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*Miami-Florida European Union Center of Excellence*

***EUMA***

**Enlargement: New Challenges for an Old Process**

**- Catherine Cottrell**



**EUMA  
Vol. 2 No.12  
June 2006**

**This publication is sponsored by the EU Commission.**

# EUMA

*European Union Miami Analysis (EUMA)* is a bi-weekly service of analytical essays on current, trend setting issues and developing news about the European Union.

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Among the topics to be included in the series, the following are suggested:

- The collapse of the Constitution and its rescue
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These topics form part of the pressing agenda of the EU and represent the multifaceted and complex nature of the European integration process. These short papers also seek to highlight the internal and external dynamics which influence the workings of the EU and its relationship with the rest the world.

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## **Enlargement: New Challenges for an Old Process**

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## Enlargement: New Challenges for an Old Process

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### Introduction

Membership in the European Union is arguably the most highly sought after position for countries in all of Europe. One of the most complex and timely issues facing the EU today is that of enlargement. Just 14 years ago it was thought that “the challenge of the future was to deepen rather than widen” the EU.<sup>1</sup> But with the fall of communism and the Soviet Union, the inclusion of European countries became an implicit goal of the EC member countries.<sup>2</sup>

Soon the issue of including the former Soviet bloc countries of Central and Eastern Europe in the EU began to be debated. The inclusion of these countries proposed problems as well as benefits to the Union. Would enlargement of the EU “derail” the deepening plans of the 1990’s, like the single currency? Would ethnic problems like those in the former Yugoslavia prove destabilizing to the Union? While these worries were not unfounded, many Europeans considered the inclusion of the former Communist countries “clearly the right thing to do.”<sup>3</sup>

At the Copenhagen European Council in 1993, the EU explicitly declared that enlargement was a goal. The heads of state and government “took a decisive step towards European reunification by presenting an official invitation for membership” at the meeting.<sup>4</sup> The European Council drew up “criteria” that would determine whether a country wanting membership in the EU was ready: (1) stability of institutions guaranteeing democracy, the rule of law, human rights, and respect for protection of minorities; (2) the existence of a functioning market economy, as well as the capacity to cope with competitive pressure and market forces within the EU; and (3) the ability to take on the obligations of membership, including adherence to the aims of political, economic, and monetary union.<sup>5</sup>

In 1997, four years after the establishment of the Copenhagen Criteria, the Treaty of Amsterdam was signed. Article 49 of the treaty states that “any European State which respects the principles set out in article 6(1) [principles of liberty, democracy, respect for human rights, and fundamental freedoms, and the rule of law] may apply to become a member of the Union.” This is “the only passage in any European treaty that defines accession conditions,” while the “Copenhagen criteria provides an operational framework” for Article 49.<sup>6</sup>

These criteria opened up the door for Central and Eastern European nations to begin applying for membership. After seeing the accession of Sweden, Finland, and Austria in 1995,

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<sup>1</sup> Van Oudenaren, John. *Uniting Europe*. (Lanham: Rowman and Littlefield Publishers, 2000). pp 313.

<sup>2</sup> *Ibid.*, 313

<sup>3</sup> *Ibid.*, 315

<sup>4</sup> Gobbin, Niko and Koen Schoors. “Enlargement.” *Handbook of Public Administration and Policy in the European Union*. Ed., M. Peter van der Hoek. Boca Raton: CRC Press, 2005. pp 605-7.

<sup>5</sup> Dinan, Desmond. *Ever Closer Union*. (Boulder: Lynne Rienner Publishers, 1999). pp 191.

<sup>6</sup> Gobbin and Schoors, 605-7

the EU turned its attentions fully to the prospect of admitting 10 new members in the next decade.

On 1 May 2004, ten new countries were admitted to the EU. Estonia, Latvia, Lithuania, Poland, the Czech Republic, Slovakia, Hungary, Slovenia, Cyprus, and Malta added a combined total of 75 million people to the EU.<sup>7</sup>

Although the accession of these countries was the realization of fifteen years of hard work, there were still problems to address. Specifically, the population of the EU grew by 20 percent in the 2004 enlargement, but its wealth only grew by five percent given the poorness of the new member states.<sup>8</sup> Furthermore, any time there is an accession round the EU can potentially be changed in three ways, according to Lykke Friis. First, the institutional structure will have to incorporate representatives from each new member state in various political bodies. Second, the EU's policy agenda can be reformed due to the interests and needs of newcomers. Third, the borders will change each time one new country is admitted, much less ten new countries.<sup>9</sup> The years after an accession round do not spell relaxation for the EU, as all of these issues need to be addressed.

## Turkey

The most controversial candidate country in the EU's history has been Turkey. Turkey has been an informal candidate for membership since the EC made an association agreement in 1963. However the country fell out of standing with the EC over the next two decades thanks to many areas of unrest. Turkey "faces economic, political, and security problems that distinguish it from the rest of Europe."<sup>10</sup>

Although Turkey's accession talks opened on 3 October 2005, the process has not been smooth so far. In November of 2005 the European Commission published a progress report for candidate countries that was not entirely complimentary of Turkey. Brussels was disappointed with the slowness of political progress and the persistence of torture in Ankara.<sup>11</sup>

Turkey's economic problems include runaway inflation and huge budget deficits. Politically, the Turks have been in a long struggle with Kurdish independence movement, which has raised potentially damning evidence about Turkey's human rights record. A mostly Muslim country, Turkey is faced with the problem of fundamental terrorism. The EU has serious concerns regarding "freedom of expression and religion- especially of non-Muslim population, plus a new escalation of violence in the south-eastern part of country."<sup>12</sup> Additionally, there is

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<sup>7</sup> European Union. "The 2004 Enlargement: The Challenge of a 25 Member EU." *The European Union Online*. 2005. The European Union. 19 November 2005 <<http://www.europa.eu.int/scadplus/leg/en/lvb/e50017.htm>>

<sup>8</sup> McCormick, John. *The European Union: Politics and Policies*. Cambridge: Westview Press, 2004. pp 97.

<sup>9</sup> Friis, Lykke. "EU Enlargement... And Then There Were 28?" *The European Union: How Does It Work?* Eds. Elizabeth Bomberg and Alexander Stubb. (New York: Oxford University Press, 2003). pp 179-80.

<sup>10</sup> van Oudenaren, 331

<sup>11</sup> Le Monde. "Elargissement: l'UE accorde, sous conditions, à la Turquie le statut d'économie de Marché." *Le Monde Online*. 9 November 2005. *Le Monde*. 19 November 2005.

<sup>12</sup> Kubosova, Lucia. "EU Talks Show Gap Between Turkey and Croatia." *EUObserver*. 13 June 2006. *EUObserver Online*. 29 June 2006.

the ever-sore spot of Cyprus. Turkey claims the northern part of the island for itself, while Greece maintains that Turkey has no right to the area.

Map Courtesy of Atlapedia Online ([www.atlapedia.com](http://www.atlapedia.com))



Map Courtesy of [greenwichmeantime.com](http://greenwichmeantime.com)

Turkey's response to the Greek claim to the southern part of the island has been a trade embargo with Cyprus and an extremely frosty relationship with its government and the government of Greece. Because Cyprus and Greece are already member states of the EU, they also have a vote in the accession negotiations with Turkey. The EU has been pressuring Turkey to lighten its stance toward Cyprus for years with little progress. The Cypriot issue has been one of the main sticking points in Turkey's accession negotiations. The closing of Turkey's first accession chapter on 12 June 2006 brought a new draft of summit conclusions from the Austrian presidency. The conclusions included tough words regarding Turkey's embargo against Cyprus.

The final draft of the summit conclusions were notably harsher on Turkey than previous drafts, referring to the EU's 2005 declaration that "requires Turkey to recognize EU member state Cyprus, as well as open its ports and airports to Cypriot vessels and planes."<sup>13</sup> Furthermore, the summit conclusions promise that the EU will monitor the progress made towards the goals set in the 2005 declaration. Turkey's "commitment to good neighborly relations" will be a decisive factor in negotiations that will start later this year. "If Turkey were not to implement this condition [on Cyprus] this year," Luxembourg Prime Minister Jean Claude Juncker said, "my view is that the negotiations will have to be postponed." Moreover, current Enlargement Commissioner Olli Rehn said that Turkey must comply with the Cyprus conditions to avoid an accession "train crash."<sup>14</sup>

However, the issue of Turkey does have some bright spots. In its November 2005 report Brussels acknowledged Ankara's progress towards a functioning market economy and the success of its stabilization and reforms. Furthermore, proponents of Turkey's accession highlight the boost in EU power that Turkey's membership could bring with regards to "trouble spots" in the Middle East and Central Asia.<sup>15</sup>

## **Romania**

The next round of accessions to the EU is scheduled for 2007 and includes two Eastern European nations: Romania and Bulgaria. The road to accession for Romania has been anything but easy, following a much bumpier path than the 2004 enlargement nations. The accession of Romania presents challenges for the EU on more than one front. The largest challenge as of summer 2006 is avoiding a one year accession delay for Romania.

Romania first applied for admittance to the EU in 1995, but was not approved by the EU until 1997. The start of the long process of formal accession negotiations took place in February of 2000. At the start of the negotiations, the EU set an ambitious 2007 target date for accession. It was acknowledged from the start by EU officials that the negotiation process would not be an easy one for Romania. "The 2007 entry goal is a realistic scenario," said former Enlargement Commissioner Günter Verheugen in 2000, but "Romania is in a decisive phase- it may be hard, but it is possible."<sup>16</sup>

Trepidation regarding Romania's ability to meet the demanding Copenhagen criteria was still present four years after the first negotiation meetings. The EU enacted a "safeguard clause" for Romania in June of 2004 that would allow accession to be delayed one year if accession goals were not being met in a timely fashion. The decision to delay accession would require a unanimous vote by the Council.<sup>17</sup> However in 2004 and 2005 Romania's progression toward

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<sup>13</sup> Beunderman, Mark. "EU Leaders Set to Press Turkey on Cyprus Dispute." EUObserver. 16 June 2006. The EUObserver Online. 29 June 2006. <<http://euobserver.com/15/21886>>

<sup>14</sup> Ibid.

<sup>15</sup> Grant, Charles. "Turkey Offers EU More Punch." *The CER Website*. September 2005. The Centre for European Reform. 15 November 2005 <[http://www.cer.org.uk/articles/grant\\_europeanvoice\\_sep05.html](http://www.cer.org.uk/articles/grant_europeanvoice_sep05.html)>

<sup>16</sup> Euractiv. "EU-Romania Relations: Background, Issues, and Positions." Euractive Online. 18 May 2006. Euractive: EU News and Policy Positions. 29 June 2006. <http://www.euractiv.com/en/enlargement/eu-romania/relations/article-129587>

<sup>17</sup> Ibid.

accession goals was on track, leading Romania to sign its Treaty of Accession on 25 April 2005 officially declaring 1 January 2007 the date for their entry into the EU.<sup>18</sup>

Romania has complied with the political Copenhagen criteria that require stable institutions that guarantee democracy. The country has also complied with the economic accession criteria, maintaining a well functioning market economy. Although the market forces within the EU are much stronger than those currently being faced by the Romanian economy, the Enlargement Commission believes that the Romanian economy will be able to handle the change well. The functioning of Romania's economy is robust enough that the nation should adjust to the larger Union market forces, but will need to address inflation problems in order to maintain competitiveness.<sup>19</sup> The nation's ability to meet the economic criteria should be credited to Romania's economic turnaround in recent years. In the early 1990's, Romania experienced "poor (even negative) growth," but has experienced a surge of positive numbers in real GDP since 1998.<sup>20</sup>

The problems facing Romania's compliance with accession criteria have been linked in large part with public administration policy and function. In the EU, transparency of public administration institutions is an absolute must. Furthermore, while the Romanian legislature has been able to draft policy, it has had less success in implementing it, due to, among other things, "cumbersome administrative policies."<sup>21</sup> The Romanian government has also had problems drafting legislation that will allow for adoption of the Community *acquis*. The *acquis* is the "detailed laws and rules adopted on the basis of the EU's founding treaties (mainly the Treaties of Rome, Maastricht, Amsterdam, and Nice)."<sup>22</sup> If the legislation is deemed by the EU to be inadequate, the revisions needed to bring it up to standard may present a problem for timely accession. Additionally, corruption within governmental and public administration institutions is a problem, as it is with many former communist countries in Eastern Europe.

The European Commission released a progress report on Romania's accession status in May of 2006, the objective of which "was either to recommend accession as foreseen or ask for a postponement in light of problems."<sup>23</sup> The Commission, it transpired, was reluctant to make a final decision and postponed its decision until October of 2006. Instead of the Commission's final decision, the report "listed deficiencies in certain chapters" of Romania's accession plans. The day after the report's release Enlargement Commissioner Rehn said "if serious concerns [about Romania] remain, we will not hesitate to use the safeguards we have at our disposal."<sup>24</sup> In addition to the aforementioned governmental and political problems that Romania is faced with, the Commission also noted the country's human rights situation. The Commission's report noted

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<sup>18</sup> European Union. "Enlargement Overview: The Next Enlargement." The European Union Online. March 2006. EU Official Website. 29 June 2006. [http://europa.eu/pol/enlarg/overview\\_en.htm](http://europa.eu/pol/enlarg/overview_en.htm)

<sup>19</sup> Ibid.

<sup>20</sup> Gobbin and Schoors, 619-21

<sup>21</sup> European Union. "Enlargement Overview: The Next Enlargement."

<sup>22</sup> Gobbin and Schoors, 609

<sup>23</sup> Aktar, Cengiz. "EU Path of Bulgaria and Romania." *The Turkish Daily News Online*. 19 May 2006. *The Turkish Daily News*. 29 June 2006. <http://www.turksihdailynews.com.tr/article.php?enewsid=43830>

<sup>24</sup> Bilefsky, Dan. "Europe Presses Romania and Bulgaria on Reform." *The New York Times*. 17 May 2006.

that “increased efforts are also needed for... social dialogue, social inclusion... and the equal treatment of women and men.”<sup>25</sup>

The challenges that Romania’s accession presents to the EU stem from underdevelopment, political backwardness, and history. Eastern European nations with communist histories similar to that of Romania will continue to present interesting accession processes to the EU. The Western European nations that benefited from democratic rule and market economies for most of the twentieth century were able to have relatively smooth transitions to Union membership compared to that of Romania because they were not marred with the scars of Soviet domination. Corruption and economic struggles are hallmarks of former Soviet satellite nations, and the EU will be faced with these problems if it is to approve more Eastern European nations in the future.

## **Croatia**

Croatia completed its first chapter of accession negotiations on 13 June 2006. The Balkan nation officially submitted its application for entry into the EU, which was recognized by the Council in 2004. Croatia has strongly voiced its preference for an accession scheduled in 2009. However, the EU has been reluctant to agree to a 2009 enlargement, and instead has projected a 2010 accession for Croatia.<sup>26</sup>

The challenges that the EU faces from the enlargement come from within the Union itself as well as intra- Croatian obstacles. One of the main issues preventing 2009 entry for Croatia is the European Union’s Constitutional Treaty. Many in the EU want institutional reforms to be addressed in the Constitutional Treaty before any other enlargements take place. The European Parliament released a report in early 2006 regarding the Union’s need for institutional reforms for absorption capacity. Enlargement Commissioner Rehn said in May of 2006 that “the EU would not be able to receive any more members without a new ‘institutional settlement’.”<sup>27</sup>

Although Croatia is generally deemed to be handling accession criteria well, there are still some sore spots relating to the Balkan wars of the 1990’s and internal administration problems. Croatian cooperation with the United Nation’s war crimes tribunal is a must for EU entry, as it is a human rights issue that will affect the nation’s compliance with the Copenhagen criteria. Furthermore, Croatia’s fiscal and social security systems are in need of some overhaul within the next few years.<sup>28</sup>

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<sup>25</sup> European Commission Staff. *Romania: May 2006 Monitoring Report*. (Brussels: The European Commission, 2006). Pp 39.

<sup>26</sup> Kubosova

<sup>27</sup> EurActiv. “Rehn: Croatia Will Not Join EU Before 2010.” EurActiv Online. 22 June 2006. Euractive: EU News and Policy Positions. 29 June 2006. <http://euractiv.com/en/enlargement/rehn-croatia-join-eu-2010/article156042?>

<sup>28</sup> EurActiv. “EU-Croatia Relations: Background, Issues, and Positions.” EurActiv Online. 15 November 2005. Euractive: EU News and Policy Positions. 29 June 2006. <http://www.euractiv.com/en/enlargement/eu-croatia-relations/article-129605>

## **Conclusion**

Enlargement in the EU faces many challenges in the coming years. In addition to its own institutional reform issues relating to the Constitutional Treaty, there are a plethora of problems regarding the candidate and acceding countries. The toughest hurdle for the EU to cross will be the accession of Turkey. Old habits and animosities die hard, and the Cyprus issue will remain at the forefront of negotiations during the entire accession process. Convincing the Turks to abandon all former discriminatory policies towards Cyprus will take years of hard negotiating. Moreover, even if Turkey does comply with the EU's requirements regarding Cyprus, there will be considerable resistance by many current member states, including Cyprus itself and Greece, to approve the country's entry into the Union. Additionally, the EU is facing the task of admitting Eastern European nations that have considerable political and economic problems not faced by former enlargement nations. The lingering effects of Soviet domination and communist oppression may impede nations like Romania and Croatia from complying fully and swiftly with the Copenhagen criteria. In order to address these challenges efficiently, the EU should focus on correcting its internal institutional problems. Although the Constitutional Treaty ratification process has been very tough, it is crucial that the Treaty gets passed so that the EU can tackle the enlargement process efficiently. Furthermore, the EU needs to be optimistic but also realistic regarding the accession abilities of Eastern European nations. The ability of Eastern European nations to comply with the economic, political, and human rights Copenhagen criteria may be slower than that of nations in previous enlargement blocs.