Europeanization

in Central Eastern European Democratic Transition:

a multi-level explanation approach.

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Abstract

Through which mechanisms and how the process of EU accession influences political dynamics in the perspective EU members (Central Eastern European Countries; CEEC)?

Two are the factors that differently combined affect the likelihood of adaptation to the EU, also, determine to what extent candidates become “Europeanized“:

- the development of “conditionality for access“ by the Union, which generates certainty and uncertainty in the domestic contexts and winners and losers of the process.
- the role played by national institutions in candidate countries, which can be pro or against EU membership.

This paper will test “Europeanization effects”, examining whether and to what extend the correspondence among EU conditionality and domestic demands has generated and triggered on the process of Europeanization in the candidate countries.

The hypothesis behind this work is that “Europeanization effects” are characterized by stages in which agreement among actors, at the EU and domestic level, is necessary for the issue of proceeding further.
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INTRODUCTION

Providing a theoretical framework for the comprehension of the process of Europeanization in Central Eastern European Countries (CEEC) has been the first attempt of this paper. This work seeks to examine Europeanization in a time in which the concept has been inflated by using it in different contexts\(^1\). The paper has followed a large definition of the concept, by way of using an eclectic analytical frame.

Hence, it will be argued that “Europeanization effects” are triggered on by the interaction among three levels:

a) **EU policies formation-level** (EU conditionality)

b) **EU/CEEC negotiations**

c) **domestic dynamics** (agenda setting/implementation phase).

The second intention of this study is to shed more light on the dynamic role of domestic institutions in the process of adaptation to the Union.

This *vincolo esterno* - EU conditionality - has matched against the domestic process of policy formation, in a time in which the applicant countries had to cope with the issues posed by the democratic transition.

- Firstly it is summarized the literature on Europeanization, by examining to which extent EU conditionality has been considered able to “strap to the mast” member states and candidate countries.
- Secondly, it is defined Europeanization Eastern-style, observing its specificities and drawing up parallels with classic Europeanization.
- Thirdly, there are explored the interlinks between the process of Europeanization and other source of pressures, both at domestic and extra-national level, drawing up the attention on whether the bias showing “European effects” in the transition toward democracy has to be revisited.

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\(^1\) There are four domestic domains affected by policy-making in Brussels: the domain covered by domestic policies, domestic discourses and preference formation system, institution changes and social behaviour. Therefore, four are the geographic areas in which Europeanization produce more or less its effects: EU Member States; applicant States (Czech Republic Estonia Hungary Poland Slovenia and Cyprus; Bulgaria Latvia Lithuania Rumania Slovak Republic and Malta) and Turkey; European non EU-candidate states (Norway, Switzerland); other Associated States (ACP countries, ex european colonies).
1 Academic debate on Europeanization and CEEC. An overview

Through which mechanisms and how the complex and multiphase process of EU accession influences statesociety-market relations, i.e. political social and economic dynamics in the perspective EU members? Moreover, which are the mechanisms producing Europeanization effects in Central Eastern Europe operating at the policy-formation-level?

By way of examining the existing literature on Europeanization, this section deals with two topics. Firstly, it examines the existing literature on the impact of the European integration on the member states (Europeanization Western-style), by summarizing the main problems posed by the concept in the recent years. Secondly, it analyses the recent works that have confronted themselves with the impact of European integration on the CEE democratic transition.

1.1 Europeanization as an independent fieldwork

Since the establishment of the three European Communities, between the years 1951 and 1957, the research in the field of European Integration (EI) has been dominated by International Relations’ approaches; basically realism and neo-functionalism (e.g. Waltz 1969; Morgenthau 1948 and Carr 1946 for Realism: Keohane and Nye 1972; Haas 1958, 1970; Schmitter 1969 and Deutsch 1957 for neo-functionalism).

The beginning of the 1980s, with the increasing importance gained by the European Court of Justice, creating new interpretations to European Integration, signalled the emergence of juridical approaches to the process of economic integration (Wessels 1998). Finally, since the Single European Act (1987) and the Treaty of Maastricht (1993), comparative studies and policy analysis accounts have confronted themselves with this topic, by way of explaining the dynamics of European Integration and how these interact with/at the domestic level.

However, in the last decade increasingly attention has been paid to the ways by which supranational organizations may strengthen or weaken the Nation-State.

The process through which “domestic areas become increasingly subject to European policy-making” (Borzel 1999, 574), is defined “Europeanization”².

Since the European Community has progressively emerged as an organization carrying on considerable political and social implications, many researchers have been committed in searching evidences of domestic impact of EC/EU policies.

The first point in research on Europeanization has been to consider whether European integration strengthens or weakens the state (Moravcsik 1994).

To put an example, one could expect that the European Central Bank, which substitute in powers and competences the National Central Banks, has empowered the Union against the member states. Nevertheless, others could assume that this is not the case, because the heads of this “consortium” participate together in decisions that may have an effect on their respective countries. Also, they have less power at domestic level, while it has been empowered their external influence.

On the other side, many authors do not expect either a “withering away” of the nation state or its “obstinate resilience” (Borzel 1999, 576), but a transformation in terms of the emergence of what they call “multi-level governance” (Benz and Eberlein 1999; Majone 1999; Jeffrey 1997; Andersen and Eliassen 1996; Kohler-Koch

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² The vertical process of European integration and the horizontal responses in term of national adaptation have increasingly become two flips of the same coin. However, until recently, the study of European integration largely ignored Europeanization of national systems (Trondal, 2001).
This account assumes that European integration, by way of fragmenting the decision-making process, give way to new dynamics that overcome the domestic level. In other words, any national political decision has to be consistent with a number of political and technical standards, coming from Bruxells, but it has to be developed at national and/or sub-national level. Indeed, this poses a number of practical problems: at the political level, which has to improve its knowledge and expertise practically in any fields; for the researcher, who has to analyse a trans-national legal framework. The lack of consensus regards European Integration effects on the domestic level may be even explained by the fact that “Europeanization” is a relatively new field of enquiry. Moreover, the mechanisms through which exogenous interacts with endogenous, producing policy change and new patterns of behaviour, do not show clearly net effects.

It can be reasonably argue that only after the entry into force of the Treaty of Maastricht in 1993, putting into words the goal and the timetable of Economic and Monetary Union (EMU), european integration started to be considered a relevant source of policy change in member state. The completion of the EMU process has been forcing Members to comply with a set of financial and economic requirements, sometimes “empowering the technocrats”, thus transforming the State (Dyson and Featherstone 1996). EMU forces EU members to achieve and maintain in time a set of economic criteria, while it changes the balance of power among institutional actors (for other examples see Borzel 2000a; Benz and Eberlein 1999). Assuming this true, Europeanization effects should be investigated in a long-time perspective, and this makes inevitably more difficult to separate “net effects”.

Since the first specific works on Europeanization, by Doogan (Doogan 1992) and Broadhurst (Broadhurst, 1992), this debate has been recently broadened, by way of specifying the domain covered by the concept (Radaelli 2000) and the mechanisms activating this process (Knill and Lehmkuhl 1999).

To summaries, literature on Europeanization explores three domains:

1. Europeanization of national institutions and administration (Bulmer and Burch 2000; Harmsen 1999; Dyson and Featherstone 1996; Andersen 1995); political parties structure (Cole 2001; Cole and Drake 2000); sub-national actors (John 2000; Levitt 2000); inter-governmental relations (Goetz 2000 and 1995; Borzel 2000 and 1999; Morlino 1999; Smyrl 1997) and legal structures (Stone Sweet 1999; Weiler et all. 1998; Stone Sweet and Brunell 1998; Alter 1995)
2. Europeanization of public policy (Kerwer and Teutsch 2001; Dyson 2000; Green, Robertson and Levitt 2000; Dudley and Richardson 1999)

These studies has indicated that Europeanization contribute to explain how the pattern of governance has changed. It has been widely accepted that Europeanization effects could limit the power of parliaments (Andersen and Burns 1996), in favour of executives (Borzel 2000).

On the other hand, some scholars conclude by explaining that, due of a lack of clear EC model (Radaelli 2000, 3) This account shows how the concept of “governance” (Mayntz 1998), that represented the arena in which public actors sought to influence the decision-making process, has been changed by the process and the progress of European Integration. The hypothesis is that a new kind of governance is facing Europe; in which the focus is no more that there are different actors involved in decision-making process, but different levels in which governance is “shaped and shared”.

4 Lawton divides “Europeanization” from “Europeification”, that (the second term) refers to the division of power between national domestic executives and EU (Lawton 1999).
9), governmental and public administration’s behaviours are not strictly EU-driven (Page and Wouters 1995). For others, Europeanization could come alongside similar processes like modernization, normalization, and democratic consolidation\(^5\), by way of arguing that EU constrains, coming from the broad phenomena of internationalisation of economies and markets, have a tremendous impact upon the distribution of resources among domestic actors (Boerzel, 1999). Also, external constrains like Europeanization may shift the pre-existing balance of power among actors, creating new winner/loser of the process.

Going on with the EMU case, the post-Maastricht Union, denying the practicability for states to deal alone with monetary and economic policies, has produced new domestic way through which institutional actors manage domestic interests and demands. For example, the Italian case shows a clear progressive empowerment of the executive structure (especially the strengthening of Prime Minister’s competences), also a broad and active involvement of the Central Bank, the Banca d’Italia, toward a coherent EMU policy (Dyson and Featherstone, 1999, 1996). Indeed, it hasn’t been adequately understood to what extent the need of anchoring to EMU, instead of other political events -like tangentopoli- could explain this shift in balance of powers among domestic institutions.

Accordingly, this means that EMU recruitments have produced “different and contingent effects” (Dyson, 2000), depending on the domestic conditions from which they have been challenged. Nevertheless, Lodge, examining Europeanization of German Competition Public Procurement Law, argues that “Europeanization has multiple sources and cannot be understood as an uniform process leading to uniform outcomes” (Lodge, 2000). Putting in other words, the point is on whether Europeanization produces convergence or divergence among member states’ decision-making-system. Despite the solution of this dilemma go far beyond the aim of this paper, a few words have to be said on this point.

Here, it will be upheld that, differently from Europeanization in member states, Europeanization Eastern style is a long-time process which presents similar effects but broader and deeper in scope. For the CEE cases, there is to be stressed that “EU conditionality” develops from Human Right provisions to market liberalization constrains, through a number of binding principle and criteria the applicants have to comply with before membership. Hence, sometimes this raises problems that have not been yet identified endogenously. Also, the policy directives through which CEE governments implements EU conditionality, and the measures which has to be taken by the national authorities to harmonize at their domestic level with EU law, as a direct product of a specific powerful “conditioning system”, cannot be easily compared with what occurred in the member states.

For these reasons, this work is consistent with the line of reasoning arguing that Europeanization is widely understood as the penetration of the European dimension (EU conditionality) into the national arena, but there the understanding tends to stop (Gamble, 2001), giving rather unsatisfactory explanations on how EU conditionality pressure works as a mechanisms producing domestic policy change.

Indeed, many conclusions suggest that the outcomes of Europeanization are highly dependent upon to the perspective from which they are investigated (Radaelli 2000). For example, Stone Sweet and Brunell argue that the effects of the European Court of Justice’s case law on national policy processes have been consistent and pervasive, despite they have been balanced by different domestic responses and adjustments. Thus, even for the CEE case, it would be expected different degree of Europeanization, depending on policy areas we are looking on (Stone Sweet and Brunell 1998).

1.2 Conceptualising Europeanization Eastern style.

As a first step to provide Europeanization Eastern style with a more convincing framework, it has to be agreed to

\(^{5}\) For example, for the Italian rush toward EMU membership, see Giuliani (ibid.1999); Fabbrini, Freddi and Di Palma (ibid.2000); also Featherstone (Featherstone 1998) for Greece’s failure.
what extent and through which mechanism applicants countries transfer EU policies at the domestic level (Grabbe, 1999).

In other words, it is not satisfying to consider Europeanization a process for which EU laws, programs and procedures are simply transferred into domestic contexts before membership (Dolowitz and Marsh 1996; Evans and Davies 1999).

Hence, it will be argue that the EU level represents a platform from which EU constrains generate, while the domestic context, where we have to look at for examining Europeanization effects, could be considered the arena in which external pressure toward changes are balanced with internal demands. The problem should deal with what is being transferred and how it is done, also, through which mechanisms EU conditionality penetrates/changes/drives domestic policies.

Some accounts, while shifting the focus questioning opportunities and necessities of integrating Central-Eastern Europe in the European Union (Agh, 1999; Stawarska, 1999), loosing the problem saying that Europeanization in polity is achieved, while it has to be given more attention to the “effectiveness” at the implementation phase.

In other cases, other authors draw up a list of new-established committee, department and agencies attempting to demonstrate that Europeanization is clearly showing its impact, while giving up the issue of how Europeanization works (Agh 1999, 843; Stawarska 1999, 831).

Hence, probably for methodological and resources limits, nobody has yet compared the two faces of the same coin; Europeanization Eastern and Western style.

Many Europeanisation Eastern-style researches try to predict the effects of EU membership on candidate countries (Goetz 2000, 218).

The lack of a clear concept-definition has opened the way to concept stretching, misunderstanding and underestimating of Europeanization.

Reassuming the perspectives from which EU-CEEC relationship has been examined, the literature on CEEC’ return to Europe deals above all four subjects:
1. analysis on how the new world-order may have an impact on the process of transition, also, turning the problem upside down, how CEEC have reshaped their Foreign Policy, after the collapse of the communist-empire;
2. the extent to which European Agreement provisions have advantaged the economy of the Union, also the ambiguity of EU Foreign Policy in some sensitive topics;
3. how a rapid implementation of Western -living- standards and rules may negatively affect the “momentum of CEEC transition”\(^6\);
4. to what extent the common european market may bring about new problems for CEEC’ economies.

All these questions have been placing by scholars at the top of their agenda. Nevertheless, it seems that the emotiveness and a sort of euphoria through which EU membership has been considered in some Central-Eastern European circles has interfered with an objective analysis of the problem.

This may be partially demonstrated by the fact that after the collapse of the Communist Empire former-socialist countries have desperately seek policy models to adopt because of the discrediting of socialist way for managing the economy. Moreover, at that time, everything coming from the West, namely Europe, has been treated as a model to be imitated; everything coming from the West has been considered the way through which the return

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\(^6\) There is a general consensus between academics (McKinnon, 1992; Portes 1992) and international organizations such the World Bank and the International Monetary Found, studying the CEE transitions (Blejer and Gelb 1992), that some economic downturns could be linked to the effects generated by the introduction of a free-trade system.
into Europe would have been possible (Breckner et al, 2000).
At this stage a demand-pull for EU influence as well as the supply-push of EU requisites for membership began. To some extent, EU influences have been paved the way by a number of facilitating factors.
The CEE politicians and scholars, most of them with a somehow ideological sympathy toward the West, have pushed up the process of legitimating of EU policies, arguing that the European Communities were an opportunity for escaping from the poverty and political uncertainty. Moreover, after the collapse of the soviet empire, the return to Europe was perceived by the East the only possible solution for their political fragility and instability. Indeed, this was more or less a stereotype, that changed once the East understood very well that the Union was/is more than a “political umbrella”, easily joinable by sending an application.

According to this favourable “psych-sociological dependency”, EU conditionality pressures have operated following two different ways: pressure on the post-communist countries toward the adoption of a neo-liberal pattern of economy (European Agreement provisions); pressure on the governments toward the adoption of EU-compatible governance7 (EU conditionality for membership). These ways have been pursued establishing the concept of “conditionality for membership”, which means the adoption of political and economic measures according with the EU supposed political-economic-social model developed among member states in the last decades. Therefore, a unrealistic top-down imposition, which could be partially negotiated by candidates. Indeed, this fifth Enlargement differs from the previous because it “constitutes an important foreign policy goal of the Union and therefore brings an imposition upon the candidate countries to adopt specific development directions according to certain characteristic” (Smith 2000, 33).
This may partially explain why Europeanization effects in CEEC are expected to be wider and deeper in scope than in member states.

1.3 On the “EU conditionality” for Membership

The final report of the Copenhagen Summit, in 1993, declared that only those applicants that had concluded a Europe Economic Agreement were eligible for EU membership, provided they could meet three conditions:
- the establishment of a functioning and competitive market
- stable institutions guarantying democratic behaviours, the rule of law, human right and minority protection
- capacities to implement and to update regularly the acquis, the economic and political provisions.
These conditions add to the criteria of “European Identity”, set out in the 1958 Treaty of Rome. Moreover, the Amsterdam Treaty, founding the Union on the principle of liberty, democracy, respect of human rights and fundamental freedom (principle common to the Member States), defined de jure other conditions.
Indeed, the number of applications arrived on the hand of the Council in those years, as well as the poor economic conditions of the applicants, convinced the Union to set out another requirement, under the crop of the EU’s Pact of Stability, in 1994; the respect of “good neighbourliness”. Probably a real “drama” for many applicants.
Having said that, it is crucial to underline that “EU conditionality” has not suddenly appeared, it has gradually evolved since the Summit of Copenhagen, in 1993. It has been used as an instrument of Foreign Policy by the Union, to influence political and economic developments in Central and Eastern Europe.

7 From another perspective, Agh argues that candidates have only to readapt their institutions. We totally disagree with this opinion. For example, with the adoption of the Hungarian Competition Act of 1996, Hungary has been forced to create ex novo new structures, functions and procedures in order to comply with the related dispositions contained both in the Competition Act in the European Agreement (Agh 1999). This frequent overestimation in some literature of CEEC fit with EU compulsory requirements for membership is doubtful and misleading.
An example of EU’s pressure can be cited. The prospect of being excluded from negotiations for EU membership has positively helped Hungary and Romania to conclude good-neighbourly agreements among each others; and this occurred within the Pact of Stability framework for CEEC. This is clearly an example of the evolving nature of EU conditionality.

Moreover, EU conditionality is a concept to be negotiated between the Union and the candidates before accession, as it has not to be expected that all the candidates will show the same degree of EU harmonization when they will join the Union, putting the case of a +5 EU enlargement.

Indeed, EU conditionality applied on the CEECs’ political system has a deep and pervasive impact in shaping of new institutions and policies, because candidate countries are reaching the goal of accession, while transforming their domestic institutions and political behaviours.

Also, the transfer of EU policies is supposed to be the right way for gaining international legitimacy and economic and social welfare. Hence, without assuming that the collapse of Communism in CEEC has left a complete institutional vacuum, EU candidates have to transplant new institutional designs and policy measures in areas where there is a lack of professional expertise or, more dramatic, the complete absent of domestic request of doing in that way.

Nevertheless, EU compatibility here is not strictly a “goodness of fit” dilemma, but also a challenge toward coordinating administrative structures, while limiting the number of losers from this process. Losers may become opposite to the integration into the Union, while winners may speeding up the timing of integrating into the Union, by means of redistributing powers and new competencies (Inotai, 2000).

It is important to remember that the scope of Europeanizing CEE institutions and policy systems is likely to be determined by two variables: the scope of EU demands and the degree of domestic fit/misfit and willingness-unwillingness applicants show toward EU policies.

The effect of Europeanization will be greater where there is a detailed policy to be implemented and lower where demands toward change are not consistent. Conditionality could be influential where reforms are more contested and internal demands not well defined. In these cases EU conditionality represents a powerful explanatory variable for domestic policy change.

It works penetrating and reshaping decision-making systems, by giving a set of binding targets applicants have to follow. In this case, it may be useful to check how much the formation of a policy is the result of a pure extranational debate or the output of an EU/candidate agreement - the issue of transitional periods and derogations from the acquis, which may have generated perverse expectations in candidates -.

Turning to the domestic facilitating factors which smooth the progress of Europeanization, it will be sustained that “EU conditionality” effects will be greater in areas in which policy models are imposed on a tabula rasa (competition policy, privatization of public sectors), and lower where there is a domestic process of consolidation of national policies and/or strong institutional or political resistance and sensibilities against change; the agricultural sector, for example (Duponcel 1998).

Indeed, it seems important to stress that there are some crucial difference between Eastern and “Western” conditionality.

On the one hand, Western conditionality (duties) changes or gives new opportunities to domestic actors by providing a transfer platform for national administrations of EU models. This may occur even if it has never been proved that there is a clear EC model for each policy (Page and Wouters 1995). Moreover, it seems that EU members have been frequently allowed to escape from this legal-box.

On the other hand, Eastern conditionality works more deeply, by affecting the process of institution building in the applicant countries. Also, it has an impact on the development of institutional behaviours.

The “deadlines” of these “adjustment toward democratic consolidation” are contained both in the European Agreement framework and in the Pre-accession strategy. The achievement of precise targets affects the level of
financial and technical assistance the CEEC are provided with, also it affects the negotiating process, that may be unilaterally delayed/interrupted by the Union.

The development of the conditionality framework into the (Enhanced) Pre-accession Strategy is a clear example of how the EU pressure is able to adjust and change itself according with the progress showed by the CEEC - another case may be the contested “Agenda 2000 opinions on the candidatures”, which had been rapidly changed, for political reasons and international pressures, few years later.

Moreover, even the integration process is very dynamic in itself. It establishes or changes many rules of market-building and market-intervention in some crucial sectors on time.

Indeed, these are issues for which the Union will not easily concede transitory periods or derogations to the candidates.

At this level it operates a facilitating factor, which gives the executives more space of manoeuvre, toward the free adoption of a political decisions.

In fact, social relations and processes in a community facing with a democratic transition make more easy for the institutional actors to sustain (and to legitimate) a process of anchoring to an external source of policy models.

Also, the candidate governments have used this consciousness, for example, pushing the Parliaments “outside” the decision-making process (Stawarska, 1999).

Despite some criticisms, the candidates are strongly in favour of EU membership and EU market regulations. Nevertheless, they are raising questions on the quality of these regulations and on the possible effects on their fragile economies.

Again, there is also economic competition between applicants to fulfil the gap between domestic and EU standards, “...because they each fear that their country could be left as a second-class member of the Union if it indicates that it is not ready for quick adaptation to the EU” (Stawarska 1999, 790). Hence, the European Union’s membership represents for former socialist countries a competitive-goal, and the target of EU harmonization may be affected by this dramatic competition; as the Union has not yet decided the timetable for accession.

Finally, Europeanization Eastern style is part of a comprehensive process of globalisation, democratization, liberalization and pluralization that challenges classic comprehension of the post-Westphalian Nation-State. Hence, it is a tricky challenge the attempt to isolate “net effects” produced by EU conditionality at the domestic level, as they have operated together with other external forces.

We do not have a sort of cause-effect game in CEEC Europeanization, as external pressures operates with national dynamics at international, national and sub-national level, producing outcomes which have to be analytically classified as EU effects or not.

Indeed, we do not have any methodological instrument for evaluating degrees of Europeanization.

It is impossible even to summarise the main obligations of membership, despite everybody at a very theoretical level know which are the fundamental principles for EU membership

2 Europeanization ad other “rival” concepts

So far as democratisation is concerned, the EU is the most important actor in Europe
(Geoffrey Pridham)

The aim of this section is to draw a line between Europeanization and other similar processes like globalisation, democratisation, liberalization, transition and democratic consolidation, by entangling the confusion which has pervades this fieldwork for the last decade. Moreover, it has to be defined to what extent Europeanization Eastern style may be a synonymous of contiguous terms like convergence, harmonization and integration.
2.1 The five variables plus “one” in CEE democratic transition

This paper identifies six variables which overlap the direction and the timing of Europeanization. The first two variables has been originally identified by Ralf Dahrendorf, as the main impediments to democratisation in CEEC: the transition from post-totalitarianism to democracy and the economic transformation from central-planned to free market. Again, the key-problem here is to know how the CEEC have managed these two transformations. On the one hand, for the sake of simplicity, the problem could be analysed according with two time-dimension: the establishment of new institutions and the consolidation of democratic and free-marked oriented behaviours. One to other hand, a winner-looser analysis seems to be the best way through which assessing the ability of domestic actors to craft democracy from the inside and empower democratic consolidation. At a first sight it seems that, looking at the institutional configuration of the steering function of the core executives, the governments have knocked down the prime of leadership, while the parliaments and other institutional actors have abdicated (Inotai, 2000). Nevertheless, the transformation from central-planned to free market economies has differently reshaped the balance of power among private companies, which have more or less beneficiated of the new competitive system. The competitiveness of CEE private companies in an international market is a key-issue, as the European markets are under the scrutiny and supervision of the Commission. Hence, it will be extremely useful to look on how the policy-making in the issue of competition has suffered from a lack of equal-opportunity for any private investor, which has raised in the Commission suspects on the compatibility of privatisations with EU law.

Offe, starting from a sociological approach, adds at Dahrendorf’s double-transition another compound: the resolution of nationalist problem with minorities, in States in which the Nation-State building has never been completed (Offe 1991). Indeed, it is possible to affirm that the problem between minorities and sovereign governments have been formally solved. The European Commission has the great merit to have acted as a key-institution in this task, forcing the applicants to give this problem a stable resolutions. Although, the same has not occurred in the ex-URSS republic not (yet) elected for EU membership, in which the Union was not allowed to display its diplomatic instruments. However, the point here is that it is problematic to establish whether the solutions applied to the problem have been accepted by the minority groups, due to the fact that a number of them suffer of a lack of political representation. The nationalism problem, underlined in many occasion by the European Parliament in different political discourses and documents, may come suddenly out, when the candidate states will have to negotiate entry-conditions with the European Union.

The psychological dimension has been considered by Frank to “account for the atomisation of society and the total undermining of normal, horizontal social relations during the communist era” (Frank, 1996, in Crawford, p.94). The social relations and dynamics in a community that is changing its behaviours, by imposing a significant number of new political and economic patterns, may have a great impact on the perspectives of transition. These influences on the policy change are indirect and could be reassumed in three categories:

- social processes lead to a reshaping of the State-structure and its behaviour with citizens, which may empowering the state, while giving less space to the people’s needs;
- social relations defining a new identity of actors involved in the process and their range of opportunity in the political arena, for example by giving to new social actors (social organizations, trade unions or NGOs) a place in the political arena;
- social relations that have an influence on the quantity and the source of pressure exercises on the state; for example, empowering the Constitutional Courts by giving them an independent power form the political system, it may legitimise the institutions, also, the general social trust in the state.

The fifth variable is the international dimension. The point is that the democratic transitions in Central-Eastern Europe have to face with a quite different world-order. A new world order in which the Nation-States have to challenge new economic and political dynamics. On the one hand, with the fall of the Berlin Wall the central-planned system such as “another” model for managing the economy has been definitely pensioned. On the other
hand, new opportunities (new-technology, internationalisation of financial markets etc.) stimulates the countries to build up economic relations among themselves.

Forces like globalisation of commerce, liberalization of markets and europeanization of public policies may interact with domestic dynamics, reducing the governmental space of manoeuvre in domestic processes of policy formation. The point here is to weigh the forces which, overcoming national decision-making systems, are more or less able to induce policy change. In other words, to which extent CEE governments are under the political and economic conditioning of external actors?

The next variable affecting CEEC policy change is the pressure put by the European Union on the applicant executives and economies.

Maximizing “Europeanization effects” here is the “optimal scenario” for East-Central European region (Agh, 1995, p.23). This is not to say that behind EU enlargement policies and applicants’ efforts toward membership there is a strategic and coherent vision. The point is simply that it is impossible to imagine former-communist countries outside European market; this because their need of anchoring to developed markets.

It is meaningful to note that in none of the several waves of democratisation that have occurred in history before\(^8\), have such a multiplicity of aspects been expressed in transition. Indeed, it has yet to be proved that EU conditionality is the main external force bring about policy change in the CEEC. Policy change which has been named with the term “Europeanization”.

2.2 Europeanization. The minimalisation-jumbling problem: untangling the confusion

In the above paragraph the importance of placing EU pressure on the continuum transition-transformation-consolidation has been stressed. This section, going beyond this stage, explains why Europeanization cannot be considered a simple intervenient variable in this continuum. We suggest to manage the problem by considering what we call the “minimalisation” of the Europeanization effects and the “jumbling” of the concept with other contiguous terms.

**Minimalisation** refers to the general priority given by scholars to the pre and post-enlargement stages, by reducing the space of the analysis of the effects produced by EU policies on the policy change in CEE. In other words, literature has mainly investigated the effects both for members and for the EU itself of an enlarged Union. On the one hand, great attention has been given to the transformation of non-democratic regimes in Eastern Europe, while less importance has been given to the development of new policy models and kind of works, under the pressure of external linkages.

Indeed, even the Commission has financed programmes, and focused its attention, on the effects produced by an enlarged Europe on itself. Moreover, researchers have mainly analysed and criticized how the European Commission assesses candidates progress (Mayhew 1998), and the lack of a legal framework behind EU enlargement process (Maresceau ed. 1997). On the other hand, literature on policy change toward membership has adopted a sort of “evaluative trend”. This means that scholars have focused the attention on assessing candidates’ capacity to fulfil EU political and economic requirements\(^9\) (Watson 2000; Gabrisch and Pohl eds., 1999). There is also a big lack of information and research on how EU conditionality affects CEE policy change,

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\(^8\) According with Crawford (ibid. 1996, 89), during the course of the last century there have been seven major transition toward democracy. In Central Eastern Europe after the first World War; in Western Europe after the second World War (France, Belgium, West Germany and Italy) also in Japan; several transition in South and Central America since 1945, particularly since 1970s; in Greece, Spain and Portugal beginning since the 1970s; in the post-colonial regimes in the Asian and African continents, since the late 1950s; in South Africa in 1990; in CEEC and former Soviet Union republics since 1989; in Palestine and in the Middle East, since 1995.

\(^9\) Some analyses has been made by the International Monetary Fund (IMF), the World Bank (WB), the Human Right Commission of the Council of Europe (HRCCE) and the Commission for Europe of the United Nations (CEUN)
also, on how the Union and the candidates interact among themselves, slowing down or speeding up the process of Europeanization. This is not to underestimate the relevance of those studies but only to confirm that broad multi-sectoral analysis has to be done yet.

_Jumbling_ has to do with the overlapping of Europeanization on other contiguous terms like harmonization and integration, globalisation and so on. CEE policy change has been studied as a process in which different factors meet, despite a handful of attempts in search of “net effect of EU pressures” (Carlin, Estrin and Schaffer, 2000; Benassy-Quere and Lahreche-Revil, 2000). EU has been considered even a source of “insane” shock-therapy for economies in transition (Stawarska 1999). The risk stressed is that too rapid implementation may vanish the “momentum” of CEEC economic growth. The cause of this is often attributed to the nature of the _acquis_ - a moving target in the fog - which candidates have to assimilate before accession. Hence, it isn’t surprising that Europeanization has not entered the post-ontological phase, where the focus should be on the role of institutions in the process of adaptation to EU standards. Despite the fact that, democratisation and consolidation processes carry substantial differences when they are deployed in practical contexts, EU conditionality is deeply affecting the way by which applicant countries are dismantling previous authoritarian regimes. Indeed, less space of political manoeuvre is given to the national institutions, as the candidates have to apply a number of very detailed and complicated EU patterns. Again, the investigation should be extended on the ways through candidates manage this external vincolo. Indeed, the term harmonization (as a synonymous) could be used, but on condition that we do have in mind that the natural outputs of integration will be the establishment of a common playing field, as candidates countries seem to play a competitive game among each others toward the goal of EU membership. Finally, integration, convergence and harmonization may be considered possible output of Europeanization. However, it has to be yet clarified whether it has to be expected that Europeanization produces divergence, instead of convergence, that seems to be the natural end result of the process.

2.3 EU conditionality: a promising explanatory variable for domestic policy change?

To what extent EU conditionality has to be considered separately from other variables explaining domestic policy change in CEEC? Few political behaviours and acts seem more independent and autochthonous than the change from one political regime to another. Nevertheless, the structure of regimes CEEC are dismantling together with the new international context in which transition takes place suggests that O’Donnell-Schmitter’s conclusion that “domestic factors play a predominant role in the transition” (Schmitter1986, Conclusion 19) should be reconsidered; giving a new status to the impact of the international context upon regime change. This research combines three dimensions of policy change (also, Europeanization), _time, timing and tempo_, borrowed by Goetz (2000) from Schmitter and Santisio (1998). The fourth dimension, the “geopolitical dimension”, deals with the fact that this paper will be developed in a comparison between candidates (Hungary and Poland).

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10 The first practical application of the “shock-therapy” (Friedman 1977) had been experienced in Chile, during the 1970s. The assumption of this economic measure is that “the existing income distribution encourages behaviours that maintain and reinforce the existing institutional system and the role of agents” (Caslin and Czaban 1999, 74).

11 Despite the fact that the Union will give the candidates an extra time (transitory period) to implement all the EU requirements.
The time dimension refers to when a political decision is decided, also adopted; which are the actors involved, at which level they operate and why they decided in that way.

The tempo dimension represents the sequencing in the production of policy decisions. The timing dimension refers to the rate of speed through which policy decisions are implemented, and also produce effects. Indeed, these dimensions could be used at the EU policy formation level, where EU conditionality generates, also, at the domestic level, where external leverage is translated into domestic patterns of behaviors and policy decisions.

In other words, it has to be given attention to the dynamics of the “continuing negotiating process” between the Union and the candidates, which it is here supposed to have affected both EU enlargement policy formation and domestic policy change.

Radically speaking, the Economist’s Edward Lucas described this relationship in terms of a new Western colonialism. From this perspective, the author argues that Soviet domination is being replaced by Western domination (Lucas, 1998, 44). Following a realist perspective, one could argue that Europeanization is the instrument by which countries are pulled together under the supervision of Western countries. From another perspective, Berend affirms that “the prospect of rapidly emerging and prosperous East-Central European market democracy,(...), is disappearing, thus, the exclusiveness of the European Community is strengthening” (Berend, 1995, 146). These opinions suggest the idea of a great impact of international forces upon domestic change, that is specific for the democratic transition Eastern Europe have to face. Whether or not Europeanization is more powerful than other forces in explaining candidates’ domestic change is yet an open question.

If these observations are right EU conditionality, thus Europeanization, should be considered to have affected democratic transition, thus domestic policy change, according with four different reasons:

1. Europeanization is a process that will take much more time than democratic transition, also its effects will broaden in scope and size;
2. repeated rounds of recessions\(^{12}\) and further reorientation of transition will be more and more affected by CEE compliance with EU conditionality and involvement (interdependence) in European economic area; as the lack of economic and democratic stability produces a request of external anchoring.
3. the end result of transition will be influenced by the role played by the dynamic EU conditionality.
4. it is precisely the process of domestic harmonization with EU-law that does not allow CEE executives to make use of protectionist measures,\(^{13}\) in order to help the domestic markets and economies.

### 3 Europeanization: the two-level game. International dimension Vs. domestic dimension.

The challenge to the CEEC transitions is seen as coming not only from International pressures but from their own inabilities to respond to current problems and also from the different degree of compatibility between European and domestic demands. The situation applicant governments face out is to reform institutions, according to EU requirements, and to boost domestic economies without challenging the momentum of transition.

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\(^{12}\) Two important economic breakdown have occurred: the first between 1989-1991 (Nuti 1993) in all the post-communist economies; the second in 1997 - especially in Hungary, Czech and Poland - (Caslin and Czaban 1999, 85).

\(^{13}\) Following Nagle and Mahr, this does not mean that EU membership will solve all the economic and social differences between East and West. East-West economic gap will run for long time, despite future EU enlargement (Nagle and Mahr 1999, 281).
Economic transformation in the CEECs involves five main tasks: economic stabilization; liberalization; privatisation; restructuring and development of market-supporting institutions. Indeed, the last three tasks, which could be less gradually handled by the Central Eastern European governments are more affected by external legacies. Looking at the EU enlargement policy, it is possible to note the importance given by the Commission to these three tasks, both in the short and in the medium term priorities (see Regular Reports).

On the other side, executives must “enhance their power to reduce their power” (Jessop and Hausner 1995, 11). This means that the organizational (and personal) fusion of economic and political sphere - that has given the communist executives autonomy and penetrative capacities, unfamiliar in Western countries - should be replaced by institutional separation of economic and political spheres, which is typical of Western societies.

Indeed, the need of anchoring to a stable international environment has facilitated the emergence of a domestic institutional culture, at a government level, that is de facto in favour of the institutional adaptation to the Union (Cichowski 2000; Inotai 2000; Higley et all. 1998). According with Diamandouros’ point of view (for the Greek case), even in Eastern Europe the EU has operated as a “potent agent of rationalization and reform in economy and polity” (Diamandouros, 1994, p.43)

### 3.1 Europeanization and domestic obstacles: institutional and economic adaptation to EU

Forced democratization can be successful if both external pressure and internal social potential are sufficient to trigger a spiral of changes and if the changes in the political and economic spheres are capable in reinforcing each other in democratization and marketisation. Although the Central-Eastern European region has been missing part of both requirements in the last years, a slide back to previous regimes would seem to be avoidable.

The most important international organizations agree in saying that, despite significant differences persisting in the patterns of reforms among countries at a more or less advanced stages of transition, EU candidates have made noticeable strides in political and economic reform. The European Bank of Reconstruction and Development’s Transition Reports (2000, Introduction 13) argues, for example, that Poland and Hungary are now regarded as having reached a level of performance in the market that is not too dissimilar from the level of more mature emerging markets.

Unfortunately, economic dimensions of transition, unlike political dimension, do not translate exactly into a ready set of indicators to assess progress (Jurickova and Rendek 2000; Beetham 1992). This is not to say that it is impossible to assess progress in democratic and economic transition. However, candidate governments do not wish to be assessed in relation of their GDP, unemployment rate or public deficit. They prefer a more dynamic evaluation, that could better consider the positive trends in political and economic sectors. For example Racz defines the criteria of transition as dependent on the co-existence of various political, social and economic conditions, which should be developed simultaneously. His classification can be used exactly to find the major points of interdependence between social-economic-political sphere (Racz, 1997; 2001).

Moreover, there is a lack of coordination between and within the three major spheres of systemic change - the economic, political and social dimension -, that poses relevant problems when trying to analyse “effectiveness” and “efficiency” of reforms.

The absence of a dynamic but consolidated democratic system in Central Eastern European states, in which the governments are the only relevant actors, inhibits the effective implementation of policy decisions. The point is that the co-operation in policy-making among the national parliament, the executive and other social actors is still largely missing. Euro-affairs have not yet become important enough for the civil society and for the Members of the Parliaments, which seek to protect their electoral position and postpone pressing decisions. This governmental dominance is due to some reasons. Firstly, during the transition there was a power concentration in the
executives, in order to maintain stability and to drive the process of economic transformation. Secondly, the applicant countries have a undersized number of experts, mainly concentrated in the executive machineries. Thirdly, the Euro-affairs have been relegated to a very technical level, by the national governments - and by the European Commission -. This is why, paradoxically, some authors argue that the candidates interests are better represented in Brussels than in the national capitals (Agh 1999).

As a result new pattern of priorities have emerged:

a) priorities of new elites are sometimes different from those of society, moreover, the search for domestic political legitimacy threatens the achievement of the goals that CEEC have arranged with the Union (and other International organizations; the IMF and the WB) or challenges interests of foreign investors 14;
b) new elites are sometimes unwilling to accept society and its representatives as political partners, thus, economic reforms (EU harmonization measures) may produce crisis between state and society.

A paradox has emerged: on the one hand, westernalization and europeanization cannot be avoided (but it has remained on the surface level); on the other hand, new rules (especially those imposed by the EU15) may have been alien and detrimental to CEEC domestic momentum of transformation.

Hence, investigating Europeanization effects, it is crucial to examine whether and how a EU-compatible policy measure has been treated by internal dynamics.

Drawing from the intergovernmentalist approach, examining Europeanization effects, it may be useful to investigate whether EU enlargement policy has encouraged domestic governments to increase bargaining power with the EU. Moreover, it has to be investigated whether the implementation phase has been used by domestic actors for mitigation strategies and constrains arise from EU conditionality (Moravcsik 1993).

For example, whether it is the case that investments and programmes from the Union have brought technologies and expertise into CEEC and, under the carpet, developed an absorption capacity.

EU member states have frequently used the implementation stage to mitigate the impact of EU policies. However, the tight conditions set up for candidates let us suppose that there are only few possibilities for the CEEC to follow the same way.

Despite the weak CEE's bargaining power with the Union, candidate governments have used EU conditionality imposing at the domestic level political measures and the timetable (timing) of EU-harmonization. It might be argued that EU conditionality has been used by national governments to strengthens their domestic political power to reform the state.

However, by redistributing cost and benefits across the national economy and the society, any policy measure may dismantle economic and political equilibrium, producing new winners and losers. For example, consumers may have gained by liberalization, while this process may have created losers (Inotai 2000). Again, the point is, how the Union has affected these dynamics?

Recent developments in candidates show that the speed of policy change are strongly correlated with successful preparation for accession. “The more advanced a country is in liberalization, efficient privatization, restructuring and international competitiveness, the better is prepared to face challenges of adjusting to conditions for membership in the EU” (Inotai 2000, 20).

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14 The point is that there are not mechanism to ensure the compatibility between the motives of extra-national actors (thus investors) and the interests of the people. An example is the aversion among certain Czech citizens against some foreign investment in the country, that has significantly increased in the 1990s (Caslin and Czaban 1999, 83).

15 The EU candidates are reforming their legal system, with the goal of entering the EU acting as a major incentive for harmonising laws and regulations with the European Community’s acquis communautaire (EBRD 2000, Introduction 19).
3.2 Europeanization: the game

The examination of the impact of national preference formation on domestic politics (and vice versa) and the way in which national preferences produce the final policy outcome are normally sufficient for the understanding of most of the domestic policies. In the case of the Central-Eastern European countries this examination is clearly incomplete because it ignores a crucial third level: the impact of the international bargain between the Union and the applicant executives on the formation of domestic preferences.

Moreover, following Putnam and Papadimitriou, CEE executives when negotiating at international level aspire to conclude favourable agreements (e.g. EAs or accession negotiations) with their counterparts and at the same time seek to satisfy domestic expectations (Papadimitriou, 1999, 52; Putnam, 1998, 438). Hence, an analysis of the dynamics of the “transmission-belt” which transfers EU programs and policies at domestic level seems to be necessary (Evans and Davies 1999).

For example, Stawarska argues that candidates interests are sometimes better represented in Brussels than in Budapest or Warsaw, and this would explain how the EU-CEEC “transmission belt” of policies and political behaviours is not very affected by domestic preferences (Stawarska, 1999).

Indeed, the problem arises exactly at the domestic level, on which the EU conditionality exerts firstly its influence by reducing the range of domestic choices (or by excluding social and political actors from the game). Thus, which are the paths followed by EU constraints and patterns of behaviour; and how do they interact with the domestic level of preferences formation?

According with Radaelli (Radaelli, 2000), Heritier and Knill (Heritier and Knill, 2000) and Boerzel (Boerzel, 1999) the impact of European integration with the domestic level could produce four different patterns of responses:

- inertia, in which there is a lack of change;
- absorption, when it is a mixture of resilience and flexibility;
- transformation, for example the adoption of new models and behaviours;
- retrenchment, when the impact of EU policies empowers domestic actors opposing reform.

In this embryonic paper it is argued that EU conditionality have eminently followed the second and the third ways: transformation of some policy models, for example in competition policy, by imposing a set of new rules; absorption of new behaviours and new kind of work, that may be showed by the new organizational structure candidates have adopted.

In the first case, the Commission has worked reducing the power of the domestic mediating actors (civil society, private actors and eventually the parliament), by imposing more or less defined policy models. In the second case, the Commission has “empowered its power” to affect policy change by defining the timing of reforms. Hence, at the “supranational level (negotiations and bi-lateral meeting), the governments work by reducing the “degree” of this conditionality, asking for transitional periods and derogations from the acquis.

Indeed, inertia and retrenchment are possible but not realistic mechanisms that may occur in the CEE case. Inertia would mean that policy change in one area is not required because substantial convergence with the Union. Retrenchment, that has been showed for the Italian case, after the Union has forced the government to liberalize the road haulage (Heritier and Knill 2000), means that domestic policy becomes less European than it was. For the candidates it would mean to be not ready for EU membership, that may be considered inconvenient for many respects.

In other words, in certain policy areas the EU has prescribed the adoption of models. In these cases, drawing from Knill and Lehmkühl, Europeanization has produced dynamics of “positive integration”(Knill and Lehmkühl, 2000). In other cases, the Union has quickened the steps necessary toward democratic consolidation.

When there is a clear EU model, candidates are under adaptation pressure, screening of progress, and under political supervision, EU conditionality could reduce the space of domestic responses.

The point is that, examining the EU enlargement policy, it is surprising to see how the Union has quickly developed or renewed its instruments for enlargement and strengthened its conditionality-power on candidates.
policy change, since the sign of the European Economic Agreement in 1993. This is explained by two facts: the growing and multilateral economic and geopolitical interests of the EU in Central-Eastern Europe and the changing nature of the *acquis communautaire*. Together these facts have forced the union to adopt and to specify new obligations for membership.

On the other hand, candidate governments have been forced toward a more responsible and EU-compatible management of domestic policy change. The direct result of this has been that the requests of “duty-free” membership in some specific and sensitive policy areas has increasingly grown.

The assumption here is that the dynamics triggered on by this two-level games matters in Europeanization Eastern-style.

In order to prove that Europeanization is a two-level games’ product it has to be proved that:
- extra-national pressures have affected domestic policy change and the formation of preferences (Ward and House 1988, 336);
- domestic dynamics and systems of preference have been translated into the EU-CEEC political dialogue, and this has affected in some ways the development and the strengthening of EU-obligations.

Hence, the question is whether the examination of Europeanization should come from theories exploring the way in which decisions are reached within organisations (Lindblom 1965; Etzioni 1967; Simon 1976), or should they come from theories concentrating on the interaction between domestic politics and international pressures (Waltz 1970; Katzenstein 1976; Gourevich 1978; Putnam, 1988).

In other words, this circular process should give proof that there isn’t a path-dependent way for EU membership. This could demonstrate that Europeanization works within and between this *continuum* external pressures-internal responses-external reorganization of domestic pressures.
CONCLUSION

Concluding this paper, the challenge facing candidates for EU membership is put in term of the following analogy (Nicolaides et all 1999).
Candidate countries are in the same position as domestic sport authorities that want to be integrated in the sport community. Any national sport authority has to give tangible proof to international authorities that its athletes do not use banned substances.
International sport rules define the list of these substances, according with the idea of the creation of a common competitive environment.
Hence, the question is how to give a meaning to these rules. The point is that this game can be played in different ways, and national authorities have to develop their own methods of enforcement.
Coming back with our case, EU-candidates should adjust their domestic institutional structure to EU-membership in order to take part in this new competitive environment, but the ways to do this are not well explained in any official EU document. Therefore, Europeanization process is the direct result of a number of reiterated compromises among domestic institutions, and among the Union and the national negotiators.
This is why a multi-level perspective, looking more at the dynamics of this game, than only at the pure domestic ways followed by candidates toward EU-compatibility, could be considered a promising approach for the comprehension of Europeanization dynamics. This multi-lateral process has an influence both on the kind of pressures - conditionality - applied on the candidates and on the process of formation and implementation of EU-compatible national policies.
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