

Conclusions of the SNS Democratic Audit 2009

Europe After The Enlargement

Jonas Tallberg (chair), Li Bennich-Björkman, Anna Michalski and Daniel Naurin

This report assesses the state of the European Union five years after the enlargement in 2004. How effective are the institutions of the EU with 27 member states? What changes have occurred in the EU's policy orientation since the enlargement? In what direction have the new member states evolved politically after the accession?

The Eastern Enlargement: A Success

The enlargement of the EU to twelve new member states in 2004 and 2007 was preceded by intense speculation regarding the implications for the EU. With due caution given to the short time perspective, we find that the EU five years after enlargement is in remarkable good shape. The pessimism surrounding the enlargement has so far proven unjustified. The EU institutions work more effectively, and the political ambitions of the EU are pursued more forcefully, than most people dared to believe in 2004. As a political system, the EU has turned out to be very flexible with a remarkable ability to adapt to new conditions in terms of an increased number of member states and a higher degree of political heterogeneity. The EU of 2009 is not the same entity as in 2004, and the high degree of continuity that we observe in the EU's political capabilities is a result of change and adaptation.

The EU Institutions: No Deadlock

The feared deadlock of the EU decision-making machinery has failed to materialize. Despite additional parties around the decision-making table, a greater diversity of interests to coalesce, and an increased number of policy dossiers, the European institutions are still functioning as effectively as before 2004. The European Council has not become bogged down and incapable of agreeing on strategic initiatives, the Commission does not produce fewer legislative proposals than before, the Council of Ministers and the European Parliament do not require longer time to complete the decision-making processes, and the European Court of Justice has not become further delayed in delivering justice.

This pattern is particularly remarkable given that the EU after 2004 has operated on the basis of the Treaty of Nice, and thus not benefited from the reforms laid down in the Lisbon Treaty,

which are expected to bring about greater efficiency in the institutional structure. The source of continuity lies in changes in the working practices of the EU institutions. In order to be able to manage the increased number of parties, interests and policy dossiers in EU27, the institutions have to a greater degree than before made use of informal decision-making modes, simplified procedures, bureaucratic governance and internal centralization.

In terms of power, the enlargement has not resulted in either the dominance of small and medium-sized member states or an evolution towards A and B teams. Neither have we witnessed increased levels of conflict in the Council of Ministers after accession. However, the new member states' tendency to cooperate has added an East-West coalition to the existing North-South coalition pattern that traditionally characterises the Council of Ministers and the European Council. The long established ideological cleavage between left and right in the European Parliament has remained in place also after the accession of the new member states.

The EU's Policy Orientation: No Dramatic Shifts

Five years after the enlargement, the EU's policy framework is characterized by continuity rather than change. Expectations that the twelve new member states, with their own experiences, needs and aspirations, would result in a distinct transformation of the policy orientation of the EU, have been proven wrong. The internal market is still the centrepiece of EU integration, the agricultural policy still absorbs the lion's share of the common budget and the EU's budget still corresponds to the same proportion of the total EU GDP. This continuity is in part a result of a successful integration of the new member states in existing policy regimes, which in turn have proven robust and capable of integrating member states with somewhat different capabilities. But in part this stability is also a consequence of a lack of political will in favour of reform among certain new, as well as old, member states, for instance, in agricultural policy.

In several areas, it is clear that the new member states' approach to the EU's policy framework is different from that of the old member states. The new member states' prioritization of socio-economic development has led to an emphasis on policies that are likely to contribute to economic growth and improved standards of living at the expense of policy whose aim is geared towards other, less material, ends. This prioritization is expressed in their enthusiasm for the internal market and measures to improve economic competitiveness, and an unwillingness to promote ambitious targets in climate change policy or social policy. Also within EU external policy, it is evident that the new member states' interests are shaped by specific experiences in history and their geographical location. Compared to the old member states, the new members countries are in general more enthusiastic about continuing enlarging the EU to countries to the east, more insistent that the EU adopt a hard line towards Russia, more transatlantic in their orientation, and less interested in development aid to countries in the third world.

The New Member States: No Relapses

Concerns that the new member states would succumb to reform fatigue have proven exaggerated. Although membership conditionality had a central place in the enlargement process until 2004, functioning as a carrot for continuous transformation, the lack of coercive instruments once the candidate countries became members did not result in a departure from the process of transformation. Once part of the EU, the new member states have done their best to fulfil the expectations of other EU members in terms of democracy, human rights, the fight against corruption and compliance with EU rules.

The principles of democracy are firmly anchored in the political systems of the new member states. Despite political crises in countries such as the Czech Republic, Poland, Hungary and Romania, these events have not reversed fundamental constitutional principles. Nationalistic or populist political parties have come to power (and have lost power again). The rise of nationalistic politics based on a populist agenda is a phenomenon that can be found in old member states as well, and the waxing and waning of different political movements should not be seen in solely negative terms as such an evolution also bears witness to a working pluralism in the political system. During the process towards EU membership, attention was often drawn to the problem of corruption. As the fight against corruption remains a central challenge, developments in the period after accession show signs of a slight improvement, Bulgaria constituting a noticeable exception.

One particular source of concern in view of enlargement was the candidate countries' ability to implement and enforce EU legislation once they had become members. After all, these countries were characterized by fairly weak administrative and economic capabilities and immaturity as concerns the rule of law in comparison with the old member states. This concern has proven to be somewhat overstated. In terms of formal compliance, as concerns the transposition of EU legislation into national law, the new member states are on par, or even outperform, old member states. As concerns compliance on the ground in terms of enforcing rules and regulations, the new member states' performance is less satisfactory, a pattern that can be found also in some old member states.

Which Way Forward for the EU?

What does the success of the eastern enlargement imply for the future development of the EU? Is there a need for further reforms? And what do the experiences from this enlargement tell us about the conditions for further enlargement in the near future?

Institutional Reform: Necessary in the Long Run

A decisive argument in favour of institutional reform in the past has been the necessity to adapt the EU's political system to a Union of up to 30 member states. Today, the EU is governed according

to an institutional framework that was laid down in December 2000 in the Treaty of Nice, when the EU had only 15 members and it was still unclear whether and when further enlargement would occur. With the aim of increasing the effectiveness of the EU, the Lisbon Treaty proposes to increase decision-making on the basis of qualified majority voting in the Council of Ministers, introduce the position of a semi-permanent president of the European Council, and cap the size of the Commission as well as the number of European parliamentarians.

This report argues that the EU institutions have worked satisfactorily during the past five years, despite the absence of institutional reform. The institutions of the EU have compensated for the lack of reform of the formal institutional processes by relying to a greater degree than before on informal decision-making, bureaucratic governance, simplified procedures and internal centralization. It would be hasty, however, to conclude from this that no revisions are necessary of the EU's treaty framework, for four reasons. First, there is still scope for improving EU decision-making efficiency. Previous reforms show, for instance, that a transfer from unanimity to majority voting generally results in a greater chance for the member states to come to agreement. Second, from a practical point of view, new rules are required concerning the composition and the voting rules of EU institutions before further enlargement can take place. The Nice Treaty regulates only how the institutions should function with up to 27 member states, but does not say how a Union with more than 27 member states should be organized. Third, the EU could become more democratic and legitimate in the eyes of the European public. In its report of 2003, the SNS Democratic Audit showed how the democratic quality of the EU could be strengthened through reforms that improve the conditions for participation, accountability and transparency, both as concerns the intergovernmental chain of representation between citizens, national parliaments and governments in the Council, as well as the supranational chain of representation between citizens and the European Parliament. Fourth, the question should be raised whether the changes that have occurred in the EU's political system in the absence of formal institutional reforms are the most appropriate and desirable from a democratic perspective. The increased prevalence of informal negotiations, bureaucratic governance and centralization may be good for decision-making efficiency, but weakens the possibilities for transparency, participation and accountability.

Further Enlargement: Possible but Contested

The EU has been in a state of almost constant enlargement for the past 20 years. Already before the Union was enlarged to 25 members, and soon thereafter to 27, the EU had received formal applications for membership or entered accession negotiations with a group of countries in southeast Europe. At the time of writing, the EU is negotiating for membership with Croatia, Macedonia and Turkey, with Croatia standing the best chances for speedy accession. In addition to these countries, Albania, Bosnia-Herzegovina, Montenegro, Kosovo and Serbia have handed in

formal applications for membership of the EU, but these potential candidate countries do not yet fulfil the criteria for opening membership negotiations.

In contrast to the previous enlargements, the question whether the EU should welcome additional members is hotly contested this time. A particularly controversial issue is Turkey's possible future membership of the EU. In some parts of the EU, there is concern about Turkey's political weight in the EU institutional framework given its numerous population, the country's cultural and religious identity, and its faltering respect for human rights as well as the risk of reigniting the conflict on Cyprus. At the same time, Turkey offers the prospect of a large domestic market, a young and mobile labour force, a strategic geographical position, a bridge to the Middle East, and the possibility for the EU to depict itself as an open, and in terms of religion non-affiliated, community of states. But even looking beyond the case of Turkey, there is much more hesitation about further enlargement among the member states this time around.

This hesitation is expressed in the debate on the Union's "integration capacity," i.e., whether the EU is capable to include more members without seriously endangering its decision-making capacity and political ambitions. At the summit of December 2006, the political leaders of the member states agreed that the EU cannot enlarge further without its integration capacity being firmly established. In practice, by this pronouncement, the member states added yet another criterion that will have to be fulfilled before new members can be accepted, in addition to the Copenhagen criteria of 1993, which stipulate the necessary adaptations by the candidate countries prior to accession. The caution displayed by national governments reflects popular doubts about further enlargement in the member states. Only Croatia (along with Norway, Switzerland and Iceland, which are not aspiring to membership) would today be accepted as a member by a majority of the population of the EU. Only 31 per cent of the population supports a future membership of Turkey, even if the number of those in favour of a Turkish membership has increased and is now on par with those who oppose, on the condition that Turkey fulfils all the Copenhagen criteria. Sweden is the country in the EU whose population is most in favour of further enlargement, with a majority of the population supporting all potential candidate countries, including Turkey, whose future accession to the EU receives the support of 71 per cent of the Swedish population. The citizens who harbour the strongest doubts about further enlargement of the EU are found in Austria and the UK, but also in the founding members Belgium, Germany, Italy, France and Luxembourg, whose populations are clearly sceptical.

The findings of this report provide no reason to doubt the EU's capacity for further enlargement. On the contrary, it has been shown that the EU has managed enlarging from 15 to 27 member states without a paralysis of the institutions, deadlock in the political processes or the watering down of integration. The promise of EU membership on the condition of the fulfilment of the Copenhagen criteria has permitted the EU to promote positive change in the candidate

countries in a more effective manner than what would have been achieved through any other means. On the basis of the experiences of the enlargement in 2004 and 2007, there is no ground to doubt further enlargement. That being said, there might be reasons of different kinds to oppose further enlargement of the EU.