supporting the transition to democracy and a market economy. Common values, strengthening political dialogue, economic and social cooperation, increased trade relations, as well as cooperation in the field of justice and home affairs are the blueprint of the ENP.

Beyond this general approach, the ENP should be tailored to the particular requirements of each country concerned by elaborating and implementing country

[1] Iris Kempe, Helmut Kurth (eds.): Presidential Election and Orange Revolution. Implications for Ukraine's Transition, Kyiv 2005.

[2] Iris Kempe: Die Ukraine als Testfall für die Europäische Nachbarschaftspolitik, in: Der Bürger im Staat, Nos. 1-2, 2007, pp. 36-42.

[3] European Commission: European Neighbourhood Policy: Strategy Paper. Communication from the Commission. Brussels, 12 May 2004, COM(2004) 373 final.

analyses and country strategy papers.[4] Without going into details, it is easy to see some shortcomings in the country action plans. For instance, the Ukrainian action plan was adopted on 9 December 2004, at the very moment when the "Orange Revolution" in Ukraine initiated a new wave of democratic transition guided by European values. The democratic opposition in Ukraine, supported by a huge amount of civil society activism, already fulfilled the priorities of the ENP action plan dedicated to implementing democratic values and demanding free and fair elections, freedom of the media and a strong civil society. Beyond these goals, the ENP did not offer guidelines to maintaining democratic transition beyond the first decisive step of free and fair elections. Without offering prospects for membership, the European Commission cannot offer a master plan for shaping transition.[5]

At its beginning, the ENP did not have separate funding but was based on other budgetary resources. Between 2000 and 2003, €1332.2 million were allocated by TACIS, covering Eastern Europe, and €2383.9 million by MEDA, financing the ENP in the Mediterranean.[6] Starting with the new 2007-13 EU budget, the ENP will have a dedicated budget. While the overall amount of money increased by 35 per cent, the balance between the two regions remains the same. Approximately 70 per cent of the resources are targeted at the Mediterranean and 30 per cent at Eastern Europe. In contrast to the overall strategic framework of the ENP, Russia also is part of the ENP budget, but is not part of the monitoring processes that track the implementation of European interests.

Benefits and Shortcomings of the ENP

The most important benefit of the ENP remains the related agenda-setting. Asymmetries between the European Union and its neighbouring countries, and democratic striving that is oriented towards Western values but still struggling for success in neighbouring countries, can no longer be ignored. Apart from its overall positive development, the ENP has some shortcomings that make the approach less attractive

for the countries concerned, and in particular for the East European neighbours.

The ENP lacks differentiation between the East European agenda, which covers new neighbours that have the potential to join the European Union, and the Mediterranean agenda that is targeted at keeping the internal balance of European integration.[7] Putting both agendas in the same strategic basket neglects the different preconditions concerning cooperation, interests, regional conflicts and the general framework. From the perspective of the neighbouring countries, combining both areas has been perceived as ignoring their European orientation and has decreased the attractiveness of the ENP from the very beginning. The budgetary planning of spending 70 per cent on the Mediterranean neighbours also implies a certain regional priority which does not correspond to the pressure from Central and Eastern Europe. The country action plans are an important step for covering particular regional requirements but they are not flexible enough to take into account fundamental changes such as the Orange Revolution in Ukraine, which immediately rendered the action plan obsolete.

From a strategic perspective, the absence of conditionality is the biggest weakness of the ENP. In shaping its external relations, the European Union is in a deadlock. It also suffers from the EU integration crises, in particular the problems concerning the adoption of the European constitution. The EU appears neither interested nor ready to use the tool of further enlargement, regardless of the domestic state of affairs in the ENP countries. The ENP is dedicated to implementing the acquis in the neighbouring countries without offering the necessary institutional incentives. Therefore, the ENP not only remains limited in its influence in shaping the transitional process in the neighbouring countries, but also limited in its attractiveness as long as the Commission is not interested in applying a conditionality approach.

In its substance, the ENP concentrates on bilateral cooperation between the Commission and the neighbouring countries, neglecting cooperation on the regional level. Developments in the Balkans demonstrate that stability beyond the Union requires regional cooperation. Concentrating external relations solely on the European Union might have a negative impact on relations among neighbouring countries. Again, one can

[4] Communication from the Commission to the Council on the Commission proposal for action plans under the European Neighbourhood Policy (ENP), Brussels, 9 December 2004, COM(2004) 795 final.

[5] Clara O'Donell, Richard Whitman: Das Phantom-Zuckerbrot. Die Konstruktionsfehler der ENP, in: Osteuropa, Nos. 2-3, 2003, pp. 95-104.

[6] Annex: MEDA and Tacis Assistance to ENP Partner Countries in the period 2000-2003, in: Communication from the Commission … , op. cit., p. 30.

[7] Maxime Lefebvre: France and the European Neighbourhood Policy, in: Foreign Policy in Dialogue, Volume 6, Issue 19, July 2007, pp. 19-14.

hardly imagine the creation of a regional identity that unites both agendas of the ENP, the East European and the Mediterranean.

The ENP cannot be regarded as an approach to interacting with authoritarian regimes and is only of limited use as a strategy for supporting regime change. Even if supporting democratic transition is in the European interest, the EU does not have a strategy applicable to overcoming the isolation or self-isolation of authoritarian regimes. The Union could, for instance, offer increased cooperation with the democratic opposition and contacts with Europe at all levels outside the regime. Belarus, which directly borders the European Union, is the most challenging case for the ENP.

Russia also has a strong interest in shaping its European neighbourhood.[8] So far, the Kremlin has used personal contacts, energy dependence and trade relations to maintain its influence on the successor states of the former Soviet Union, which are also perceived in Russia as "the near abroad". Issues such as the Kaliningrad question, reliable energy supply and secessionist conflicts in Moldova and Georgia demonstrate that problems in the ENP countries cannot be solved without considering Russian interests. As long as Russia violates European values, such as democratic standards and human rights, the country will remain a difficult partner. Nevertheless, the Kremlin is too important for at least some aspects of the ENP agenda not to take Russia seriously.

Overall Assessment

The ENP offers only to a limited degree a realistic and attractive approach to fulfilling the strategic goals that have been identified by the European institutions: preventing a new division in Europe, strengthening security and improving stability in the neighbouring countries. After two years of experience with implementing the ENP, a critical assessment indicates that the policy is not an alternative to enlargement and does not strengthen the EU's strategic position as a global player intent on narrowing the strategic gap between Russia and the West by means of a limited impact on the transition and European orientation of the neighbouring countries. Overall, the shortcomings of the ENP are related to the absence of a strategic vision. The ENP can be perceived as a mixture of EU instruments based on technical assistance (MEDA, TACIS), that also uses the mechanisms of enlargement

but without offering the necessary institutional commitments which would make the decisive difference. So the unclear focus of the ENP is reflected by the huge and non-homogeneous regional focus combining Eastern Europe, the Caucasus, the Mediterranean and to some extent even Russia.

Overcoming the strategic gap would first and foremost include a debate about the future of Europe. As long as the European Union cannot overcome its fatigue concerning integration and enlargement, the toolbox that the EU can offer its neighbours will be reduced to a "neighbours of Europe", guided by cooperation, and not a "European neighbours" approach, targeted at integration. At the same time it is demanded that the ENP countries develop and implement EU association to a national priority, an agenda which so far does not correspond to highly disputed transition processes.

The latest proposals from the Polish, Lithuanian and German foreign offices[9] and, last but not least, the Communication from the European Commission on strengthening the ENP adopted on 4 December 2006[10] clearly indicate that EU member states and the European institutions are still eager to develop the ENP. The proposals include a far-reaching spectrum of suggestions such as including Warsaw's and Vilnius's demands to keep the membership perspective as open as possible, an option which might become a priority of Poland's EU presidency in 2011. Prior to Germany's EU presidency the Berlin foreign office suggested concentrating on the southern agenda of the ENP and on the suggestion by the European institutions to increase the attractiveness of the ENP by offering cooperation beyond membership and additional funding for ENP programmes.

To make a new strategic decision on how to shape policies beyond the EU's borders, it would also be necessary to consider that failing to offer an attractive approach would deprive the EU of an opportunity to have an impact on stability and security in states directly bordering the EU, which would burden EU member states as well weakening the Union's position as a global player.

8 Arkady M o s h e s : Priorität gesucht: Die EU, Russland und ihre Nachbarn, in: Osteuropa, Nos. 2-3, 2007, pp. 21-34.

9 Ministry of Foreign Affaires of the Republic of Poland: European Neighbourhood Policy – Eastern Dimension and EU-Ukraine Relations. Food for Thought/ Polish Proposals, Warsaw 2006; Policy proposals from Lithuania. Non-Paper: Reform of the Eurorpan Neighbourhood Policy, Vilnius, 20 September 2006; Berlin entwickelt neue Nachbarschaftspolitik, in: Frankfurter Allgemeinen Zeitung, 3.7.2006.

10 Communication from the Commission to the Council and the European Parliament on strengthening the European Neighbourhood Policy, Brussels, 4 December 2006, COM (2006) 726 final.

Petr Kratochvíl*

New EU Members and the ENP: Different Agendas, Different Strategies

The European Neighbourhood Policy is a policy the main aim of which is to create a ring of stable, friendly and democratic countries surrounding the European Union.[1] While this notion is generally accepted across the Union, major differences persist regarding how this affable state should be reached. Indeed, while some believe that this goal can be achieved without full membership of neighbouring countries, others forcefully disagree, claiming that membership must remain an open option for those who fulfil the Union's criteria.

It is new EU member states that are usually seen as the most emphatic bloc of proponents of further enlargement.[2] Consequently, new members are often attributed with almost metaphysical unity in their attitudes towards the East – they are all supportive of further enlargement, they are all very critical of Russia, and they are all dissatisfied with the ENP in its present form.

There is no doubt that on a general plane, all the above statements are more or less correct. Yet once we begin to explore the ten Central and Eastern European EU member states in more detail, we soon discover striking differences – both in their approach to the East and in their assessment of the ENP. The main focus of this article is, therefore, to explore the influence of the new members on the ENP at greater length, thus shedding more light on issues that would seem incomprehensible from a more superficial perspective. It suits the purpose of this article best to modify the division of new members introduced by Elsa Tulmets,[3] thus creating five categories of the East Central European EU members:

1. Poland

2. The remaining three Visegrad countries (Czech Republic, Hungary, Slovakia)

3. The Baltic countries (Estonia, Latvia, Lithuania)

4. The Balkan members (Bulgaria and Romania)

5. Slovenia

The hope of the author is that in this way it will become obvious that these countries' objectives vary substantially, both in the degree of importance they attach to the ENP and the geographical focus. While all these countries are more or less supportive of further enlargement (cf. Figure 1), they all have different favourites. For instance, the high support for the Moldovan membership in Romania may be viewed with mixed feelings in the Czech Republic. Similarly, while some new members have been promoting the EU's Eastern policy for almost a decade, others are true newcomers, and it is still difficult to assess their long-term influence. Moreover, the analysis of these five groups of countries makes it clear that two contending strategies of coping with the neighbourhood are emerging – the older "northern" strategy and the newer "southern" strategy, each with a different agenda, a different approach and a different attitude to external players.

Poland – the Regional Power

The only country that expressed a serious interest in shaping the ENP before 2004 was Poland. Indeed, some political analysts even believe that the whole Eastern Dimension of the EU's external relations was "a Polish invention".[4] Be that as it may, Polish Foreign Minister B. Geremek had already coined the term "Eastern Dimension" in 1998.[5] His proposal was picked up by his successor, Minister Cimoszewicz, who pre-

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[1] European Commission: Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours, Communication from the Commission to the Council and the European Parliament, 11 March 2003, COM (2003) 104 Final, http://ec.europa.eu/world/enp/pdf/com03_104_en.pdf.
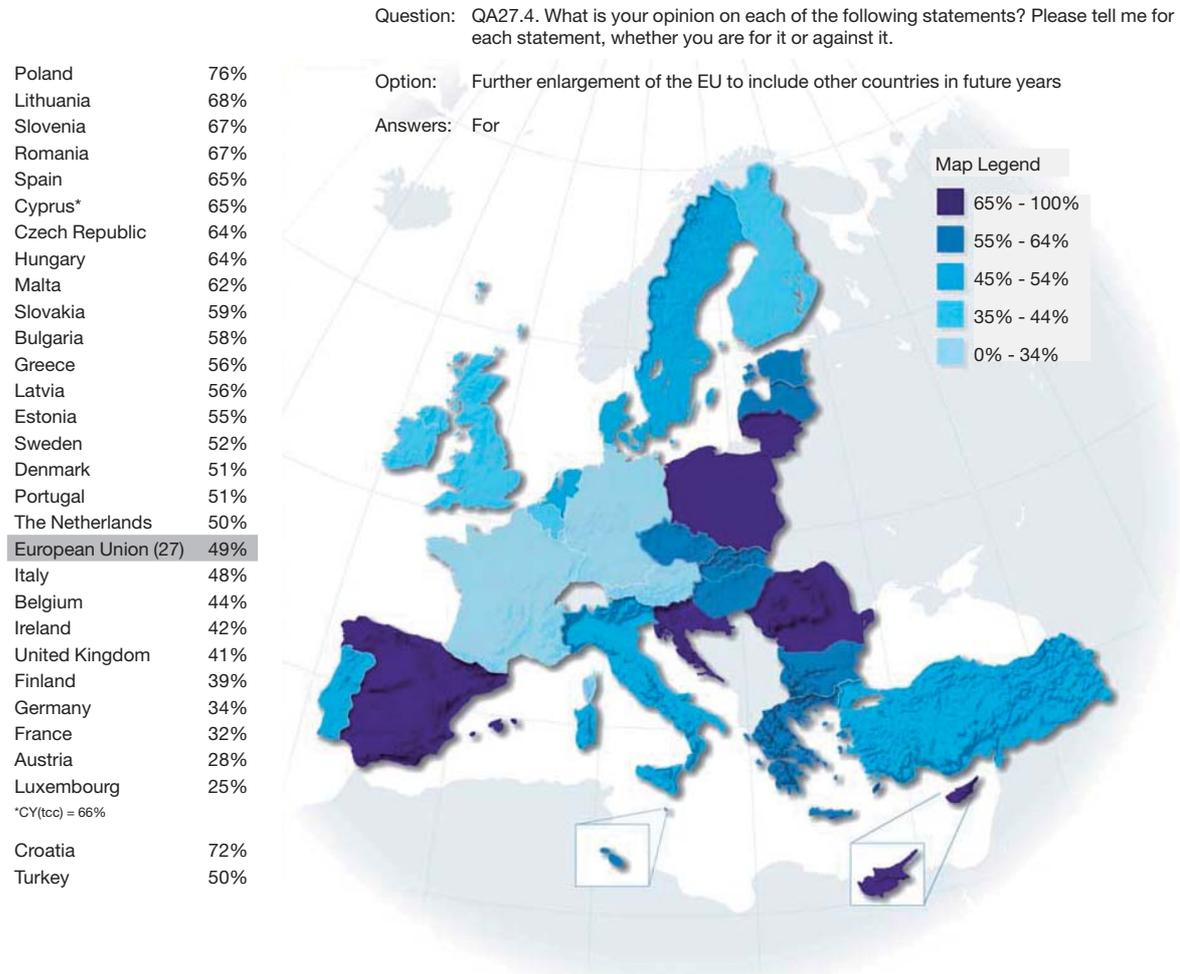
[2] A nice example is the document mentioned in footnote 1.

[3] As a result, the article's structure is similar to Elsa Tulmets: Postavení nových členských států v Evropské politice sousedství, Mezinárodní politika, 4/2007, pp. 11-13. However, the content of the article is entirely this author's. See also Petr Kratochvíl, Elsa Tulmets: Checking the Czech Role in the European Neighbourhood., Friedrich Ebert Stiftung Working Paper 2/2007.

[4] Iryna Solonenko: "Eastern Dimension" of the European Union – Invented Policy with no Clear Prospect, Heinrich-Böll-Stiftung 2005, http://www.boell.de/downloads_uk/SolonenkoJEAS05.pdf.

[5] Bronisław Geremek: Wystąpienie ministra spraw zagranicznych Rzeczypospolitej Polskiej Bronisława Geremka na otwarcie negocjacji Polski o członkostwo w Unii Europejskiej, Brussels, 31 March 1998, http://www.zbiordokumentow.pl/1998/1/2.html.

Figure 1
Support for Further Enlargement

Question: QA27.4. What is your opinion on each of the following statements? Please tell me for each statement, whether you are for it or against it.

Option: Further enlargement of the EU to include other countries in future years

Answers: For

Poland	76%
Lithuania	68%
Slovenia	67%
Romania	67%
Spain	65%
Cyprus*	65%
Czech Republic	64%
Hungary	64%
Malta	62%
Slovakia	59%
Bulgaria	58%
Greece	56%
Latvia	56%
Estonia	55%
Sweden	52%
Denmark	51%
Portugal	51%
The Netherlands	50%
European Union (27)	49%
Italy	48%
Belgium	44%
Ireland	42%
United Kingdom	41%
Finland	39%
Germany	34%
France	32%
Austria	28%
Luxembourg	25%

*CY(tcc) = 66%

Croatia	72%
Turkey	50%

Map Legend

- 65% - 100%
- 55% - 64%
- 45% - 54%
- 35% - 44%
- 0% - 34%

S o u r c e : Eurobarometer 67, http://ec.europa.eu/public_opinion/archives/eb/eb67/eb_67_first_en.pdf.

sented a more detailed account of Polish preferences regarding Eastern Europe.[6] Even though this proposal deviated in some respects from the Wider Europe initiative,[7] it covered Ukraine, Belarus, and Moldova, but it excluded Russia. This was almost identical to the Eastern Dimension of the ENP shortly after its incep-

tion (i.e. after Russia refused to participate and before the countries of the Southern Caucasus were included).[8]

All these activities were closely related to the newly rediscovered Polish self-understanding as a regional power whose main tasks include the democratisation of Eastern Europe, particularly in Belarus and Ukraine. Modernisation and democratisation of the region gradually developed into Poland's foreign policy priority no. 1, with most of its attention focussed on Ukraine.[9] Part and parcel of the historical reconciliation between Poland and Ukraine has been, however, Polish advocacy

[6] Non-paper with Polish proposals concerning policy towards the new Eastern neighbours after EU enlargement 2002, http://www.mfa.gov.pl/Non-paper,with,Polish,proposals,concerning,policy,towards,the,new,Eastern,neighbours,after,EU,enlargement,2041.html; Włodzimierz C i m o s z e w i c z : The Eastern Dimension of the European Union. The Polish View, Speech by Włodzimierz Cimoszewicz, Polish Minister of Foreign Affairs, at the Conference "The EU Enlargement and Neighbourhood Policy", Warsaw, 20 February 2003, http://www.polishembassy.ca/files/The%20Eastern%20Dimension%20of%20the%20European%20Union.pdf.

[7] European Commission: Wider Europe – Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours, op. cit.

[8] Cf. Elsa T u l m e t s , op. cit.

[9] Cf. Włodzimierz C i m o s z e w i c z : Polska w zamęcie świata, 2004, http://www.msz.gov.pl/12,czerwca,2004,r.,-,Polska,w,zamecie,swiata,-,artykul,Ministra,W.,Cimoszewicza,w,Gazecie,Wyborczej,1450.html.

of Ukrainian EU membership. In this context it is quite understandable that Poland has vigorously opposed all attempts to cast the nascent ENP as a substitute for enlargement. This sentiment is still common in the political discourse of many older EU member states (for instance in the countries of the Southern wing such as France, Italy and Spain, but also in Austria or the Benelux countries). Similarly, it is clear that for Polish diplomacy, the extension of the new Neighbourhood Policy to also include the Mediterranean countries was a heavy blow. Since membership for these countries was ruled out, the chances of "accession perspective" being mentioned in the ENP-related official documents decreased to zero.[10] As a result, Poland's attitude towards the ENP transformed from outright enthusiasm into somewhat restrained approval.[11] Nonetheless, Poland still remains the country with the most vested interests in the Eastern neighbourhood both politically and economically, and its leading role in the region is unlikely to change. What is likely to change, however, is the way in which Poland's role is perceived by other new member states (see below).

The Visegrad Countries – Big Potential, Modest Results

The remaining three members of the Visegrad Group (besides Poland), the Czech Republic, Hungary and Slovakia, all have a strong interest in furthering good relations with their Eastern neighbours. Both Hungary and Slovakia share a common border with Ukraine, and all three countries have either sizeable Ukrainian minorities in their territories or members of their own ethnic group in Ukraine. Naturally, this makes Ukraine a top priority for the whole Visegrad Group. However, the attention of the V4 was diverted to issues related to EU integration during most of the 1990s; this was, perhaps necessarily, paralleled by a neglect of the Eastern European space.

As a result, it has been only in recent years that Hungary, Slovakia and the Czech Republic started to return to the region. They did so mainly on a bilateral basis (Poland in the first place), but recently the Visegrad Group is focused on coordinating more activities for the East. The reason for this is that in the past, Visegrad cooperation was used mainly as a

tool for advancing the common position of these four countries during the EU accession negotiations. However, its rationale was exhausted after the enlargement – hence, the focus on the Eastern dimension of EU foreign policy seems to be the best bid for the organisation's new main priority.

Yet the Visegrad Group encounters a number of problems: First, the coordination in the group greatly depends on the rather fluctuating level of political tension among the four countries. For instance, Slovak-Hungarian disputes over the rights of the Hungarian minority in Slovakia[12] or Czech scepticism towards the organisation[13] rendered the V4 incapable of any significant action for prolonged periods of time. Second, unlike Poland, the three smaller Visegrad countries wish to maintain good relations with Russia, and sometimes they are even willing to sacrifice their ties with other East European countries. Finally, all four countries have their own priorities – clearly, Poland prefers a role of leadership rather than consensus seeking among Group members; Hungary concentrates on closer ties to Western-Ukrainian regions,[14] and Slovakia's priorities (especially vis-à-vis Russia) change frequently too. While the Czech support for the Eastern neighbours has been relatively consistent at the level of rhetoric, its foreign policy measures unfortunately show the opposite (for instance introducing visas for Eastern neighbours earlier than required by the EU).[15]

As a result, the V4's contribution to the ENP has been rather unfocussed and shaky. Yet strengthening the Group's role is still its main priority. Bearing witness to this statement are the repeated attempts to forge a common strategy on the ENP one recent example is the Czech (still unpublished) non-paper for the ENP (later adopted by the other three V4 members and supposed to kindle more support for the Czech position on the ENP prior to the Czech EU presidency in 2009).

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[10] Cf. Petr K r a t o c h v í l (ed.): The European Union and its Neighbourhood: Policies, Problems and Priorities, Prague 2006, Institute of International Relations.

[11] Cf. Piotr B u r a s, Karolina P o m o r s k a: Poland and the European Neighbourhood Policy, in: The New Neighbourhood Policy of the European Union, Foreign Policy in Dialogue, Vol. 6, Issue 19, 2006, pp. 34-43.

[12] On Slovak-Hungarian tensions and their impact on the V4 see "Row harms Slovak-Hungarian ties", BBC News, 31 August 2006, http://news.bbc.co.uk/1/hi/world/europe/5301412.stm; or "Visegrad Four dispute over Benes Decrees", Czech Radio, 27 February 2002, http://www.radio.cz/en/article/24446.

[13] For a sceptical Czech view of the V4 cf. Rozhovor prezidenta pro polský deník Gazeta Wyborcza (Interview of the President for the Polish Daily Gazeta Wyborcza), 9 April 2003, http://www.klaus.cz/klaus2/asp/clanek.asp?id=9Qd9VMOnp34B.

[14] Cf. New Europe 2020: Visions and Strategies for Wider Europe. Hungary's contribution to the EU New Neighbourhood Policy, speech by Gábor Zupkó, http://www.tukkk.fi/pei/NewEurope/Zupko.pdf.

[15] Petr K r a t o c h v í l, Elsa T u l m e t s: Checking the Czech Role in the European Neighbourhood., Friedrich Ebert Stiftung Working Paper 2/2007.

The Baltic Countries – Small but Trenchant

Although the three Baltic Countries are no heavyweights (unlike Poland), their influence in the Eastern European region is surprisingly strong. One reason for this is that Eastern Europe and Russia still remain their main focus for foreign policy activities outside of the European Union. All three of them have repeatedly expressed their wish to keep the prospect of membership open for Ukraine, Moldova and other post-Soviet countries,[16] and the ENP is of "utmost importance" for them.[17] Also, popular support for further enlargement is consistently high in all three, and Lithuania ranks only second after Poland with more than two thirds of its populace expressing pro-enlargement attitudes (cf. Figure 1).

While support for Ukraine is both historically and geographically understandable, it is important to note that many "Eastern" activities of the Baltic countries have a second, hidden component – that of reducing Russian influence in the region. For instance, the priorities of the Baltic Assembly, an international organisation promoting cooperation among the three countries, not only include "implementing the ENP in Eastern European countries"[18] but also "strengthening the reliability of energy supply".[19] The Baltic countries also insist that one of the main goals of the ENP should be to solve frozen conflicts, virtually all of which are directly or indirectly related to Russia.[20] Most tellingly, there are strong ties between the Baltic countries and the GUAM countries (Georgia, Ukraine, Azerbaijan and Moldova), which are seen as the most West-leaning countries of the CIS.[21] In this effort, the Baltic countries are also joined by Poland.[22]

Undoubtedly, the links of the Baltic countries with the CIS would have existed even if the ENP framework were not in place. However, the Baltic countries have recently started to use the ENP as the main vehicle for activities towards the region. This is also why the Baltic countries voiced their wishes to include Armenia, Azerbaijan and Georgia into the ENP's framework and enthusiastically welcomed them when this happened.[23] To support these countries even further, the Lithuanian Foreign Minister, Antanas Valionis, officially declared his support for the prospective membership of the Southern Caucasus.[24] In turn, Estonia boasts a special partnership with Georgia, counting it among the three priority countries of Estonia in the region (together with Ukraine and Moldova). For example, in 2004 Georgia received approximately one third of all of Estonia's development aid.[25]

To sum up, the Baltic countries have succeeded in finding their niche in the EU's external policies where their value is clearly visible. This niche consists of mainly traditional partners in the Western part of the CIS, but it also includes the countries of the Southern Caucasus. However, the corner stone of a more solid success (regarding, for instance, the resolution of the frozen conflicts in the region) would require reconciling their strategies with sometimes outright antithetical measures taken by the biggest player in the region – the Russian Federation.

Bulgaria and Romania – New Blood in the ENP?

Although Bulgaria and Romania are "newbies" in the Union, their impact on the ENP is already quite palpable. Two main reasons for their (potential) influence stand out: the focus on the Black Sea and on the frozen conflict in Transnistria.

Recently, it has become quite fashionable to talk about Black Sea cooperation, and the accession of these two countries increases the EU's presence in the region quite markedly. Multilateral cooperation in the region takes place in several forms – in the Organisation of Black Sea Economic Cooperation, The Black Sea Forum and the so-called Black Sea Synergy (under the umbrella of the ENP)[26] in all of which the two countries actively participate. Importantly, regional

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[16] E.g. Minister of Foreign Affairs pays official visit to Kiev, 1 November 2003, http://www.am.gov.lv/en/ukraine/news/press-releases/template-embassy/?pg=3219; Address of President of the Republic of LithuaniaValdas Adamkus "Future of Europe: Lithuanian Perspective" at Ecole des Sciences Politique de Paris, 7 October 2005, http://www.president.lt/en/news.full/6056; Joint Declaration by the President of Estonia Toomas Hendrik Ilves and the President of Ukraine Victor Yushchenko, 12 December 2006, http://www.president.ee/en/duties/statements.php?gid=85607.

[17] Address by the Minister of Foreign Affairs Kristiina Ojuland at the event "Dialogue with a new Member State: Estonia" in Vienna, 28 September 2004, http://www.vm.ee/eng/kat_140/4828.html.

[18] Priorities for the Baltic Assembly, 2006, http://www.baltasam.org/images/front/_pdf/piorities.pdf.

[19] Ibid.

[20] Cf. Ureas P a e t: Thinking Forward, speech at the European Affairs Institute in Dublin 2006, http://www.iiea.com/images/managed/events_attachments/IEA_Paet_speech.pdf.

[21] Cf. Foreign Minister meets with ambassadors from GUAM countries, 1 March 2007, http://www.am.gov.lv/en/ukraine/news/press-releases/template-embassy/?pg=9017.

[22] Cf., for instance, the list of Polish priorities in EU-25/27 Watch, No. 4, January 2007, http://www.eu-consent.net/library/EU25Watch/EU-25_27%20Watch%20No.%204.pdf.

[23] Cf. the chapters on Lithuania and Estonia in EU-25 Watch, No. 1, December 2004, http://www.eu-consent.net/library/EU25Watch/EU-25_Watch-No1.pdf.

[24] Ibid.

[25] Estonian Foreign Policy Yearbook 2006, Estonian Foreign Policy Institute, http://www.evi.ee/lib/valispol2006.pdf.

[26] Cf. European Commission: Black Sea Synergy – a new regional cooperation initiative, Communication from the Commission to the Council and the European Parliament, Brussels, 11 April 2007, COM (2007) 160 Final, http://ec.europa.eu/world/enp/pdf/com07_160_en.pdf.

cooperation is supported by several key players, e.g. Germany, keen to keep its ENP Plus strategy alive[27] and the European Commission, which believes that the ENP (often criticised for being narrowly bilateral) could be given a more multilateral slant this way.[28]

The growing attention to the cooperation in the Black Sea region is, however, a mixed blessing for some countries, particularly for Poland. If this region becomes the primary focus of the ENP's Eastern dimension, a substantial geopolitical shift will take place. First, the move southward will decrease the role of Poland and the Baltic countries. Also, so far being the most fervent ENP players in the East, they do not geographically belong to the region and their expertise in the region (unlike in Belarus and Ukraine) is rather limited. Second, while virtually all Eastern ENP partners are present in the region, Belarus is the sole exception, and it could become even more isolated and disappear from the EU's political radar. Third, a Black Sea centred approach brings several "external actors" back into play – most importantly Russia, self-excluded from the ENP several years ago. Also, Turkish participation should not be ignored. It is rather telling that in the Black Sea Synergy communication, the European Commission includes several countries as participants that are not Black Sea littoral states (e.g. Greece, Moldova, Armenia etc.) but does not include Poland.[29]

Another reason this region is important for the ENP is that one of Europe's few remaining frozen conflicts, i.e. Transnistria, is also located in this region. It is true that several new member states claim that Moldova (and the Transnistrian conflict) is one of their main priorities in the area (Poland, Czech Republic, Estonia and others), but the geographical, historical and ethnical proximity makes Romania a particularly relevant actor in the conflict's resolution. As a result, notwithstanding the currently rather muted support for Moldovan membership from Romania, it is hardly imaginable that Romania would not push for Moldova's accession in the future.

Slovenia – Not So Eastern European

The Slovenian case is proof that East-Central European new member states cannot be generalised when

Table 1
Differing Preferences and Strategies

	Importance of the eastern dimension	Main geographical focus	Start of involvement	Relation to Russia
Poland	Top priority	Ukraine, Belarus	Before 2004 enlargement	Tense
Baltics	Top priority	Ukraine, Belarus, Southern Caucasus	Mainly after 2004	Tense
Visegrad (-Poland)	One of several priorities	Ukraine, Moldova	Mainly after 2004	Cautious
Bulgaria+ Romania	One of several priorities	Black Sea, Moldova	Mainly after 2007	Good
Slovenia	Less important	Both South and East	Mainly after 2004	Good

discussing the ENP. In several respects, the Slovenian position resembles that of Southern European EU members such as Italy. In particular, Slovenia places considerable stress on the ENP's Southern dimension and on its own active participation in the Euro-Mediterranean Partnership.[30] In addition, Slovenian relations with Russia are, unlike those of most other new member states, more or less free of tension. Slovenia also comes closer than other new members to a "Russia-first" policy.[31]

Conclusion

The above analysis shows that it is highly misleading to treat all new EU member states as a bloc with identical preferences and similar strategies for attaining them. Aside from the general willingness to enlarge the Union further, there is hardly any issue related to the Eastern dimension of the ENP where consensus rules among them. Not only do the countries assess the importance of the ENP for their foreign policies differently, but they also focus on different neighbours. The results are summarised in Table 1.

It is also noteworthy that with the latest wave of enlargement, two different conceptions of the ENP in the East have started to crystallise. The older conception is advocated by the "northern tier" of new members clustered around the Baltic Sea: they focus mainly on Ukraine and Belarus and are highly critical of Russia's behaviour in the region. Therefore, their ties with ENP partners are often, at least partially, motivated by common feuds with Russia (e.g. Georgia) and are predominantly bilateral. The newer conception is strongly

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[27] Iris K e m p e: Was sind die Pfeiler einer "Neuen Ostpolitik" im Rahmen der Deutschen EU-Präsidentschaft, Caucaz Europenews, 19 March 2007, http://www.caucaz.com/home_de/breve_contenu.php?id=230.

[28] Cf. European Commission: On Strengthening the European Neighbourhood Policy, Communication from the Commission to the Council and the European Parliament, Brussels, 4 December 2006, COM (2006) 726 Final, http://ec.europa.eu/world/enp/pdf/com06_726_en.pdf.

[29] European Commission: Black Sea Synergy – a new regional cooperation initiative, op. cit.

[30] Ana B o j i n o v i ć, Petra R o t e r: contributions in EU-25 Watch, No. 1, December 2004, http://www.eu-consent.net/library/EU25Watch/EU-25_Watch-No1.pdf.

[31] Cf. the stress laid on Russia in ibid.

preferred by the "southern tier" of new members, i.e. mainly Romania and Bulgaria: the main attention concentrates on the Black Sea Region, and it is strongly multilateral and of a more inclusive nature (encompassing Turkey and Russia). The newer conception also effaces the distinction between members (Romania, Bulgaria), candidates (Turkey), ENP partners (Moldova, Ukraine, Southern Caucasus countries) and third countries (Russia) more effectively.

In conclusion, not only do the new members sometimes differ in their preferences and geographical focus, but they also stand for different visions of future arrangements in the region. It is too early to predict which of these two conceptions will prevail in the end or whether they will eventually merge, but it is already clear that the Eastern ENP is gaining new momentum and will undoubtedly remain one of the most innovative EU policies for years to come.

Fulvio Attinà*

EU Relations with the Southern Mediterranean Neighbours

The EU policy towards the countries of the Mediterranean area, already known both as the Barcelona Process and as the Euro-Mediterranean Partnership (EMP), has been renamed the policy of the Euro-Mediterranean Neighbourhood Space. In November 1995, the European Community, the governments of the member states, and those of Cyprus, Malta and ten Mediterranean countries from North Africa and the Middle East area signed two documents, the Barcelona Declaration and the EMP Work Programme, designed to open a new process of cooperation in three broad areas. Separately presented in the three Chapters of the Declaration, the areas were: politics and security; trade, economy and finance; society, human relations and culture. In 2003, the Barcelona Process was said to be *strengthened* by its absorbtion into the European Neighbourhood Policy (ENP), the new EU programme designed to build strong and viable relations with all the countries of the areas surrounding the EU's borders.[1] Actually, the launching of the ENP caused discontent in the governments and social sectors of the Mediterranean partners because it changed important aspects of the EMP, such as the multidimensional and multilateral dimension, in favour of the asymmetrical model that had marked past relations between the EU and its southern partners.

Cooperation programmes are hardly new in the Euro-Mediterranean space. Since the early 1960s, a large number of bilateral agreements and collective projects have been produced and reformed by the European Union in order to overcome inadequacy problems and search for better outcomes. For this reason, at the time of its inauguration, the Barcelona Process was cheered as an innovation because it was the first time ever in the history of Euro-Mediterranean agreements that policy-makers solemnly promised to undertake simultaneous actions in such different sectors as those of the three Chapters. The execution of the ambitious cooperation programme was assigned to a light structure of various bodies which were mandated to act in a flexible and progressive manner. The only exception to the flexible cooperation model was the loudly spoken, primary goal of the Process, i.e. the instauration of the Euro-Mediterranean free trade zone in the year 2010. It is worth adding here that defining cooperation as "partnership" was also a novelty. In fact, the term epitomised the common will to abandon the uneven, past relations between the European states as donors and the Mediterranean partners as receivers.[2]

No international organisation and international legal instrument has been created to direct the EMP, which has always been based on political rather than legal documents. The Barcelona Declaration was the first one. The last important one was released on 28 November 2005 by the Barcelona Summit celebrating the tenth anniversary of the Partnership. In compliance with the Work Programme objectives, various initiatives and implementation programmes have been launched. Responsibility for the execution of the pro-

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[1] Fulvio Attinà, Rosa Rossi (eds.): European Neighbourhood Policy: Political, Economic and Social Issues, Catania 2004, The Jean Monnet Centre "Euro-Med"; Raffaella Del Sarto, Tobias Schumacher: From EMP to ENP: what's at stake with the European Neighbourhood policy towards the Southern Mediterranean?, in: European Foreign Affairs Review, Vol. 10, No. 1, 2005, pp. 17-39; Sharon Pardo, Lior Zemer: Towards a new Euro-Mediterranean Neighbourhood space, in: European Foreign Affairs Review, Vol. 10, No. 1, 2005, pp. 39-78.

grammes has been given to bodies of a different nature, namely a small number of institutional players and a large number of expert networks. The two most important bodies consist of institutions of the Union and the partner states, i.e. the Euro-Mediterranean Committee of the Barcelona Process that consists of the EU troika, one representative of each partner state, the European Commission, and the High Representative of the CFSP; and the Annual Meeting of the foreign affairs ministers of the EMP countries. The Euro-Mediterranean Committee is the central structure of the cooperation process. It meets bimonthly, and presides over all the programmes and actions. It prepares the meetings of the foreign affairs ministers, and supervises all the sectoral ministerial meetings that gather the EMP ministers competent in the various branches of the cooperation process. The European Commission holds the secretariat of the Euro-Mediterranean Committee and, therefore, is the strategic player in the Barcelona Process.

In addition to these policy and administration bodies, a large and varying number of bodies prepare and take part in the execution of the programmes. They are formed by government representatives, experts and civil society representatives. At the time the EMP was launched, these bodies were also expected to develop decentralised cooperation, i.e. cooperation autonomous from the national governments. However, emphasis on this form of cooperation has been gradually restrained by the EMP authorities in spite of its importance to the objective of connecting the EMP and the societies of the member countries. As a matter of fact, the annual Civil Forum, the most important EMP "unofficial" event, that gathers the representatives of social movements and organisations favourable to stronger cooperation activities, has been changed

into a somewhat routine event. In contrast, in 2006 the Parliamentary Assembly of the EMP was reformed and had a new start after years of weak performance.

In order to assess the state of the Process, it is worth having a brief look here at the main topics of the Conclusions of the Conference of the tenth anniversary of the Barcelona Declaration. They consist of the Declaration of the President, the new five-year Work Programme, and the Anti-terrorism Behaviour Code.

The Declaration of the President vows to build an area of peace, stability and prosperity in the Mediterranean through achieving the goals of strengthening security, solving regional conflicts, reinforcing democracy, the state of law and human rights, promoting sustainable economic development, adopting measures to fight exclusion and poverty, and promoting understanding between cultures and people. In the Declaration, peace in the Mediterranean is tied to the non-proliferation of nuclear, chemical and biological weapons, and the "two states solution" in the Middle East, i.e. the creation of a sovereign Palestinian state living in peaceful relations with the state of Israel. In the economic cooperation field, priority is given to achieving the goal of the free trade area in 2010 through economic reforms, the promotion of domestic and foreign investments, the increase of government funding, the strengthening of the private sector, the improvement of juridical systems, the enhancement of services and integrated transports, and the establishment of the Euro-Mediterranean energy market. The completion of Mediterranean water de-pollution is scheduled for 2020. In the five-year Work Programme, besides commitment to enhance economic cooperation and tackle immigration problems, schedules are fixed in the field of education. Illiteracy is to be cut by half by the year 2010, and gender disparity in education is to be eradicated by the year 2015. In the Anti-terrorism Behaviour Code, commitment to fight terrorism within the framework of all the United Nations initiatives is affirmed.

Explaining the Barcelona Process

Certainly, the Mediterranean area is a complex case of regionalism. In current social studies, regional cooperation is viewed through two different perspectives, the traditional and new regionalist perspectives. A comparative presentation of the two perspectives is offered by Vayrinen.[3] In the former, regional cooperation is the effect of the common political and cultural traditions of the states of the region. The closer

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[2] For more on the EMP cf. Emanuel Adler, Federica Bicchi, Beverly Crawford, Raffaella A. Del Sarto (eds.): The convergence of civilizations. Constructing a Mediterranean Region, Toronto 2006, University of Toronto Press; Fulvio Attinà: The Euro-Mediterranean Partnership assessed: the realist and liberal views, in: European Foreign Affairs Review, Vol. 8, No. 2, 2003, pp. 181-200; Fulvio Attinà: Barcelona Process, the role of the European Union and the Lesson of the Western Mediterranean, in: Michael Bonner, Megane Reif, Mark Tessler (eds.): Islam, Democracy and the state in Algeria, Milton Park 2005, Routledge, pp. 140-152; Fulvio Attinà, Stelios Stavridis (eds.): The Barcelona Process and Euro-Mediterranean issues from Stuttgart to Marseille, Milan 2001, Giuffrè; Richard Gillespie (ed.): The Euro-Mediterranean Partnership. Political and economic perspectives, 1997, Frank Cass; George Joffee: Perspectives on development. The Euro-Mediterranean Partnership, 1999, Frank Cass; Stefania Panebianco (ed.): A new Euro-Mediterranean cultural identity, London 2003, Frank Cass; Eric Philippart: The Euro-Mediterranean Partnership: a critical evaluation of an ambitious scheme, in: European Foreign Affairs Review, Vol. 8, No. 2, 2003, pp. 201-220; Dimitris K. Xenakis, Dimitris N. Chryssochoou: The emerging Euro-Mediterranean system, 2001, Manchester University Press.

[3] Raimo Vayrinen: Regionalism: old and new, in: International Studies Review, Vol. 5, No. 1, 2003, pp. 25-52.

to one another the social and political institutions of the countries of the region are, the more countries are inclined to cooperation and the easier will be the building of international institutions to further multi-lateral cooperation. In other words, the intensification of social relations buttresses the creation of common political institutions to manage interdependence problems. In turn, common values, institutions and culture underpin the constant growth of social relations and exchange flows. This vision of regional cooperation owes very much to the study of political communities conducted many years ago by Karl Deutsch[4] with the aim of explaining the formation of federal states and two forms of international community, the *non amalgamate* community that has no common political institution like the Atlantic community of the North America and Western Europe countries, and the *amalgamate* community that is sustained by common institutions like the European Union. Despite wide acceptance of this model by regional analysts, its explanatory power for current regional processes has been considered increasingly weak. On this recognition, new regionalism has flourished.

New regionalism interprets the current process of cooperation in different areas of the world as the result of strategic decisions by national governments and various stakeholders who consider regional cooperation the best way to face interdependence problems. In this perspective, regional cooperation is the effect of the need for coordinating the public policies of the states of a region in order to face problems caused by globalisation in sectors as different as economy, environment, culture, migration, health and crime. Therefore, missing common institutions and the existence of cultural distance are regarded by analysts as insurmountable obstacles to cooperation when national leaders perceive domestic policies as being heavily dependent on coordination with neighbouring countries, and agree to give common institutions the task of supervising regional cooperation.

Since cultural and institutional homogeneity was recognised by analysts as very important to regional cooperation, in the past the Euro-Mediterranean space was not the object of regional analysis. At the present time, many analysts are still sceptical about the appropriateness of using the tool box of regional analysis to explain Mediterranean dynamics. However, new regionalism gained ground in the 1990s, and the Mediterranean area has been increasingly considered by researchers as a region in which cooperation is in progress and institution-building is feasible and desirable.

The increasing perception of the Mediterranean as a region, however, is not without contest and debate among analysts. Two main positions have been singled out in a previous study.[5] On the one hand, EU action in the Mediterranean is interpreted as the European attempt to hegemonise the Mediterranean area.[6] On the other, EMP is seen as Med-partners' socialisation to the globalised economy in order to make the Euro-Mediterranean space an effective economic block.[7]

The two perspectives, however, are not neatly separated from one another. They agree on the factors at the origin of the Barcelona Process. Security reasons are not underestimated, but the principal reason is the state of the world economy during the 1980s. In particular, both perspectives signal increased competition after the economic crisis of the 1970s, and the consequent reforms of national economies based on deregulation and restructuring imposed by the developed states and world economic and financial institutions, like the International Monetary Fund and the World Bank. In that situation, the construction of regional trade blocks was accepted as unavoidable by many governments. Therefore, the Barcelona Process is appreciated as the right attempt to integrate the economies of all the countries of the region in a trade block in order to become stronger in the face of world economic competition.

There is agreement also on the fact that the difference between advanced European economies and the partners' backward economies gave the EMP the asymmetrical structure that gives the European economies the dominant position, and forces the other economies to adapt to European interests, at least until the former reach high industrialisation standards and fully integrate into the world economy.

[4] Karl W. Deutsch: Political community at the international level, New York 1954, Doubleday; Karl W. Deutsch et al.: Political community in the North Atlantic Area, Princeton 1957, Princeton University Press.

[5] Fulvio Attinà: The Euro-Mediterranean Partnership assessed … , op. cit.

[6] Cf. for example George Joffee, op. cit.; Volker Nienhaus: Promoting development and stability through a Euro-Mediterranean free trade zone?, in: European Foreign Affairs Review, Vol. 4, 1999, pp. 501-518; Claire Spencer: The EU and common strategies: the revealing case of the Mediterranean, in: European Foreign Affairs Review, Vol. 6, No. 1, 2001, pp. 31-52; Alfred Tovias, Mehemet Ugur: Can the EU anchor policy reform in third countries? An analysis of the Euro-Med Partnership, in: European Union Politics, Vol. 5, No. 4, 2004, pp. 395-418.

[7] Cf. for instance Fulvio Attinà, Stelios Stavridis, op. cit.; Richard Gillespie, op. cit.; Stelios Stavridis, Justin Hutchence: Mediterranean challenges to the EU's foreign policy, in: European Foreign Affairs Review, Vol. 5, No. 1, 2000, pp. 35-62.

There is further agreement on the fact that the objective of integrating the Euro-Mediterranean regional block into world competition explains the pressure of the European Union on the Mediterranean partners to make consequential domestic reforms. It is admitted that the Mediterranean economies cannot be competitive in the world economy without country modernisation. The Mediterranean partners have to deal with the challenge of becoming efficient economies in the world market through drastic reforms of their social structure and domestic politics. However, the requisite of domestic reforms is a matter of debate.

Some analysts warn about the risk of de-stabilisation caused by the accelerated reforms needed to achieve the objective of the free trade area. Accordingly, they warn also about the risk of excessive reliance on the ability of the European Union to manage all the problems connected with the free trade project. For instance, the European Union is able to furnish financial aid and negotiate preferential trade agreements, but is reluctant to give up protectionism in the agricultural sector. Furthermore, the European Union is incapable of sustaining strong and coherent political initiatives to help manage the domestic crises that unfold in the partner countries when governments design social and political reforms that provoke harsh domestic reactions.[8]

In conclusion, the divergent opinions of the researchers on the interpretation of the origins and future prospects of the Euro-Mediterranean cooperation are an indication of the complexity of cooperation in the area. They also show the ambiguity of the Barcelona Process in the sense that participants do not share the same view of cooperation.

To the European governments, the Barcelona Process is aimed at achieving the same goals as the European integration process, i.e. economic growth and social and political stability. They believe that the EMP should function like the European integration process. It should be progressive, i.e. moving from the economic to the political dimension; and flexible, i.e. continuously adapted to the problems it faces. The Euro-Mediterranean cooperation strategy should be as progressive, flexible and varying as the strategy of the European integration process has always been. Accordingly, EU institutions and governments did not hesitate to ask the Mediterranean partners to accept the new mechanisms of the Neighbourhood Policy

that seemed to them to be more appropriate than the EMP mechanisms for achieving the Barcelona Declaration goals.

By no means did the governments of the Mediterranean partner countries accept the European proposal without entirely sharing the views and methods of the Europeans. They aimed, above all, at profiting from financial and commercial cooperation even if some economic experts warned about the inherent dangers of that cooperation like, for instance, the danger that commercial liberalisation leads to the erosion of domestic industrial take-off capabilities rather than to fast economic development; the danger of social instability as the inevitable consequence of the restructuring policies; and the danger of reducing intra-area (or sub-regional) economic integration opportunities as the consequence of the asymmetrical integration into the European market. In addition, the Mediterranean partners' political grievances towards Europe have been increasing to the extent that they have recognised their inability to influence the Europeans on crucial problems like the Middle East and the visa and immigration issues.

Lastly, it is worth remembering that the Barcelona Declaration was considered the founding document of the Mediterranean security system. In the Barcelona Declaration, building security was the explicit objective of the EMP, and in the Work Programme governments pledged themselves to introduce measures and mechanisms of cooperative security.[9] Actually, expert dialogue and government negotiations attempted to define confidence building measures for the region, and to write down the Mediterranean Security Charter. The project, however, evaporated under the attack of the Middle East conflict, the Iraq war, and some bilateral conflicts between North African countries.

The Euro-Mediterranean Neighbourhood Space

The low profile of the implementation of the first Chapter of the Barcelona Declaration, namely the restrained support of the European Union for democratisation and the evaporation of the regional security process, and the continuing support of the European Union for the economic modernisation of the North African markets, indicate the conversion of the EU policy towards the Mediterranean neighbours during the last four years. This conversion is epitomised by

[8] Federica Bicchi, Laura Guazzone, Daniela Pioppi (eds.): La questione della democrazia nel mondo arabo, Monza 2004, Polimetrica.

[9] Roberto Aliboni, Fouad Ammor, Alvaro de Vasconcelos: Intégration et sécurité dans l'espace euro-méditerranéen, Lisbon 2002, Institute de Estudios Estratégicos e Internationais; Fulvio Attinà: The Building of Regional Security Partnership and the Security-Culture Divide in the Mediterranean Region, in: Emanuel Adler et al., op.cit., pp. 239-265.

the preferred current name of the Euro-Mediterranean cooperation space, i.e. the Euro-Mediterranean Neighbourhood Space, which represents the Mediterranean area as a sub-region of the wide region surrounding the European Union. In fact, the present EU approach to the sub-region is fully coherent with the approach to the whole wide region. Today's EU approach to the Mediterranean is mostly focused on achieving better economic and trade relations in order to socialise the markets of the partner countries to the world economy, and integrate them into the European economy. In the recent report of the Directorate-General for Economic and Financial Affairs "*European Neighbourhood Pol-*

icy: Economic Review of EU Neighbour Countries"[10] the problems of this change are neatly presented. The report recognises the good performance of the economies of the Mediterranean countries in the last two years but underlines the slow path of integration of these economies into the European economy. However, it expresses the belief that the action plans and association agreements of the European Neighbourhood Policy will help to overcome these problems on condition that the governance systems in the MED region improve.

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[10] Occasional Paper No. 30, June 2007.

Cemal Karakas*

Gradual Integration: A New Path to the European Union

The accession negotiations between the European Union (EU) and Turkey are the most complicated in EU enlargement history. They are different from previous ones because Turkish membership is widely unpopular amongst large parts of the EU population due to the unanswered questions about the political, socio-economic, cultural, religious and geographical limits of the European Union and its *finalité*.[1]

Yet the EU can have no interest in renouncing its goal of bringing in Turkey and strengthening Turkey's democratic development. A complete failure of negotiations would seriously harm the political credibility of the EU and give rise to nationalism and Islamism in Turkey. The resolution of the European Council to open negotiations with Turkey in December 2004 was accompanied by several guarantee clauses. These provide, in the case of failure to reach a complete agreement concerning Turkey's full membership, that even then "it must be ensured that the candidate state concerned is fully anchored in the European structures through the strongest possible bond".[2] This is because, as the resolution notes, both sides have a vital interest in deeper cooperation and integration, even a negative result of the negotiations notwithstanding. In light of the European Commission's decision toward the end of last year to put on hold key chapters of the accession process, it's worth looking at this option in detail.

The exact form that such a design would assume is not specified in the negotiating framework.[3] However, for the first time in the history of EU enlargement an option to put into practice a different model of integration and cooperation has been agreed upon. This represents a paradigm shift for the EU, and the negotiations with Turkey thus mark a significant departure from the classic enlargement procedure. In future accession negotiations, not only the capacity of a candidate country to fulfil the accession criteria will be taken into account but also the EU's capacity to absorb that country.[4]

Consequently, the debates over Turkey's readiness for the EU and over the alternatives to full member-

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[1] According to a poll by Eurobarometer, 48% of the EU-25 population was opposed to the accession of Turkey even if Turkey fulfilled all necessary criteria. Only 39% favoured membership, 13% had no opinion. Cf. Special Eurobarometer 255, Attitudes towards European Union enlargement, July 2006, available online at http://ec.europa.eu/public_opinion/archives/ebs/ebs_255_en.pdf, accessed 12 July 2007.

[2] Cf. Presidency Conclusions on the Council of the European Union meeting in Brussels of 16-17 December 2004, available at http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressdata/en/ec/83201.pdf, accessed 12 July 2007.

[3] The Negotiation Framework with the 35 chapters can be accessed at http://ec.europa.eu/enlargement/pdf/turkey/st20002_05_tr_framedoc_en.pdf, accessed 12 July 2007.

[4] Cf. European Commission: Enlargement Strategy and Main Challenges 2006-2007. Including annexed special report on the EU's capacity to integrate new members, Communication from the Commission to the European Parliament and the Council of 8 November 2006, COM(2006) 649 final, available at http://ec.europa.eu/enlargement/pdf/key_documents/2006/Nov/com_649_strategy_paper_en.pdf, accessed 12 July 2007.

ship are gaining renewed significance. Within these debates, the model of Gradual Integration, which was introduced in the summer of 2005, could be turned into an attractive alternative for the EU as well as for Turkey. It proposes a new method of integration that could develop into a new form of membership.[5]

The Two Models: Supranational vs. Intergovernmental Design

Generally, the key question is which model would work best for both Turkey and the EU: supranational integration or intergovernmental cooperation? From Ankara's point of view, any alternative would have to go further than Turkey's political *status quo*, under which Turkey is – since the integration of the Western European Union (WEU) in EU structures – partially attached to the EU's Common Foreign and Security Policy (CFSP) and economically attached to the EU via the Customs Union since 1996.

As part of the Customs Union, Turkey has had to adopt important parts of the EU's *acquis communautaire*, notably in regulatory areas like customs, trade policy, competition, and the protection of intellectual, industrial and commercial property. Many obstacles to trade have been removed and common external duties have been introduced even though the Customs Union applies only to industrial goods and food products, not to services, agricultural produce and textiles. The EU's protectionism is designed to shield its member states from Turkish competition, and its effectiveness is illustrated by the size of the trade surpluses it enjoys. Turkey's trade deficit with the EU reached €7.9bn in 2006. This means, of course, that the EU draws great benefits from the current system.[6]

The Customs Union between the EU and Turkey is in a sense undemocratic in that Turkey has had to cede important parts of its national sovereignty without being represented in the EU's political decision-making mechanisms, and without having any influence on

its multinational decision-making process. That is no doubt why no other accession candidate in the history of EU enlargement so far has entered into a customs union with the EU prior to accession.

From the European Union's perspective, alternatives to Turkish accession only make sense if they address Europe's fear of unlimited freedom of movement of people. Other concerns include, of course, the spectre of transfer payments running into billions of euros from the European structural funds, alarming levels of agricultural assistance, and the serious overextension of the EU institutions.[7]

It is therefore worthwhile looking at the two alternative models to full Turkish membership.

The Supranational Design

The supranational design would be based on Article 49 of the Nice Treaty and the European Council December 2004 decision, which no longer treat Turkey as a "third state" but as an official candidate country. This means that during the accession process Turkey has to implement the *acquis* in its entirety.[8]

The design provides for participation at the supranational EU level with the right to joint decision-making in all EU institutions (Commission, Council, Parliament, Court etc.) after accession. As an EU member state, Turkey could participate in such core areas of European integration as the Single Market. The EU's resolution on Turkey envisions Turkish accession, but it also provides for long transitional periods and specific arrangements as is the case with the new EU member states Bulgaria and Romania.

Furthermore, the arrangements suggested for Turkey include the following unprecedented aspects.

- The Council, acting by unanimity on a proposal by the Commission, will lay down benchmarks for the provisional closure and, where appropriate, for the opening of each chapter of the Negotiating Framework.[9] Theoretically, any country could raise a veto

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[5] Cf. Cemal K a r a k a s : Für eine Abgestufte Integration. Zur Debatte um den EU-Beitritt der Türkei, in: HSFK-Standpunkte, No. 4, 2005, see http://hsfk.de/downloads/Stanpunkte-4-2005(druckfrei).pdf. The discussion took place in Fabrizio T a s s i n a r i : Variable Geometries. Mapping Ideas, Institutions and Power in the Wider Europe, CEPS Working Document, No. 254, 2006; Jörg S c h n e i d e r , Barbara T h o m a : Formen der abgestuften Zusammenarbeit zwischen der EU und (Noch-) Drittstaaten. Vom Handelsabkommen zum EWR Plus, Deutscher Bundestag, Wissenschaftliche Dienste, No. 26, 2006; Erich R ö p e r : EU-Beitrittsverhandlungen mit der Türkei – beiderseits ergebnisoffen, in: Recht und Politik (RuP), Vol. 42, No. 2, 2006, pp. 97-104; Canan A t i l - g a n , Deborah K l e i n : EU Integration Models beyond Full Membership, Konrad-Adenauer-Stiftung Working Paper/Documentation, No. 158, 2006; Otmar O e h r i n g : Die Türkei. Auf dem Weg wohin?, in: Die neue Ordnung, Vol. 60, No. 1, 2006, pp. 32-43.

[6] Cf. Eurostat Euro Indicators of 22 March 2007, News Release No. 42/2007.

[7] Cf. Cemal K a r a k a s : UE-Turquie: l'hypothèse de l'intégration graduelle, in: Politique étrangère, Vol. 70, No. 3, 2006, pp. 663-673, here p. 667.

[8] Andrea Gates rightly emphasises that the EU's bargaining strategy makes extraordinary demands but offers no guarantees of any sorts, so that it is anything but certain that the Turkish government will be willing and able indefinitely to support all the substantial costs associated with EU-mandated reforms. Cf. Andrea G a t e s : Negotiating Turkey's Accession: The Limitations of the Current EU Strategy, in: European Foreign Affairs Review, No. 10, 2005, pp. 386-387.

[9] Cf. the Negotiating Framework for Turkey, Art. 21.

and thus draw out the accession talks, since a formal decision can only be made once all chapters have been concluded. In practice, especially France has used this new option to call for Turkey's adherence to the political aspects of the Copenhagen Criteria before starting the talks on new chapters.[10]

• The EU resolution on Turkey for the first time in history provides for permanent safeguard clauses.[11] They could apply to such areas as freedom of movement of persons, structural policies, and agriculture.[12] Although there are bilateral agreements between Member States and former accession candidates today that provide for safeguard measures, for example between Germany (labour market) and Poland (land acquisition), they may not exceed a term of seven years.

• The EU's resolution on Turkey allows member states to hold a referendum on Turkish accession. Besides the question of Cyprus, the referendums promised in Austria and France could be the main obstacles on Turkey's path to the EU.[13]

The resolution clearly discriminates against Turkey (through the benchmarks and the referendums) and actually offers it (through the long transitional periods and especially the permanent safeguard clauses) not a full but a "second class membership".[14]

The Intergovernmental Design

The second design would be based on intergovernmental cooperation and Article 310 of the Rome Treaty. Turkey would continue to be classified under the Association Agreement as a "third state". Proponents of this approach promise Turkey closer cooperation in select areas like foreign and security policy, culture, immigration, law enforcement etc. through bilateral agreements.

The most popular model of this design is the Privileged Partnership.[15]

The idea of Privileged Partnership was first discussed in 2002. It was put forth primarily by the Christian and conservative parties in Germany, France and Austria and has also been supported by Denmark and the Czech Republic. Promoters of this concept promise Turkey enhanced cooperation in certain areas (trade, culture, migration, foreign and security policy, crime etc.)

However, such forms of partnership already exist: Turkey has been attached to the EU via the Customs Union since 1996 and has participated for several years in EU programmes for research and development, environment, the twinning programme to modernise administration, and Erasmus, the exchange programme for students. The pattern for Turkey's role in this relationship is always: decision-shaping: yes; decision-making: no.

Turkey, quite rightly, has therefore rejected the Privileged Partnership. After all, why should a long-time accession candidate be interested in such loose integration options if they (a) rule out joint decision-making rights and (b) deny the prospect of full membership?

For the sake of its political credibility, the European Union has also quite rightly rejected the Privileged Partnership.

A Third Design: Gradual Integration

Gradual Integration is aimed at ensuring that the applicant country in question is "fully anchored in the European structures through the closest possible bond". Gradual Integration is entirely in the spirit of the EU resolution on Turkey and could represent a new path to the European Union.

The resolution is applied by more strongly interlinking institutions and by incremental political integration. Gradual Integration is largely geared toward the current EU rules for accession candidates while simultaneously venturing into new legal territory. The main differences between Gradual Integration and Privileged Partnership are that under the former approach, Turkey would be not only economically but also partially politically integrated.

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[10] Cf. "Türkei-Verhandlungen werden politisiert", Handelsblatt, 24 March 2006.

[11] Whether permanent safeguard clauses would be legally valid within the context of European law is unclear. The legality of this measure is contested by Heinz K r a m e r: EU-Türkei. Vor schwierigen Verhandlungen, in: SWP-Studie, No. 11, 2005. On the other hand, some experts consider such a step possible. Cf. Rudolf S t r e i n z: Die Türkei als Partner. Formen der Zugehörigkeit zur EU, in: Göttinger Online-Beiträge zum Europarecht, No. 34, 2005.

[12] Art. 23, 2nd indent, of the Presidency Conclusions of the European Union meeting in Brussels of 16-17 December 2004. See note 2.

[13] In France, it is the constitution that provides for this referendum in article 88-5. In Austria, both the old and the new government have promised to hold a referendum. See also the government policy statement, available at http://www.austria.gv.at/DocView.axd?CobId=19542, accessed 12 July 2007, pp. 7 ff.

[14] See also Christine L a n g e n f e l d: Erweiterung ad infinitum? Zur Finalität der Europäischen Union, in: Zeitschrift für Rechtspolitik, Vol. 38, No. 3, 2005, pp. 73-77.

[15] Cf. Karl-Theodor z u G u t t e n b e r g: Die Beziehungen zwischen der Türkei und der EU – eine Privilegierte Partnerschaft, in: Hanns Seidel Stiftung, Aktuelle Analysen, No. 33, 2004.

Gradual Integration was conceived specifically for the case of Turkey, but it could also be adapted for other accession candidates because it lends itself to flexibility and to a case-by-case approach.

Flexible progress dependent on mutual agreement: Gradual Integration envisions an institutional dynamic three-step pre-accession strategy for Turkey following neo-functionalist *spill-over* effects. The steps are divided by their degree of integration where the first represents the lowest degree of integration. It is important to note that the beginning of the next step of integration is dependent on the prior complete and timely implementation of the requirements that were previously agreed upon. That means that there is no automatic progression to the next-highest step of integration. This is designed to offer Turkey the incentive to continue on its path to democratisation and reform. Annual monitoring by the European Commission can verify the promised reforms – a process already used today. It is possible to suspend talks at any time – similarly to regular accession negotiations – in the event that the other party is in breach of contract – which is also already practised today.

The duration of each step would be determined by mutual agreement and could, for example, last ten years. The next step could already begin halfway through the previous one – in this example, five years later. The condition here is also that both parties agree to this. It may also be the case, however, that the accession candidate will for several years remain on a step of integration that has already been completed.[16]

Political integration: In order to implement political integration in a credible fashion, Turkey would receive joint decision-making power for those areas that have already been integrated – though without having veto power. The weight of Turkey's vote would conform to the current EU rule. The right to veto would have to be disallowed since there would otherwise be the theoretical danger of Turkey blocking important decisions. Its right to joint decision-making, however, could turn it into a force for forming majorities. Turkey should not only receive the right to consultation but also at least the right to limited joint decision-making so that it is actively involved in the political and decision-making process and can get acquainted with the EU's working methods.

Institutional integration: As far as Turkey's participation in Council meetings and the work there is concerned, new rules could be modelled after current ones, for example after those for the opt-in countries. In practical terms, this would mean that Turkey would only participate in meetings pertaining to areas for which it has been integrated. An "Extended Council" including Turkey could specifically deal with issues regarding Turkey. Should there be reservations against Turkey's participation in Council meetings, one would have to consider to what extent the Association Council EU-Turkey, which has existed since 1964, and the Joint Parliamentary Committee EU-Turkey could be strengthened in their co-decision-making rights.

Since many Directives and Regulations are now passed in conjunction with the European Parliament by means of the co-decision-making process, Turkey could be interested in being represented in other EU institutions, too. For official accession candidates (such as Turkey), current EU law provides for the possibility of dispatching so-called Observers to the European Parliament, the Commission, the European Economic and Social Committee, the Committee of the Regions and the Court. Observers have the right to consultation, but no vote. Gradual Integration respects current rules for representation in other EU institutions and does not envision any special rules for Turkey.

Harmonisation where needed: In order to integrate into the EU structures, Turkey would first need to harmonise its national law with the EU's communal law, the *acquis communautaire*. However, since Turkey would "only" be partially integrated, it would not have to hold talks concerning the rigid package of thirty-five negotiation chapters for accession. In concrete terms, this means that it would only have to adopt into national law those rules of the *acquis* that concern the areas to be integrated. The same approach was used for the Customs Union.

Prospect of full membership: In contrast to Privileged Partnership, the prospect of becoming a full member remains. In Gradual Integration it can, however, only be granted after the last integration step has been completed. Both sides will have to agree, which means that there will also be no automatic accession. This prospect makes Gradual Integration interesting for Turkey while at the same time preventing the EU from damaging its credibility. Furthermore, Gradual Integration pays heed to the fact that the EU should not deny Turkey the prospect of full membership *a priori*, as the political climate could improve in favour of Turkey, for example due to problems regarding demography, energy, or security policy.

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[16] For a detailed analysis of possible steps within this theoretical context, see Cemal K a r a k a s : Gradual Integration. An Attractive Alternative Integration Process for Turkey and the EU, in: European Foreign Affairs Review, Vol. 11, No. 3, 2006, pp. 311-333.

Possible Areas for Gradual Integration

In terms of practical politics, how could this concept of Gradual Integration be implemented? Both parties would first have to list the areas that each would like to include in the first step. The focus of these negotiations would probably be where there is the greatest degree of common ground, and where each side sees the greatest advantage.

For the EU, this could be the further democratisation of Turkey and a strengthening of the rule of law, including, among other things, greater protection of the rights of religious minorities. Negotiations might also aim at additional economic and financial consolidation with the goal of stabilising the volatile Turkish economy. For the EU, greater legal certainty for European companies operating in Turkey would probably be of interest, to say nothing of all issues relating to foreign and security policy.

For its part, Turkey would probably be strongly interested in making the Customs Union more symmetrical and in achieving more benefits for itself. Ankara would surely want to remove the existing obstacles to Turkey's trade with Europe in services, unprocessed agricultural produce, and textiles. Turkey also clearly has a vital interest in having a real say in decision-making about EU trade policy and on matters like customs and trade quotas. Turkey could also have an interest in EU programmes relating to infrastructure, the environment, education, culture and research. Here, the concept of Gradual Integration would offer the EU substantial financial advantages because additional support programmes along these lines would cost significantly less than the accession costs that the Commission has estimated at around €20bn a year.[17]

Turning to the second and third steps, Europe and Turkey could use these to deepen integration in existing areas, for instance by expanding the Customs Union into a common market which could in the third and last step be developed into certain areas of the EU's internal market. Both sides also have an interest in the removal of all restrictions on foreign investment in the Turkish economy, and the EU would probably want Ankara to remove the obstacles that still impede freedom of establishment of new businesses and the transna-

tional exchange of services. Other areas to be covered in these later steps could deal with the introduction of the euro, financial controls, closer cooperation in combating international crime, illegal immigration and Islamic terrorism.

From an EU perspective, however, Gradual Integration would not be applicable to some of the sensitive topics already raised during the debate on Turkish accession, namely agriculture, structural policy and freedom of movement.

Conclusion

With the beginning of accession negotiations, Turkey has the right to accede to the European Union, but the EU does not have the obligation to accept Turkey as a member. Should accession fail in spite of successful negotiations, Turkey has to be offered a meaningful alternative. The privileged partnership cannot be an acceptable substitute for a country that has been holding on to the prospect of accession for 40 years.

Gradual Integration could, in time, constitute an interesting alternative and could pave a new and attractive path for Turkey and other potential accession candidates to the European Union. It complies with the decision of the European Council. It provides for a step-by-step approach of integrating Turkey into the European structures and implies a partial integration, concentrating on the transfer of power and legal rules in relevant areas. It constitutes – in contrast to other models – a dynamic approach in which the different degrees of integration can be achieved step by step. Moreover, Gradual Integration gives Turkey the right to co-decide in questions regarding Turkey and respects its status as an accession candidate, i.e. the prospect of accession is fully preserved.

All things considered, the advantages of Gradual Integration exceed the possible disadvantages. Such advantages include: additional time for further reforms that are needed for both the EU and Turkey; the partial political integration of Turkey into European structures without overtaxing the EU institutionally; giving Turkey insight into all aspects of the EU to encourage a positive process; and comparative cost advantages over full membership. Making the different steps of integration both dynamic and contingent on conditions will generate strong incentives for Turkey's democratisation policy – in contrast to Privileged Partnership or other static models based on the intergovernmental design. This is exactly what the European Union as well as the Turkish public are striving for. Therefore, Gradual Integration could benefit both sides.

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[17] These figures are based on the assumption that the structural and agricultural policy remains unchanged. It is, however, likely that these areas will be subject to reform in the following years. Turkey would consequently receive comparatively less money than today's recipients do. See also the European Commission: Issues arising from Turkey's Membership Perspective, Commission Staff Working Document, Brussels, 6 October 2004, COM (2004) 656 final, available at http://ec.europa.eu/enlargement/archives/pdf/key_documents/2004/issues_paper_en.pdf, accessed 12 July 2007.