

## CHAPTER 7

# The EU and Its New Members

## FORGING A NEW RELATIONSHIP

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After the extraordinary changes of 1989, virtually all of the newly democratizing states of Central and Eastern Europe made overtures to join the three major organizations of what was generally referred to as “Europe”: the Council of Europe, the North Atlantic Treaty Organization (NATO), and the European Union (EU) (see [table 7.1](#)). They wanted to do so for a number of reasons. Some were practical: to allow the people of the region to partake of the prosperity and security that the EU and NATO, respectively, had afforded the West European states since the end of World War II. Some were psychological and symbolic: to heal the division of Europe and return to where they would have been had the Cold War not cut them off, and to be included among the world’s democracies. This chapter offers some background on the region’s international environment before 1989 and then examines the process undertaken by the Central and East European states to join the EU. A discussion of the challenges the new members and the EU itself face now and going forward follows. The chapter ends with some questions raised for political science and for discussion. As the chapter by Joshua Spero in this volume deals with NATO accession, this chapter does not discuss those issues.<sup>1</sup>

## Eastern and Western Europe before 1989

After World War II, the two parts of Europe moved in different directions, economically and politically. After being prevented by Joseph Stalin from participating in the US-funded Marshall Plan to rebuild Europe, Central and Eastern Europe was absorbed into the Soviet-dominated economic and political system and its organizations. All of the Central and East European states (except Yugoslavia) became members of the Council for Mutual Economic Assistance, founded in 1949, and the Warsaw Pact, the Soviet-dominated military alliance, established in 1955. Most importantly, they were bound by bilateral economic, political, and military ties to the Soviet Union. Trade was sharply curtailed with the West and reoriented toward the Soviet Union (see [table 7.2](#)). Five-year plans approved by the respective communist parties ruled the region’s economies, and private economic activity was reduced to insignificance or eliminated altogether.

**Table 7.1. Membership in European Organizations**

Country	Date of Joining or Status with Organization		
	Council of Europe	European Union	NATO
Albania	7/13/1995	Candidate	4/1/2009
Bosnia-Herzegovina	4/24/2002	Potential candidate	MAP <sup>d</sup>
Bulgaria	7/5/1992	1/1/2007	3/29/2004
Croatia	11/6/1996	7/1/2013	4/1/2009
Czech Republic	6/30/1993	5/1/2004	3/16/1999
Hungary	11/6/1990	5/1/2004	3/16/1999
Kosovo	n/a	Potential candidate	KFOR <sup>e</sup>
Macedonia	11/9/1995	Candidate	MAP <sup>d</sup>
Montenegro	5/11/2007	Candidate	7/5/2017
Poland	11/26/1991	5/1/2004	3/16/1999
Romania	10/7/1993	1/1/2007	3/29/2004
Serbia	6/3/2006 <sup>a</sup>	Candidate	Partnership for peace
Slovakia	6/30/1993	5/1/2004 <sup>b</sup>	3/29/2004
Slovenia	5/14/1993	5/1/2004 <sup>b</sup>	3/29/2004
Ukraine	11/9/1995	Association agreement <sup>c</sup>	NATO-Ukraine Commission

Sources: Council of Europe (<http://hub.coe.int>); European Union (<http://europa.eu>); European Council, "EU Relations with Ukraine," <http://www.consilium.europa.eu/en/policies/eastern-partnership/ukraine/>; NATO (<http://www.nato.int>).

<sup>a</sup> Continued membership of state of Serbia and Montenegro, dating from April 3, 2003.

<sup>b</sup> Eurozone member.

<sup>c</sup> A "new generation" agreement providing for political association and economic integration, including a free trade area but not membership, was signed in 2014 and came into effect in 2017.

<sup>d</sup> Membership Action Plan; consultation process with NATO aimed at membership but which does not guarantee membership.

<sup>e</sup> Kosovo Force; NATO-led security force in place since 1999.

**Table 7.2. Reorientation of Trade: Share of Central and Eastern Europe's Trade with Western Europe by Year**

Country	Imports				Exports			
	1928	1989	1995	2002	1928	1989	1995	2002
Bulgaria	61.6	13.7	38.4	51.3	64.5	7.8	38.6	55.6
CZ/SL	54.8	15.4	45.4	62.0	43.9	16.5	45.7	64.2
Hungary	32.4	30.9	61.5	57.5	25.0	24.2	62.8	73.5
Poland	54.5	27.7	64.7	67.5	55.9	30.5	70.1	67.3
Romania	50.2	7.8	50.9	63.9	53.9	17.5	54.5	68.0

Sources: For 1928 and 1989, Susan M. Collins and Dani Rodrik, *Eastern Europe and the Soviet Union in the World Economy* (Washington, DC: Institute for International Economics, 1991), 39, 40. For 1995 and 2002, European Bank for Reconstruction and Development, *Transition Report 2003* (London: EBRD, 2003), 86. Data for 1928 and 1989 reflect trade with European countries that became or were members of the European Community; data for 1995 and 2002 reflect trade with members of the European Union. For 1995 and 2002, the average for the Czech Republic and Slovakia was used.

As a result, while Western Europe regained economic vitality, established convertible currencies, and began to participate actively in global trade and investment, Central and Eastern Europe did not. The states of the region did recover from the war and did make progress in providing basic goods and services for most of their populations, especially in comparison to the low level of economic development that had characterized most of

the region (except for the Czech Lands) before the war. But the region was cut off from the stimulant of international trade competition, was not open to Western investment, and was in fact obliged to render economic support to the USSR, providing an estimated \$20 billion worth of technology, machinery, skills, and manufactured goods in the first fifteen years after the war.<sup>2</sup>

The region remained a marginal global economic actor for the entire period of the Cold War. All of the Central and East European states together provided only 4.5 percent of the world's exports—equal to about one-third of the amount West Germany alone provided. The typical Central and East European state received from the USSR nearly 40 percent of its imports and sent to the USSR more than one-third of its exports.<sup>3</sup> None of the region's currencies were convertible, even in transactions among themselves. On the other hand, the region was shielded from sharp jumps in the price of internationally traded commodities like oil because these were provided to the region at the Council for Mutual Economic Assistance “friendship price” (a periodically adjusted fraction of the global price). Thus, the region's socialist economies avoided sharp recession and had little price inflation, but by the late 1970s and 1980s, they also began to show little or no growth.<sup>4</sup> The states of the region also received a substantial trade subsidy from the Soviet Union because they were able to purchase energy and other resources at lower than world prices in exchange for “soft” goods (i.e., those not salable in the West).<sup>5</sup> When Mikhail Gorbachev became the leader of the Soviet Union in 1985, he moved to change this “international division of labor” to adjust to economic realities. The revolutions of 1989 intervened, and the Central and East European states found themselves thrown onto the harsh playing field of the global economy without the experience or economic mechanisms to compete.

## The Courtship of the EU: Toward the “Big Bang”

What is today an organization of twenty-eight countries with more than 500 million people began in the aftermath of World War II as a limited attempt to link key parts of the economies of former enemies France and Germany. In 1951, the European Coal and Steel Community was founded by those two countries, plus Italy, Belgium, the Netherlands, and Luxembourg. In the landmark Treaty of Rome of 1957, the European Economic Community was created to complement the European Coal and Steel Community and a new European Atomic Agency. These three were combined in 1965 into the European Community (EC). The members created a parliament and modified other parts of the organization, but over the next two decades, the organization grew slowly in terms of both number of members (adding the United Kingdom, Ireland, and Denmark in 1973, Greece in 1981, and Spain and Portugal in 1986) and areas of policy responsibility. By the time the Berlin Wall fell in 1989, the EC still had only twelve members, but it had committed itself (through the Single European Act of 1986) to creating the mechanisms for a single European economy. The Treaty on European Union, referred to as the Maastricht Treaty after the Dutch town in which it was signed in 1992, renamed the organization the EU and began to move the members toward more unified economic functioning as well as stronger common political institutions. Austria, Finland, and Sweden joined in 1995, bringing the number of members to fifteen. In 2002, the common European currency, the euro, was introduced in eleven of the member states.

After the overthrow of communism, the Central and East European states moved to try to join the EU as soon as possible. Hungary and Poland formally applied in 1994; Romania, Slovakia, and Bulgaria in 1995; and the Czech Republic and Slovenia in 1996. By that time, all had held at least one set of open elections deemed proper by international observers; had created conditions for the exercise of citizens' rights of expression, assembly, and participation; and were seeing the birth—in some cases, explosion—of political parties and interest groups. The states of the region also rejected the idea of recreating the Soviet-era economic or political alliances in any new form in favor of joining the most successful and attractive international organization in history, the EU. That organization had never had to consider such a potentially large simultaneous expansion before. Moreover, in previous enlargements, the candidates for membership were not only functioning democracies but had also established capitalist and Western-oriented economic systems. In Central and Eastern Europe, by contrast, the countries seeking membership were only just starting the process of creating such systems, were much more numerous, and, most importantly, were significantly poorer than even the poorest EU member. Among potential candidates, for example, the gross domestic product (GDP) per capita of Poland (the largest) was just over two-thirds that of Greece, the poorest EU member, and only 40 percent of the average of all EU members (see [table 7.3](#)).

It is not surprising, then, that the EU moved somewhat slowly to establish and implement standard procedures for bringing the Central and East European states into the organization. Along with financial assistance to help these states reform their economies (see below), the EU signed a series of association agreements, called the Europe Agreements, to govern trade with the Central and East European states. At the 1992 European Council at Lisbon, the organization for the first time pledged to help the Central and East European states not just to reform their economies but ultimately to become members of the organization. At the Copenhagen Council in 1993, the EU set forth the basic criteria that the new members would have to meet to be admitted. These criteria included stability of institutions guaranteeing democracy, the rule of law, human rights, and respect for and protection of minorities; the existence of a functioning market economy as well as the capacity to cope with competitive pressure and market forces within the union; and the ability to take on the obligations of membership, including adherence to the aims of political, economic, and monetary union.<sup>6</sup>

To fulfill these criteria, applicants were obliged to accept and pass into legislation the codes, practices, and laws in place in the EU, referred to as the *acquis communautaire*. Starting in 1998, all of the applicant countries were evaluated annually to assess their progress toward establishing democratic practices, including the rule of law, the exercise of political rights by the population, and the protection of minority rights. Economic assessments judged the countries' movement toward establishing a market economy, including privatization, fiscal and monetary control, and openness to foreign investment. Each applicant's ability to undertake the "obligations of membership" was assessed by measuring the adoption of measures laid out in the *acquis*, covering, for example, agriculture, transportation, environmental policy, and justice and home affairs (e.g., the countries' legal systems, including courts, police, rights of accused, and use of the death penalty).<sup>7</sup> In all, there were thirty-one chapters of standards by which these countries were judged, and only when all chapters had been "closed," or judged satisfactory by the European Commission, were invitations for membership issued. That happened for

**Table 7.3. Gross Domestic Product per Capita of New and Old EU Members GDP in PPS per Inhabitant, 2001 (EU-15 = 100)**

Luxembourg	190
Ireland	118
Netherlands	115
Denmark	115
Austria	111
Belgium	109
Finland	104
Italy	103
France	103
Germany	103
Sweden	102
United Kingdom	101
Spain	84
Cyprus	74
Slovenia	70
Portugal	69
Greece	65
Czech Republic	59
Hungary	53
Slovakia	48
Poland	41
Estonia	40
Lithuania	39
Latvia	33
Bulgaria	25
Romania	24
Turkey	23

Source: Eurostat, *Towards an Enlarged European Union* (Brussels: European Commission, n.d.).

Note: In this chart, gross domestic product per capita is calculated on the basis of purchasing power standard (PPS), which takes into account differences in prices across countries.

eight Central and East European states in 2002, leading to their simultaneous admission (the “Big Bang”) in May 2004.<sup>8</sup> For Romania and Bulgaria, however, there were thirty-five chapters, and these two countries were subject to “enhanced monitoring” by the Commission. They were permitted to join as of January 1, 2007, but under an unprecedented “Cooperation and Verification Mechanism” that obliges them to report on their progress in judicial reform, the fight against corruption, and, in Bulgaria’s case, the fight against organized crime.<sup>9</sup> In 2005, Croatia began formal negotiations and in July 2013 became the twenty-eighth member of the EU.

## The Costs of Joining

For most Central and East European states, making the transition to democratic practices with regard to individual freedoms, elections, political institutions, and parties was challenging. Although the countries’ populations desired such institutions and practices

after four decades of Communist Party rule, not all of the states moved equally quickly. In some cases, communist-era practices—and people—remained powerful, as, for example, in Slovakia and Romania. It took electoral defeats in these cases to improve the EU's opinion and these countries' chances for joining the organization.

For Central and East European governments, adapting their countries' political and legal processes to European norms involved making adjustments in a variety of policy arenas. Elimination of the death penalty and laws against homosexuality, for example, was required. Improvements in the legal system, including the formation of independent judges and constitutional courts, were needed in most cases. One of the most common areas of pressure lay in the EU's criticism of the countries' treatment of their Roma minorities. Numbering over 4 million and scattered throughout the region,<sup>10</sup> Roma minorities suffered both legal and economic discrimination, exclusion from employment and political power, and, in some cases, actual physical harassment.<sup>11</sup> Even leading candidates for membership such as the Czech Republic were subject to criticism by the EU for restrictive citizenship laws and hostile actions toward Roma.<sup>12</sup>

The EU's involvement in minority issues in the region produced some skepticism even as it provided an opportunity for domestic minority groups and nongovernmental organizations to utilize EU influence on their behalf to secure better treatment from their governments. For example, the EU insisted that the candidate states implement full recognition and guarantees of minority rights that in some cases did not apply in member states.<sup>13</sup>



Photo 7.1. EU Enlargement Day in May 2004. The flags of Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, the Slovak Republic, and Slovenia are raised at an EU building, marking their accession to the union. (European Committee, 2007)

Setting up appropriate Western-style parliamentary and electoral institutions and getting them running in forms that the EU would approve were relatively simple tasks compared to the process of wrenching the economies into line with EU expectations. These states were not as economically developed, had not traded in a competitive world market, and did not have the resources to make the economic transition without substantial pain. The Central and East European economies were more agricultural, less productive, used more energy and human resources to produce the same number of goods as the West, and, for the most part, produced goods that were not competitive on the world market. To make matters worse, the goods these states could potentially sell globally were precisely those that the EU specialized in—farm products, steel, textiles—and the EU was at first not eager to open its markets. Within a few years, however, tariff and quota restrictions on Central and East European exports to Western Europe were removed and trade shifted sharply from East to West (see [table 7.2](#)). Still, given the uncompetitive nature of these economies, it took several years before any could achieve significant positive trade balances.

Production in most of the Central and East European states declined dramatically and it took until the end of the decade for most of Central and Eastern Europe to reach the economic levels of 1989 and even longer for Romania and Bulgaria.<sup>14</sup> Unemployment, which had not officially existed under socialism, soared, reaching more than 12 percent of the workforce on average throughout the region. Part of the adjustment to EU economic policies involved improving the environment for competition, eliminating government support of industries, ending price controls, and allowing bankruptcies. The EU also exerted pressure to allow foreign investment on a nondiscriminatory basis, meaning that experienced, successful West European companies would be free to buy up valuable assets in these states, now available at bargain basement prices. After 1989, the region attracted more than \$170 billion in foreign direct investment (through the year 2004), with the bulk going to the three Central European states, Poland, Hungary, and the Czech Republic. While proceeding slowly on formal admission, the EU did move to provide the region with substantial economic aid through its PHARE program.<sup>15</sup> Other programs were added, like the Special Accession Programme for Agriculture and Rural Development and the Instrument for Structural Policies for Pre-Accession programs. Together, more than €20 billion (\$23,399,800,000) was allocated to new members in what was termed “pre-accession aid,” though some continued even after they became members.

Perhaps the major challenge to the accession process involved agriculture. Since its formation, the EU has supported farmers by controlling imports, supporting prices, and providing direct payments through the Common Agricultural Policy.<sup>16</sup> Common Agricultural Policy payments constitute the single largest item in the EU budget. With 7 million new farmers (and 40 percent more agricultural land) added by Central and East European accession to the 6 million already in the EU, the organization realized that it could not afford to extend to the new members the generous agricultural subsidies it had been providing to farmers in the EU-15 states. Moreover, in global trade negotiations, the EU has pledged to reduce the level of its subsidies. Hence, as part of these states’ accession, direct payments to Central and Eastern Europe’s farmers were at first a fraction of those paid to farmers in Western Europe and were increased gradually.<sup>17</sup>

## The Politics of Membership

When the EU was founded, the driving idea was to link continental Europe's major economic powers, France and Germany, so inextricably as to make future wars between them impossible. As other functions became part of common responsibility, such as control of nuclear energy, control of agricultural production, and external trade ties, the organization not only grew in complexity but also added members. Great Britain's membership had been vetoed by France in 1963 and was delayed for ten years, but adding democratic Portugal, Spain, and Greece in the 1980s and the relatively rich, capitalist Austria, Sweden, and Finland in 1995 was not controversial. However, adding eight or ten economically weak states that had operated as one-party dictatorships and state-run economies for four decades was not popular. Public opinion surveys among the members of the EU consistently showed a lack of enthusiasm for enlargement in most EU member states. Despite public ambivalence, movement toward membership proceeded, reinforcing the idea among some that the organization operates with a "democratic deficit"—that is, that decisions are made by distant elites who are not responsible to anyone and reflect bureaucratic imperatives in Brussels more than the desires of their constituents.<sup>18</sup>

In Central and Eastern Europe, though, accession to the EU was generally very popular. Public opinion polls in the 1990s showed that majorities of the populations in the region strongly supported joining the EU. In general, Central and East European populations trusted the EU and saw joining as the right thing to do for their country.<sup>19</sup> Support was not equally high throughout the region, however, as the costs of adjustment and the uneven distribution of such costs among the population became evident. In a 2002 survey, for example, only one-third of Estonians and Latvians thought that membership would be "a good thing," while more than two-thirds of Hungarians and Bulgarians thought so.<sup>20</sup> In most cases, as countries moved closer to joining the EU, public support for doing so fell off somewhat before rebounding.<sup>21</sup> Referenda on joining were held in each of the Central and East European countries due to join in 2004 and produced positive—though in some cases, close—votes.<sup>22</sup> In the Croatian referendum in 2012, two-thirds of those voting supported accession, but the turnout (43 percent of eligible voters) was the lowest of any new member state.<sup>23</sup> By 2011, among the new member states, public views of the benefits of EU membership were similar to those held in countries with longer membership, but there was somewhat more uncertainty as to whether EU membership was a "good thing" than in the older member states.<sup>24</sup>

Apart from accommodating legal, political, and economic systems to the demands of the *acquis*, for several of the new members, some issues provided a possible challenge to the depth of their commitment to join. Many worried that their inexperienced and weaker economies, especially in the agricultural sector, would not be able to compete with rich, subsidized EU enterprises. There was concern that West Europeans would buy up their countries' low-priced assets and land, leaving local people unemployed and without property. For their part, some politicians in the EU feared that economic dislocation and the attraction of the more prosperous West would produce a vast labor migration once borders were erased and full EU citizenship, including the right to live anywhere, was extended eastward. In the end, several countries were granted transition periods during

which they could retain control over agricultural land purchase. But the “free movement of persons” was also limited for the new members, with restrictions remaining in place for not less than two and possibly up to seven years.<sup>25</sup>

Border issues continue to be complicated for some new members. All the new members were obliged to move toward adopting the provisions of the Schengen Treaty (1985) operating among most EU states. This treaty allows for free movement of citizens within the EU but mandates strict enforcement and guarding of the EU’s external borders. With that border now pushed eastward, Poles and Hungarians living in Ukraine, for example, found visiting their ethnic kin in new EU member states more difficult and expensive than it had been before. The need for visas suggested a second-class status and depressed the substantial cross-border economic activity that had grown up. Gradually, the EU approved visa-free travel for citizens of the Western Balkans and noncandidate countries like Moldova, Georgia, and Ukraine.<sup>26</sup> But a major challenge to coherent border policies occurred when hundreds of thousands of refugees began to travel through the region as they fled wars and upheaval in the Middle East and North Africa (see below).

Most of the new members also face serious issues in terms of compliance with environmental regulations. This chapter of the *acquis* includes extensive regulations affecting power generation (especially nuclear power), water, air cleanliness, and the burning of fossil fuels. Accommodating EU standards has been enormously expensive for these states and, in some cases, has obliged them to close down some power plants altogether. To ensure their entry, for example, Lithuania and Bulgaria agreed to close their nuclear reactors, which had the effect of increasing their dependence on Russian sources of energy.

Croatia, the EU’s newest member, faced the most comprehensive and exacting scrutiny by the Commission due in part to criticisms of the poor performance of Romania and Bulgaria, which joined in 2007. As with those states, the issue of action against corruption slowed negotiations, which lasted six years. Evidence of the EU’s persuasive power was the fact that Croatia arrested and tried its own former prime minister, Ivo Sanader, on corruption charges in 2010. But legacy issues from the state’s time as part of Yugoslavia remained. Most difficult politically was Croatia’s obligation—as part of its adherence to the Copenhagen criteria—to arrest and extradite those alleged to have committed war crimes during the wars with Serbia or in Bosnia. As the Croatian government acted on these demands and former military leaders were arrested and extradited, progress toward membership resumed.<sup>27</sup> (See [chapter 16](#) on the successors to Yugoslavia.)

For all of the Central and East European states, the period after 1989 and before 2004 represented a wrenching shift in both real and symbolic terms. These states had been part of the Soviet Union’s external empire for the four decades after World War II, and over the years, Moscow had used political and economic ties and Soviet-dominated regional organizations to maintain control. When challenges emerged, as happened in Hungary in 1956 and in Czechoslovakia in 1968, the USSR had been willing to use force to keep the countries subordinate. Only in 1989 did the USSR, under Mikhail Gorbachev, refrain from intervening to prevent far-reaching democratic change and the return of full sovereignty to the states of this region. The irony is that having finally achieved full control over their own affairs, the leaders of the newly democratic Central and East European states, with their populations’ agreement, moved relatively quickly to surrender key parts of that sovereignty to a different power center, the European

Union. All were willing to remake virtually all of their institutions and practices to conform to standards set by Brussels. Finally, fifteen years after the revolutions that toppled dictatorships in Central and Eastern Europe, and only after the EU was satisfied that national laws and institutions accorded with its norms, the eastern and western parts of Europe were formally reunited.

## The EU and the Region: Achievements and Challenges

### CHANGING THE INSTITUTION AND THE SETTING

The enlargement of the EU to the east obliged the organization to adapt its governing structure. Voting mechanisms in the European Council and the number of representatives in the European Parliament were adjusted, though the organization failed to reduce the size of the European Commission. (All twenty-eight members still nominate one commissioner.<sup>28</sup>) Though the EU grew dramatically in size and power since the end of the Cold War, eastern expansion turned out to be one indicator of the high watermark in the growth of both dimensions. In 2005, a proposed European Constitution was defeated in referenda in Holland and France. A new, less ambitious Reform Treaty (referred to as the Lisbon Treaty) was drafted and finally ratified in 2009. The new treaty reflects Europe's emergence as an international actor, providing for the new political posts of President of the European Council and High Representative for Foreign Affairs and Security Policy. It also reflects a desire to improve decision-making and reduce the democratic deficit by strengthening the ability of the European Parliament to affect decisions.<sup>29</sup>

In terms of changes in the states, the gains from EU enlargement were multiple and substantial: durable security was established in a region known for conflict, the Central and East European countries were bound together and to Western Europe economically and politically, and the painstaking creation of democratic institutions and societies was initiated and supported.

For the first time in modern history, the possibility of military conflict in the heart of Europe is virtually nonexistent. Most of the Central and East European states have joined those in Western Europe as full members of both the EU and NATO. Others in the Balkans, including virtually all parts of what was once Yugoslavia, aspire to join these organizations. Across the membership area, international warfare of the type seen in the last century seems as unlikely as war between France and Germany. The significance of the organization's success on this dimension was thrown into sharp relief by the occurrence of military action just outside the EU domain in Georgia in 2008 and in Ukraine in 2014. Economically, the region's trade and investment are overwhelmingly tied to fellow members (see below), and by 2015, the single-currency Eurozone had grown to nineteen members and included five CEE states (Slovakia, Slovenia, Estonia, Latvia, and Lithuania).

In addition, the EU's aim of promoting democratic institutions and practices in the region has been broadly successful. By 2005, the first "graduating class" of EU joiners from the region were declared to be "no longer in transit" by Freedom House, using an annual assessment of democratic processes.<sup>30</sup> Table 7.4 shows the effect of EU involvement. By

2008, the Democracy Scores (1 being the best and 7 the worst) had improved in eight of eleven CEE members of the EU compared to the 1991–2000 period. The average Democracy Score for “New EU members” that year was 2.33 while the average for the Balkans was 4.03 and for the former Soviet states, 5.84.

## CHALLENGES

### *Preserving Democracy*

Building democracy is an arduous process—especially in a region with precious little democratic history—and gains are fragile. Even with as powerful an actor as the EU as a motivator and guide, movement forward is not guaranteed—especially once the chief prize, membership, is achieved. The slow, often unwieldy processes of democracy test the public’s patience, and those seeking greater power are willing to exploit grievances and threats (real and imagined) to weaken democratic institutions. Thus, some democratic “backsliding” has occurred in Central and East Europe (note the decline in [table 7.4](#) in the average score from 2.28 in 2005 to 2.57 by 2013). As [figure 7.1](#) illustrates, that decline has continued—dramatically in some cases.

As these indicators show, EU membership has not prevented the erosion of democracy in several CEE states. Hungary and Poland represent the greatest challenge to the EU’s much-lauded “soft power” and the very values it professes to represent.

In Hungary in 2010, the conservative Alliance of Young Democrats (FiDeSz), in coalition with the Christian Democratic People’s Party, won a two-thirds majority in parliament. Since then, the Government of Prime Minister Viktor Orbán has adopted many measures, including a new constitution, that strengthen the hand of the ruling party, weaken electoral opposition, and erode the independence of the media, judiciary, and central bank. These and other measures have drawn criticism from the Council of Europe, the European Commission, and the European Parliament, which in May 2017 declared that such developments “have led to a serious deterioration in the rule of law, democracy and fundamental rights which is testing the EU’s ability to defend its founding values.”<sup>31</sup>

The EU faces a similar challenge to its ability to protect democracy in Poland, where the government of the PiS (Law and Justice) party, in power since 2015, has adopted similar measures (see [chapter 9](#) on Poland). Lacking enough votes in the Sejm (parliament) to change the constitution, the government in the fall of 2017 adopted legislation to ensure PiS control of the country’s judiciary, including the Constitutional Tribunal and Supreme Court. After repeated warnings, the European Commission took the unprecedented action of invoking Article 7 of the Lisbon Treaty and declared there to be “a clear risk of a serious breach of the rule of law in Poland.” While urging the Polish government to undo these measures, it invited the European Council to accept the Commission’s judgement and take action, which could involve sanctions costing Poland its EU voting rights.<sup>32</sup>

The underlying foundation of democratic attitudes can also erode, as the demands of economic and party competition and the forces of global change test public commitment to the still new systems. Surveys have shown a growing dissatisfaction with the way democracy operates in the region and a stubborn lack of trust in political parties and democratic institutions, such as presidents and parliaments.<sup>33</sup> In 2009, a PEW survey showed

**Table 7.4. Democracy Scores for Central and Eastern Europe, the Balkans, and States of the Former Soviet Union**

	1999–2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2013
<i>New EU Members</i>											
Bulgaria	3.58	3.42	3.33	3.38	3.25	3.18	2.93	2.89	2.86	3.04	3.18
Croatia	4.46	3.54	3.54	3.79	3.83	3.75	3.71	3.75	3.64	3.71	3.61
Czech Republic	2.08	2.25	2.46	2.33	2.33	2.29	2.25	2.25	2.14	2.18	2.14
Estonia	2.25	2.13	2.00	2.00	1.92	1.96	1.96	1.96	1.93	1.93	1.96
Hungary	1.88	2.13	2.13	1.96	1.96	1.96	2.00	2.14	2.14	2.29	2.89
Latvia	2.29	2.21	2.25	2.25	2.17	2.14	2.07	2.07	2.07	2.18	2.07
Lithuania	2.29	2.21	2.21	2.13	2.13	2.21	2.21	2.29	2.25	2.29	2.32
Poland	1.58	1.58	1.63	1.75	1.75	2.00	2.14	2.36	2.39	2.25	2.18
Romania	3.54	3.67	3.71	3.63	3.58	3.39	3.39	3.29	3.36	3.36	3.50
Slovakia	2.71	2.50	2.17	2.08	2.08	2.00	1.96	2.14	2.29	2.46	2.57
Slovenia	1.88	1.88	1.83	1.79	1.75	1.68	1.75	1.82	1.86	1.93	1.89
Average	2.41	2.40	2.37	2.33	2.29	2.28	2.27	2.32	2.33	2.39	2.57
Median	2.27	2.21	2.19	2.10	2.10	2.07	2.11	2.20	2.20	2.27	2.32
<i>The Balkans</i>											
Albania	4.75	4.42	4.25	4.17	4.13	4.04	3.79	3.82	3.82	3.82	4.25
Bosnia	5.42	5.17	4.83	4.54	4.29	4.18	4.07	4.04	4.11	4.18	4.39
Macedonia	3.83	4.04	4.46	4.29	4.00	3.89	3.82	3.82	3.86	3.86	3.93
Yugoslavia	5.67	5.04	4.00	3.88	n/a						
Serbia	n/a	n/a	n/a	n/a	3.83	3.75	3.71	3.68	3.79	3.79	3.64
Montenegro	n/a	n/a	n/a	n/a	3.83	3.79	3.89	3.93	3.79	3.79	3.82
Kosovo	n/a	n/a	n/a	n/a	5.50	5.32	5.36	5.36	5.21	5.11	5.25
Average	4.83	4.44	4.22	4.13	4.20	4.10	4.05	4.05	4.03	4.04	4.21
Median	4.75	4.42	4.25	4.17	4.00	3.89	3.82	3.82	3.82	3.82	4.09

*Non-Baltic Former Soviet States*

Armenia	4.79	4.83	4.83	4.92	5.00	5.18	5.14	5.21	5.21	5.39	5.36
Azerbaijan	5.58	5.63	5.54	5.46	5.63	5.86	5.93	6.00	6.00	6.25	6.64
Belarus	6.25	6.38	6.38	6.46	6.54	6.64	6.71	6.68	6.71	6.57	6.72
Georgia	4.17	4.33	4.58	4.83	4.83	4.96	4.86	4.68	4.79	4.93	4.75
Kazakhstan	5.50	5.71	5.96	6.17	6.25	6.29	6.39	6.39	6.39	6.32	6.57
Kyrgyzstan	5.08	5.29	5.46	5.67	5.67	5.64	5.68	5.68	5.93	6.04	5.96
Moldova	4.25	4.29	4.50	4.71	4.88	5.07	4.96	4.96	5.00	5.07	4.82
Russia	4.58	4.88	5.00	4.96	5.25	5.61	5.75	5.86	5.96	6.11	6.21
Tajikistan	5.75	5.58	5.63	5.63	5.71	5.79	5.93	5.96	6.07	6.14	6.25
Turkmenistan	6.75	6.83	6.83	6.83	6.88	6.93	6.96	6.96	6.93	6.93	6.93
Ukraine	4.63	4.71	4.92	4.71	4.88	4.50	4.21	4.25	4.25	4.39	4.86
Uzbekistan	6.38	6.42	6.46	6.46	6.46	6.43	6.82	6.82	6.86	6.89	6.93
Average	5.31	5.41	5.51	5.57	5.66	5.74	5.78	5.79	5.84	5.92	6.00
Median	5.29	5.44	5.50	5.54	5.65	5.72	5.84	5.91	5.98	6.13	6.23

Source: Freedom House, [https://freedomhouse.org/sites/default/files/NIIT2013\\_Tables\\_FINAL.pdf](https://freedomhouse.org/sites/default/files/NIIT2013_Tables_FINAL.pdf).

Note: The Democracy Score ranges from 1, the highest level, to 7, the lowest level and is an average of ratings for Electoral Process (EP); Civil Society (CS); Independent Media (IM); National Democratic Governance (NGO\1); Local Democratic Governance (LGO\1); Judicial Framework and Independence (JFI); and Corruption (CO).

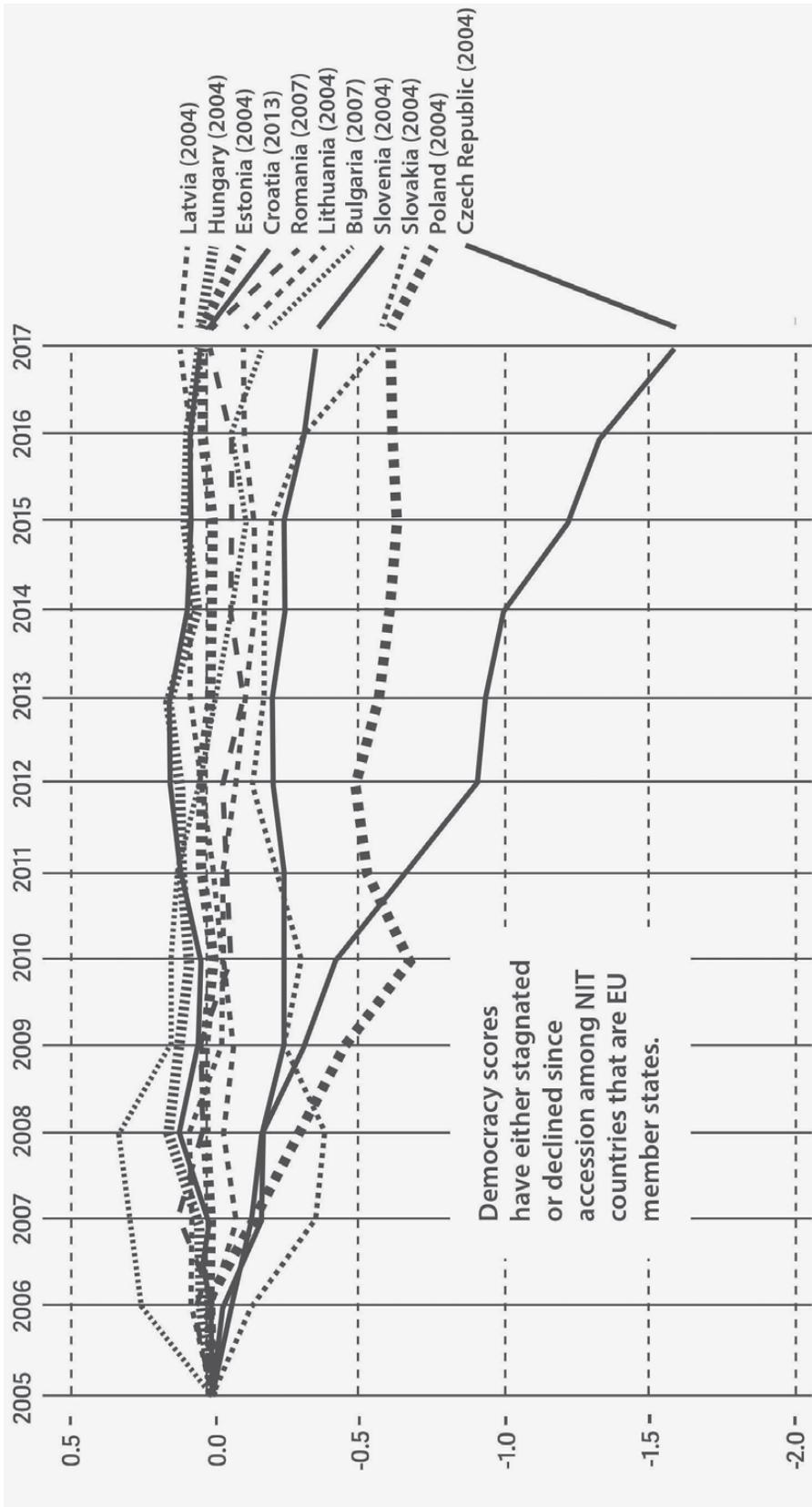


Figure 7.1. Changes in Central and East European Democracy Scores since Accession  
 Source: Freedom House, *Nations in Transit 2017*.

**Table 7.5. Support for Democracy***Most countries lack majority support for democracy as best form of government**Percentage who say . . .*

	<i>Democracy is preferable to any other kind of government</i>	<i>In some circumstances, a nondemocratic government can be preferable</i>	<i>For someone like me, it doesn't matter what kind of government we have</i>
Greece	77	15	6
Lithuania	64	15	17
Georgia	55	19	21
Croatia	54	19	23
Armenia	53	13	32
Romania	52	28	17
Czech Republic	49	27	22
Hungary	48	26	21
Poland	47	26	18
Bosnia	46	22	26
Estonia	46	29	20
Bulgaria	39	34	23
Belarus	38	35	17
Ukraine	36	31	23
Latvia	34	30	26
Russia	31	41	20
Moldova	26	44	19
Serbia	25	28	43

Source: "Democracy, Nationalism and Pluralism," *Religious Belief and National Belonging in Central and Eastern Europe*, Pew Research Center, May 10, 2017. Survey conducted June 2015–July 2016 in eighteen countries. "Don't know/refused" responses not shown. Available at: <http://www.pewforum.org/2017/05/10/democracy-nationalism-and-pluralism/>; see Appendix A "Methodology" for details.

that support for the multiparty system had steeply declined in Bulgaria, Lithuania, and Hungary, while staying flat, or nearly flat, in Poland, the Czech Republic, and Slovakia.<sup>34</sup> A survey in 2017 (see [table 7.5](#)) showed a disturbingly weak support for democracy, with only Romania, Croatia, and Lithuania among the CEE EU members showing majority preference for democracy compared to other systems. Equally troubling, the survey shows a strong minority embracing a political indifference that makes them vulnerable to populist, all-purpose solutions proposed by nationalist parties and actors hostile to democracy.<sup>35</sup> But such parties have also been successful in Western Europe, and especially compared to developments in the non-EU Balkans or post-Soviet states (see [table 7.4](#)), democratic stability has been established in the region, with the EU's help and in less than a generation.

### *Managing Migration*

With the collapse of the Arab Spring movement for democracy and especially the worsening of the civil war in Syria, Europe has seen a migration inflow of unprecedented proportions. At the end of 2014, just over fifty thousand people had fled war, poverty, and hopelessness in the Middle East and North Africa to seek asylum in Europe. By the end of

2015, that number exceeded 1.3 million. Most were trying to reach the richer countries of Europe, especially Germany, but to do so, they had to traverse CEE states, notably Serbia and EU member Hungary. By the end of 2015, more than 177,000 refugees were camped in Hungary, the highest number *per capita* in Europe. Despite their commitments to the EU, several Central and East European members rejected the idea of taking in refugees and challenged the EU's right to make such policy.

Anti-immigrant and anti-Muslim fears were exploited by populist parties in each of these countries, but the problem was exacerbated by the EU's inability to construct an effective and equitable solution. With thousands dying in the Mediterranean and the burden of rescue and settlement falling disproportionately on Greece, Italy, and Hungary, EU interior ministers, in an unusual majority vote, adopted a plan in 2015 to distribute by quota some 120,000 arriving refugees (plus 40,000 previously agreed to). Despite these meager numbers compared to the overall numbers and the fact that less than 10 percent would be settled in Eastern Europe, four CEE states (Hungary, Slovakia, the Czech Republic, and Romania) voted against the plan. Hungary built barriers on its borders (in violation of Schengen Treaty principles) and later, along with Slovakia, sued the EU in the European Court of Justice, unsuccessfully, to try to block the plan. With the quota plan producing weak results (just over eighteen thousand resettlements by spring 2017), the EU itself took legal action against the Czech Republic, Hungary, and Poland because of their failure to comply with the deal.<sup>36</sup> Unable to coordinate among themselves, the EU signed an agreement with Turkey in 2016 that obliged that country to halt the outward flow of refugees in return for more a more favorable approach by the EU toward Turkey's accession plans and the provision of visa-free travel (something virtually all of the Balkan candidate members had been granted).

The CEE states are not the only EU members to resist the distribution of migrants, but this very public resistance by new democracies and new members represents a clear rejection of both the values and idea of the supranational organization. At the same time, it provides a powerful focus for those domestic forces willing to demonize both "the other" and external actors like the EU for political gain.<sup>37</sup>

### *Economic Struggles*

When the Central and East European states joined the EU in 2004 and 2007, they were obliged to commit to eventually joining the Eurozone. In this subset of EU members, a single currency operates and states' fiscal (budget) autonomy is limited. Five CEE states have joined so far (Slovenia, Slovakia, Estonia, Latvia, and Lithuania) but the two largest East European economies, Poland and Romania, have not.

Nevertheless, all of the Central and East European joiners have become tightly entwined with the economic dynamics of their European partners. EU countries are the principal source of foreign direct investment, and by 2012, EU partners took nearly two-thirds of all exports from Central and Eastern Europe. Such exports are crucial to the economies of the region, accounting, for example, for 40 percent of the GDP in the Czech Republic and 30 percent in Hungary, the Slovak Republic, and Slovenia from 2007 to 2009.<sup>38</sup>

In 2008, an international economic crisis hit, begun by a deep recession in the United States and then Europe. With both investment funds and the market for exports sharply

reduced, poorer EU states that had counted on cheap credit began instead to borrow, at first to cover domestic needs and then—at much less attractive rates—to cover earlier borrowing. With unsustainable debt building in Greece, Ireland, Spain, and Portugal, the EU was obliged to act. It did so at the behest of richer “paymaster countries,” Germany, the Netherlands, and Finland, and imposed severe austerity programs in return for aid.

At the same time, new centrally controlled institutions of the EU were created, like the European Stability Mechanism in 2012, with access to €500 billion (\$584,685,000,000) in lending capacity and a “European Fiscal Compact” that includes automatic “correction mechanisms.”<sup>39</sup> The European Central Bank began providing long-term, low-interest loans to banks. The combined effect of these actions did work to make the annual budget situation in Italy, Portugal, and Spain somewhat more manageable, and modest growth returned to the Eurozone in 2014 and has continued. The price paid (unwillingly by some members) has been stronger central EU policies and institutions, especially those affecting Eurozone countries, and a sharpening of divisions between Europe’s “haves” and “have nots.”

The 2008 global economic crisis and the slowdowns in the Eurozone rippled across Central and Eastern Europe as well. Deep recessions occurred in Hungary, Croatia, Bulgaria, Slovenia, and the Slovak Republic, as well as in the Baltic states. Only Poland was able to maintain growth. In many new member countries, economic crisis led to political change. Governments in Croatia, the Czech Republic, and Eurozone members Slovenia and Slovakia succumbed to early collapse. Hostility to costly bailouts was also evident. When successive bailouts for Greece were being considered in 2015, Slovak Prime Minister Robert Fico said, “Let no one ask Slovaks who earn €550 to €600 [a month] and get pensions of €250 to €300 to put money together and send out a €1 billion.”<sup>40</sup>

The Central and East European states rebounded quickly and, in fact, have shown growth that outpaces Western Europe. But public opinion in the east, like that across most of Europe, has shown fading faith in the EU.<sup>41</sup> In the region, distrust of the EU is strongest in the Czech Republic, Slovenia, Hungary, and Slovakia but is not dramatically different (except for the CR) than that seen, on average, across Europe.<sup>42</sup> Economic dissatisfaction, corruption, and opposition to EU directives, especially on migration and democratic practice, has strengthened the electoral showing of nationalist parties across the region. In Hungary, policies at odds with EU preferences twice led to suspensions of EU development funds. At one point, Prime Minister Orbán compared the EU’s action to Soviet-style interference.<sup>43</sup> The return to growth in both parts of Europe may ease electoral pressure, but the fundamental issues of how to make the single market work and how to make the EU as a whole work for the benefit of all will continue to challenge Europe, east and west.

### *Dealing with Russia*

Another dimension of the EU’s international role became decidedly more complicated because of the admission of eleven Central and East European states, three of which were once part of the Soviet Union and virtually all of which have diverging histories with, and views of, Russia. Russia is a key economic partner of the EU—its fourth largest trading partner. More importantly, it is the leading supplier of Europe’s oil and gas imports, which account for four-fifths and three-fifths of European energy use, respectively. EU

countries get most of their oil and gas from outside the region, and in both cases, Russia is the dominant supplier.<sup>44</sup> Dependence on Russian energy is not evenly distributed, with the proportion being much higher among the Central and East European states. Hungary, the Czech Republic, and Slovakia, for example, get nearly all their natural gas from Russia. That fact, plus historical paths that have included both liberation from the Nazis and occupation by the communists, produces a range of attitudes toward Putin's Russia. The Baltic states, Poland and Romania, for example, prefer that the EU take a tough stand on sanctions imposed on Moscow after its seizure of the Crimean Peninsula from Ukraine in 2014 and its support of rebels in the eastern part of that country. These states tend to see a more imminent threat to their hard-won sovereignty, while others, notably the Czech Republic and especially Hungary, are more willing under their current governments to seek greater cooperation and fewer penalties in relations with Russia.

Foreign policy has always been the weakest policy area of EU coordination. Adding so many states with a range of attitudes toward Russia plus high levels of energy dependence produces a complex map of possible responses to Russia. And this was before new uncertainties emerged about the level of US commitment toward the region after the election of Donald Trump.<sup>45</sup>

## The EU and the Region: Going Forward

While the issues of democracy, economic health, refugees, and dealing with Russia find the CEE states center stage in the development of the EU, the future form and actions of the organization itself will have a significant impact on the peoples and countries of the region even as their own politics will be a factor in shaping the new EU. In this respect, three major dynamics will test the relationship between the "new" Central and East European members and the now sixty-year-old organization.

### BREXIT

For the first time in its history, the EU has seen a member, Great Britain, opt to leave the community. And not just any member, but its third largest in terms of population and economy and its most militarily capable member. The EU will be reduced economically and face uncertain trade and investment ties with the United Kingdom. A new, as yet undetermined, status for EU citizens in the United Kingdom will have to be negotiated. The EU's global power, assertion of international role, and governing values will almost certainly be diminished.

For the CEE states, the ramifications are many. Great Britain had been one of the strongest proponents of enlargement to the East as well as the EU member most firm in its critical attitude toward Russia. Thus, countries like Poland and the Baltic states will lose a critical ally in those policy debates within the EU. At the same time, the United Kingdom's "special relationship" with the United States gave strongly pro-US countries in the region, like Poland, an organic connection to Washington within the EU that will now be gone.

More concretely, more than one million people have left East Europe to live and work in the United Kingdom since accession, increasing the connection between East and West and sending valuable remittances back home. After the UK vote, overall immigration to the United Kingdom slowed with the inflow of Poles, Lithuanians, and others from CEE slowing dramatically.<sup>46</sup> Brexit negotiations may or may not provide protection for EU citizens inside the United Kingdom, but for now, the attraction of moving west—once automatic—is called into question.

## ENLARGEMENT AND INFLUENCE

For the EU, the questions of enlargement and influence are related. In postcommunist Central and East Europe, Brussels saw itself as helping to extend the benefits of democracy and economic vibrancy to a region cut off for decades by the Cold War. This enlargement was generally welcomed by the leaderships and populations of the CEE states. “Completing” the process by adding states that emerged from the breakup of Yugoslavia has proven more challenging.

In 2003, the EU committed itself to continuing enlargement to include all of the states in what is referred to as “the Western Balkans.”<sup>47</sup> Slovenia joined the organization in the first wave of enlargement in 2004, and Croatia did so in 2013. Macedonia, Montenegro, Albania, and Serbia are termed “candidate members” (like Turkey), and Bosnia-Herzegovina and Kosovo are labeled “potential candidates.”

As with the earlier accessions, for some Balkan states, there are special obstacles to membership. In Bosnia-Herzegovina, constitutional reform that would strengthen the country’s ability to act as a unified entity is stalled despite vigorous EU involvement. (See [chapter 16](#) on the post-Yugoslav states.) Macedonian progress toward membership is blocked by Greek objections to the country’s name.<sup>48</sup> Kosovo, which declared independence from Serbia in 2008, is not recognized by five EU members or, crucially, by candidate member Serbia. However, in 2013, EU High Representative Catherine Ashton succeeded in brokering a power-sharing agreement that affects the northern part of the new country where most members of the Serb minority live.<sup>49</sup> Slow movement toward normalization of relations, though rocky, has continued and was a product of the desire of both sides to enhance their prospects for EU membership and an important positive result of the EU’s Western Balkans policy.<sup>50</sup>

The struggles noted above—especially over policy on refugees and the slide away from democratic progress—have reinforced a deep “enlargement fatigue” among the leadership and people of the EU. Among all the EU publics, nearly half are opposed to further enlargement; among those living in the new CEE members, though, a majority favor enlargement.<sup>51</sup> With the EU divided on so many crucial issues, it seems unlikely that any of the Balkans states will find enough support for membership very soon.

Other states on the periphery of Europe, for example, Moldova, Armenia, Azerbaijan, Belarus, and Ukraine, have not been offered a “membership perspective.” Instead, the EU hopes to exercise influence—and movement toward democracy and an open economy—by offering association agreements through its “Eastern Partnership” program begun in

2008.<sup>52</sup> The record has been mixed, but nowhere more problematical than with the largest non-EU “neighbor,” Ukraine.

## UKRAINE

Ukraine has a bifurcated history and ethnic composition (see [chapter 17](#) on Ukraine) and only a brief record as a self-governing country. From its independence following the collapse of the USSR in 1991, the EU and especially some members like Poland have been eager to push it toward democratization, a more open, better-run economy, and a stronger relationship with the EU.

During the contested presidential elections at the end of 2004 (the Orange Revolution), the EU did not accept the election of Viktor Yanukovich and pushed strongly for new, fair elections. These made Viktor Yushchenko president. Ukraine was granted the status of “functioning market economy” and was considered a “priority partner country.” EU-Ukrainian relations have been governed by a Partnership and Cooperation Agreement dating from 1998, and the EU has been the country’s largest trading partner and the largest donor of technical assistance. Long negotiations eventually produced an association agreement, even though Viktor Yanukovich did succeed in becoming president in 2010. This agreement, the first of its kind for Partnership countries, was to provide for a stronger form of “political association” with the EU, including domestic reforms, and deeper economic ties, including the establishment of a free trade area.

Those very ties, however, alarmed Russia, which saw this as further Western incursion into a region in which it claims “privileged interests.”<sup>53</sup> During 2013, a combination of political pressure and economic incentives (such as a lower price for natural gas) persuaded President Yanukovich to suspend plans to sign the association agreement. As a result of this action and accumulated frustrations with corrupt and ineffective government, huge demonstrations erupted in central Kyiv (labeled the “Euromaidan”) that culminated in Yanukovich’s fleeing the country to Russia in February 2014.

When a new interim government was formed, Russia continued to warn it against signing the agreement with the EU. At the same time, Moscow took advantage of upheaval in the country and secessionist sentiment in the Crimean Peninsula to forcibly wrest that territory from Ukraine. The EU, along with the United States, condemned the political machinations that accompanied this action, such as a referendum in which 96 percent of voters approved joining Russia, and applied targeted sanctions against Russian and pro-Russian Ukrainian elites. International condemnation notwithstanding, Crimea was annexed to Russia on March 21, 2014. The same day, the Ukrainian government signed the political provisions of the association agreement. The EU began immediately to implement free trade measures between the EU and Ukraine as part of a package of economic and political support measures designed to bolster Ukraine’s economy and sovereignty.<sup>54</sup>

New presidential elections were held in May, even while a full-scale rebellion erupted in the eastern part of the country, led by forces opposed to the Kyiv government and supported by Russia. In June 2014, new president Petro Poroshenko signed the association agreement with the EU, including its provisions for a Deep and Comprehensive Free

Trade Agreement, which took effect in 2016. The EU is now Ukraine's largest trading partner and the full association agreement came into effect in 2017.<sup>55</sup>

The EU and the United States have applied an ever-widening package of sanctions against actors and sectors in the Russian economy because of their "illegal annexation of territory and deliberate destabilization of a neighboring sovereign country."<sup>56</sup> In mid-2016, these became linked to the implementation of the Minsk Agreements signed by Russia, Ukraine, Germany, and France in 2015 to put an end to the conflict. (See [chapter 17](#) on Ukraine.) But the EU's leverage with Russia, as its largest export partner and leading investor, is blunted by its own dependence on Russian energy and by divisions within the EU over how best to deal with Moscow. For example, plans to greatly expand the supply of Russian gas directly to Germany (circumventing Ukraine and the CEE states) through a second Nord Stream pipeline have drawn severe criticism from several members and European Council president Donald Tusk.<sup>57</sup> Some, like Hungary, have gone ahead to sign their own deals with GAZPROM, Russia's dominant gas supplier.<sup>58</sup>

The broader question for the EU—and its eastern members—is whether it will continue to have influence beyond its borders, in places where membership is not "on offer" or where major external powers, like Russia, oppose that influence. Georgia and Moldova, for example, have also signed association agreements, including Deep and Comprehensive Free Trade Agreements. The EU is the largest trading partner for both and their citizens, like those of Ukraine, enjoy visa-free travel in the EU. Joining the EU is still the goal for most of the states of the Western Balkans.<sup>59</sup> Still, going forward, the EU will be smaller and still divided on a range of issues. But "hard" power was never its strength and division on the continent is not new. The question now is whether the EU's vaunted "soft" power—the appeal of its governing values and system—will still be as powerful.<sup>60</sup> The "new" democracies of Central and East Europe—now less new and, in some cases, less democratic—will have an important say in answering that question.

## Implications for Political Science

A central problem in the study of world politics has always been the question of why states act in certain ways. Do they do so out of considerations of pure power (the realist point of view), because of the nature of their governments (the liberal point of view), because of changes in their identity (the constructivist point of view), or because of the role of international institutions (the liberal institutionalist point of view)?<sup>61</sup> If a state's behavior seems to conform to the dictates of other more powerful states, is this because it has no choice, because it truly associates itself with the behavioral norms of its neighbors, or because it sees gains in acting that way?

The case of the Central and East European states accepting and implementing the norms of the EU provides a real-world experiment for such theories, though, like all such experiments, only an approximate one.<sup>62</sup> In the real world, states cannot be put in laboratories with some variables held constant and others allowed to vary. But for the years since the revolutions, the states of Central and Eastern Europe and their paths represent an observable group of outcomes that can be studied comparatively. These states, with different cultures and histories and different experiences of conflict, all

became democratic and were freed from the dominant power that had ruled their region. They all had strong economic and political incentives to join the EU. Their leaders and populations all claimed to want to adhere to democratic norms, and in most cases, they moved to do so, at least until after EU membership was achieved.

Yet, as this chapter and others in this volume have shown, both before and after the “Big Bang,” the states of this region diverged, both from each other and from most of the countries that emerged directly from the USSR—for example, Ukraine. Grzymala-Busse, among others, suggests that now, a decade after Europe was formally reunited, divergences among Central and East European states are greater than those separating “east” from “west” Europe. Pointing to the rise of populism across the continent, she says, “If anything, the real divide runs between mainstream European political elites and large swaths of voters disappointed in what they perceive as the failure of their representatives to respond to their concerns.”<sup>63</sup>

Exploring these differences and their contemporary implications leads us to numerous questions, both in the realm of international relations as well as comparative political studies. First, why were the newly liberated Central and East European states so willing to dance to the EU’s tune? What combination of incentives or threats were applied and with what effect?<sup>64</sup> Second, what will happen now that membership (the major incentive) has been achieved?<sup>65</sup> Third, what external influence can the EU exert—especially in its new reduced form—beyond its borders? On the international stage, has the once dominant “soft power” influence of the EU been defeated by the hostility of local regimes to democracy and the “hard power” capabilities of traditional states like Russia?<sup>66</sup>

A fourth, a broadly ominous question is whether democracy, once achieved, can be reversed. The histories of Weimar Germany and post–Cold War Russia suggest that it can. But in both of those cases, there were few effective instruments of international engagement to support democracy. In the case of the EU and the states of Central and East Europe, there have been and continue to be instruments available to the “normative hegemon” (the EU).<sup>67</sup> And overall, the region has seen a persistence of democratic and economic reforms, even in the face of significant challenges. But in some cases, most notably Hungary and Poland, democratic practices have been seriously weakened, and the EU has been unable to reverse that trend. If that is the case, from the perspective of the EU and other major democracies, like the United States, the policy question is what, if anything, can be done to halt the slide? From the scholarly vantage point, we want to know why democracy succeeds, persists, and becomes robust in some countries but fails in others. What combination of domestic and international factors make the difference?<sup>68</sup>—a bigger question than this chapter or this book, to be sure, but one which the recent experience of East Central Europe and its intensive interaction with the EU can help answer.

## Study Questions

1. What seems to explain the different paths to democracy and an open economy seen in Central and Eastern Europe? Is it determined by the past, or culture, or by contemporary political dynamics?

2. How do you explain the willingness of the Central and East European states to comply with comprehensive demands of the EU for membership so soon after regaining independence of action after the collapse of the Soviet alliance system?
3. Is there a link between economic success and democratization? Is democracy more successful in those Central and East European countries that are doing better economically, like Poland?
4. What are the factors that will explain the outcome in the tug-of-war over democracy between the EU as an organization and some of the states of Central and Eastern Europe? Will the EU and its members become less democratic or more so?
5. What strengths and weaknesses does the EU bring to the struggle for influence with Russia over Central and East Europe and the Balkans?

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## Websites

- European Bank for Reconstruction and Development: <http://www.ebrd.com/pages/homepage.shtml>
- European Union: [http://europa.eu/index\\_en.htm](http://europa.eu/index_en.htm)
- European Union, "Enlargement": [http://europa.eu/pol/enlarg/index\\_en.htm](http://europa.eu/pol/enlarg/index_en.htm)
- Freedom House: <https://freedomhouse.org/>; *Nations in Transit*: <https://freedomhouse.org/report-types/nations-transit>
- M. E. Sharpe, *Problems of Postcommunism*: <http://www.mesharpe.com/mall/results1.asp?ACR=PPC>
- Transitions Online*: <http://www.tol.org>
- Visegrad Group: <http://www.visegradgroup.eu/>

## Notes

I would like to thank Shane Killian, Kristen Flanagan, and Isabel Ranner for their research on this chapter.

1. For a discussion of the enlargement of the Council of Europe, see Peter Leuprecht, “Innovations in the European System of Human Rights Protection: Is Enlargement Compatible with Reinforcement?” *Transnational Law and Contemporary Problems* 8 (1998): 313–36.

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