

The *Whys* and *When* enlarging EU to the Western Balkans¹

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Comments are welcome

Abstract:

The EU enlargement process is a work-in-progress topic and a difficult puzzle to be solved. But what this paper tries to propose is a simplified model that builds onto answering two main questions, that of *why* and *when* enlargement occurs. Considering the Western Balkan case, this paper has argued that both, the rational incentives of economic interest and reducing negative externalities of non-enlargement as well as constructivist/sociological incentives are by no doubts an important facilitator in the process of enlargement on both, demand and supply side. They may lead to different forms of institutionalization among the two parties, such as the Stabilization and Association Agreements Western Balkans is experiencing. This is still not sufficient enough for finalizing enlargement process, that is, signing the accession treaties. The motivations alone are insufficient to complete enlargement process since they may lead to other forms of cooperation but not full membership. The lengthy process of integrating Western Balkans into EU is the best argument in favour of such claim. In order to complete the process, adjustments at both demand and supply side are needed. For the final outcome of enlargement to come (signing accession treaty) the applicant states have to adjust to (comply with) the EU requirements while EU itself has to adjust (transform) its institutions to be capable of functioning when the new countries are being accepted. In the contrary, if the EU is not being ready to accept new countries (capacity issue) and/or if the candidate countries do not accomplish (at least) the Copenhagen criteria (the case of the Western Balkans) the enlargement process may be postponed till the necessary and/or sufficient conditions are fulfilled. In the contrary blocking or delaying tactics may be a way to postpone the process till the needed transformations are achieved. The experience of the previous enlargement (lately with Bulgaria, Rumania or Turkey) is the best argument.

¹ Any definition of the cases to be studied is problematic and questionable. Without entering in endless debates of *who is Western Balkans* I will use the term Western Balkans referring to what has been defined as “ex-Yugoslavia minus Slovenia plus Albania”. The term Western Balkans was officially introduced in 1998 by the Austrian Presidency of the EU once Bulgaria and Romania were allowed to open membership talks with the EU. It includes Albania, Bosnia-Herzegovina, Croatia, Kosovo, Macedonia, Montenegro and Serbia. I suggest seeing the term contextually; since for the purpose of this paper the formula above includes countries that are undergoing the same process (that of the EU integration) although at different speed.

Introduction

Being for many years divided, Europe found its historical possibility to re-unite with its other part only after the fall of the 'Iron Curtain'². It was this particular moment, seeing it rather from a rationalist point of view of managing the new created European security, economic and political order or from a constructivist point of view of a pan-European idea and values, that open the way for European enlargement Eastward. Now after more than 15 years, were the CEEs country have already become full EU members, all the attention is focused into the EU enlargement towards the Western Balkans as being the next step of fulfilling the overall 'project of unifying the continent'. This fact has attracted the attention of many scholarly works who try to analyze step by step the different stages Western Balkan is going through towards EU membership target. The article joins this debate on the perspective of Western Balkans entering EU by trying to put forward the questions of *Whys* and *When enlarging* to the Western Balkans.

The literature on eastern enlargement regularly makes a split. On the one side there is the 'Enlargement literature' focusing exclusively on EU, its decisions and interest on the Enlargement issue and on the other side there is the 'Accession literature' analyzing enlargement only from the candidate country perspective. (Schimmelfennig, 2002b: 2-3; Lendvai 2004: 319-320). Taking only one side will be a truncated analysis and will limit us in a full understanding of the Enlargement issue. That is why in order to make the 'linkage' between the two I consider Enlargement as the process launched by EU while accession of Western Balkan countries as its final outcome. It is of crucial importance to clarify from the very first beginning that Enlargement here is seen not simply as a territorial expansion of adding new states into the union but rather as "a complex and multidimensional process" (Scherpereel 2005: 364). For this reason enlargement is treated here firstly as a "multiple step process" (Steunenbergh and Dimitrova 2007: 11) and secondly as a double-side process where both, the applicants states and EU will be considered in answering why and when enlargement will happen in the WB. The point

² The term "*iron curtain*" was first introduced by Winston Churchill in one of his speeches entitle "The Sinews of Peace" given in the Westminster College on March 5, 1946. This term entered into general use and attracted immediate international attention, and had incalculable impact upon public opinion in the United States and in Western Europe. It is greatly cited also after '90 as the 'fall of the iron curtain'. See: Churchill Winston. *Sinews of Peace*, 5 March, 1946, Westminster College, Fulton, Missouri <<http://www.hpil.org/churchill/>>

here is that to better understand enlargement process one needs firstly to consider the many stages enlargement process involves and secondly investigate simultaneously both of its sides; the supply side (EU)³ and the demand side (Western Balkans).

The main and most arguably question I try to address is whether the driving forces (being them rational or constructivist incentives) for enlargement are sufficient enough to understand Enlargement process or does other factors need to be taken into consideration for the final outcome (accession treaty)?

I. The *whys* of Enlargement

1. What Motivation stands behind enlargement process

The cornerstone of the Enlargement debate focuses on trying to find what are the incentives (driving forces) that rest behind the enlargement process? The arguments have been given from both, the rationalist and the constructivist perspective. The most fundamental difference is that they assume different logic of action, that is, a rationalist argument follows a logic of consequentiality while a constructivist argument builds on a logic of appropriateness.⁴ The dominant and the most elaborated arguments derive from a logic of consequentiality and are based on a cost-benefit calculation. Following such a logic, enlargement can be seen as a means of magnifying political strength of Europe within and in the international arena, others see enlargement as an opportunity to bring peace, consolidate democracy or boost economic performance in Europe. There are these issues of economic and political concern that may sufficiently convince both actors to cooperate aiming at a full exploitation of their own interest. The other alternative view builds on a logic of appropriateness based on norms and ideas. Following such logic, enlargement is justified on the bases of common shared European values and beliefs. Such assumption of the rational self-interest perspective for increasing material and political gains or the constructivist view of common shared values and beliefs may both justify a further step toward enlargement but they are contextual and as such have to be

³ Here, EU will be referred to as a supply side of enlargement where other important factors influencing EU politics of enlargement (such as the member state or public opinions) are considered under the overall umbrella of EU.

⁴ For more on the issue see Schimmelfennig and Sedelmeier, 2005

investigated further considering the cases. As Scherpereel has observed some combination of these motivations may be present but further and thin investigation for judging which reasons matter most requires close attention to particular cases. (2005: 349)

1.1 Economic incentives

Economic gains and material benefits have been an argument behind the motives of a further EU enlargement. Economists seem to agree that *trade integration* will benefit the EU economies in the aggregate as well as it will open new market for EU exports in their close proximity (Schimmelfennig 1999). Such logic is been reinforced by the findings in a latest report of the Commission examining the macroeconomic performance and outcomes of expanding the EU-15 to the 10 new Member States.⁵ The overall impression is that the enlargement of the EU in the long term will be positive and generate benefits for the entire enlarged Union. Such an optimistic view, where “enlargement is seen as a very good deal for both the EU incumbents and the new members” (Baldwin et al 1997: 125) comes from studies that measured the economic effects of Eastern Enlargement. There are these economic benefits of enlargements that dominate the rhetoric of the EU officials who usually point out and enforce the important of such economic incentives in ‘promoting’ enlargement.⁶

Investigating the EU Enlargement case to the Western Balkans one may argue that the economic incentives are more a motivation for WB countries while as far as concerning the EU it may be discussable. The economic calculation can work as motivations for ‘the applicant countries because of the full access to the EU’s market and to the economic

⁵ “The extension of the Internal Market and the rapid integration of the new Member States in the EU economy have made it possible for enterprises to take advantage of cost and location advantages and to seek improvements in profitability through the spatial reallocation of production. These efficiency gains, however difficult to measure, will continue to be available to enterprises and to consumers as the EU-25 economy adapts to structural change. Structural reforms are clearly necessary in order for the EU to realize the promise of productivity growth through production relocation and specialization in the Internal Market.” (European Commission 2006:1).

⁶ The Monetary Affairs Commissioner, Joaquin Almunia, commenting the results of the European Commission report (2006) stressed that “The re-unification of Europe is not only a huge political achievement it is also an economic success ... We all win as the citizens in the new Member States see their standards of living increasing ... The enlargement is helping the EU cope better with the new world economic order”. (European Commission-Press releases 2006).

benefits of its common policies and common budget (Graham 2001:2). By analogical comparison to CEEs, the Western Balkans by joining the EU are more likely to raise their output and growth rates through stipulating entrepreneurship, foreign direct investments (FDI) and technology transfer.⁷ Here the argument is that “the process of accession can virtually transform a country,” and the examples to be considered are the transformation of the economy in Poland and other East European countries.⁸ Such economic benefits may raise the preferences of the Balkans country to join the EU since a full membership will provide unrestricted access to the single European market as well as other technical and financial assistance, rapid economic growth, and prosperity. Though “the economic benefits of enlargement unquestionably constitute a powerful force driving the demand for membership” (Mattli and Plümpner, 2002: 558) it does constitute a lesser powerful driving force if the supply side (EU) for membership is considered. Although EU is the main trade partner of practically all the countries in the Western Balkans (Gligorov, Holzner and Landesmann. 2003: 34; WIIW 2006: 1) accounting for close to 60% of their total trade (Ilijani 2005: 9) it still can be considered economically unimportant since the region “has been mostly driven by consumption rather than investment or exports” (WIIW 2006: 1). Such a reality may oppose the economic motivations of EU enlargement into Balkans and can be an argument against rather than pro because the material benefit the region brings is very modest and not significant at all. The only argument that really needs to be taken under consideration is that “the cost of enlargement is slight compared with the cost of non-enlargement” (Prodi 2002: 5). Would it have cost less for EU to spend in accession strategies rather than in military missions or humanitarian aid in the Balkans? The contributions by the Union and its Member States to the region is estimated around €8.3 billion (1991-1999) where the largest share of this EC/EU funds, almost 50 %, has been in the form of humanitarian aid (Uvalic 2001: 16). Only in the period 1991-94 the EU spending on humanitarian aid and UNPROFOR in the former Yugoslavia amounted to some \$2.4 bn (Bojicic *et. al* 1995: 48). Such enormous sum of money

⁷ For the argument on CEECs see Grabbe 2001: 24.

⁸ Katinka Barysch, chief economist at the Center for European Reform, in London. Cited from James Kanter. 2006. “EU pushes its expansion forward” International Herald Tribune, June 12
<<http://www.iht.com/articles/2006/06/12/news/eu.php>>

provided by the EU in different forms of military or financial aid could have had better results if could have been allocated in the processes of enlarging EU towards Balkans.

In overall the economic incentive argument is thick and cannot explain enlargement (the membership) rather it can lead to other forms of (economic) cooperation (like in case of Switzerland or Norway) and keep the country outside of a full membership (as the case with Turkey). The only rational initiative from EU's part may be the extension of the existing Customs Union into the whole of the Western Balkans - as the case with Turkey - so to expand and penetrate more markets.

1.2 reducing negative externalities of non-enlarging

Even though the potential countries may not provided economic growth and prosperity to the union because they simply may be poor and commercially unattractive countries, a (rational) motivation still may exist for accepting these countries into an organization as a consequence of negative externalities originating by leaving them outside (Mattli and Plümper 2002: 553).

For the EU such a negative externality of potential crisis spillover from neighbouring countries may constrain the Union to speed up Enlargement or at least seek closer ties with the outsider countries (Mattli and Plümper 2002: 554).

In the past decade Western Balkans had suffer from deadly violent ethnic (the dissolution of ex-Yugoslavia) and civilian ('97 disorder in Albania) conflicts. There are these events in the Balkans that indeed have shaped the attitude of EU and its members regarding the potential enlargement to the Western Balkans as a strategy to prevent them happen again in this part of Europe. It is the '*stability issue*', the new rhetoric used not only by politicians but also even by academics that had dominate the discourse of European enlargement towards the Western Balkans. It is this *risk* of political and peace instability in the region that had made all to agree that the only and the best way to avert this potential risk is to integrate all Western Balkan countries within the EU. In this sense enlargement can be seen as an instrument to stabilize the region suffering from conflict disputes and economical underdevelopment.

The logic behind a strategic enlargement rest on the fact that the perspective of membership for the Western Balkan state would definitely reduce; firstly the threats to stability in this part of the region from ethnic conflicts which as a consequence will destabilize all Europe, and secondly the risks to the reforms stop from the increasing popular dissatisfaction and political unrest. In this context, enlargement can be seen as the strongest instrument to be used by EU in order to have a full control and neutralize any such negative externalities.

On the other side, the Western Balkans themselves are facing also negative externalities being outside EU, especially after the joining of Rumania and Bulgaria. It is to be acknowledge that after Bulgaria and Romania accede to EU, the countries in the Western Balkan region had become an enclave on its own surrounded all over by EU Member States. This geographic circumstance in itself can stand as a sufficient reason for the Balkan countries to focus on enlargement as a matter of priority since “either non-enlargement, limited expansion, or ‘differential integration’ could lead to a long-term isolation and marginalization of the excluded countries” (Bugajski 2001: 42). Remaining out of the EU and at the same time surrounded by EU countries will cause for the Western Balkans countries, above all, isolation. The example may be comparable to what Kaliningrad region⁹ had been suffering. The argument here is that the Western Balkans, being surrounded by the EU member states and at the same time being cut off from the EU, may face various negative effects in their political, economic, security-related as well as psychological issues. This situation may bring about another fatigue added to the already weaknesses of the region connected to their past.

Both negative externalities are related and depend on each other. A left out of the Western Balkans may contribute negatively on the stability of the region and as a consequence on the entire European continent. This closed-end negative effect makes EU

⁹ “Kaliningrad appears to be burdened with a multitude of problems, but this also applies to most of the other eighty-eight constituent parts of Russia. Is there anything that really makes this small 'island' in the Baltic Sea area unique — a case that warrants special attention and treatment? The argument advanced here is that this is indeed the case. There are good reasons for placing Kaliningrad in a category of its own. The oblast deserves consideration because of being cut off from the Russian mainland by foreign states. This factor has had — and continues to have — a significant effect that exacerbates various political, economic, security-related and, not least, psychological challenges”. See: Pertti, J., Dewar, S. and Fairlie, L., (2000) “The Kaliningrad Puzzle: A Russian Region within the European Union” Copenhagen Peace Research Institute. Available at <<http://www.ciaonet.org/wps/jop06/>>

itself more sensitive to developments into the Western Balkans since they may have severe consequences not only for the EU member states surrounding the region but also for the union as a whole. Being an enclave inside the EU borders, the region stability may have a negative domino effect at any moment if left alone. Having such geopolitical interests in the region is a quite enough argument to move EU towards finding different forms of cooperation with the Western Balkan countries as to influence the course of events there. The only and more efficient way for EU to legitimate its influence in the Western Balkans though is through the process of enlargement. The Macedonian case rests as the best example where the signature of the Stabilization and Association Agreement (SAA) between the EU and Macedonia was the strongest incentive EU used to pressure the two parties in the conflict for concluding a political deal (Piana, 2002: 212). The same enlargement incentive was used in the most recent developments where EU offered a 'fast-track' membership to Serbia (the signing of the SAA) in return for relaxing Serbian position on Kosovo.

Although some scholars seem to find some shortcomings and limitations (Mattli and Plümpert 2005: 56) to the argument of 'negative externalities', we have argued here that they are an important factor, at least, in the EU enlargement process towards the Western Balkans. The negative externalities deriving by not enlarging south-east of Europe are not only a matter of concern for the Western Balkans stability but furthermore they may be a serious threat to disrupt the union's stability, security, and prosperity as long as the political or social unrest in the Western Balkans is an issue of concern.

1.3 normative claims

But beside these tangible (economic and political) incentives of cost-benefit calculations, the Western Balkans countries are a constituent part of Europe which gives them the moral and legal rights to be part of EU. Traditionally, the region has been seen as the dark other side of "western civilization" standing contrary to what may have been European values and norms (Todorova, 1994: 482). But the Western Balkans from the '90s on had done progress, leaving back the era of 'Balkanization' and catching up with transition towards pluralist democracy and market economy. Recent research has shown

that “ultimately, it is Europe (its norms and values) which stands as the common denominator around which a new collective identity of the Balkans has begun to crystallise (Bechev, 2006a: 22, emphasis added). Furthermore, beside even the many problems that Western Balkans are facing nowadays, what is probably most important here is that the process of integration is now irreversible even in a country like Serbia, where possible political changes are likely to influence only the speed but not its general course (Uvalic, 2003: 79, emphasis added). All this does mean that joining EU now stands as the only long-range vision for the Western Balkans. By now, the logic and momentum of European integration have made the inclusion of the Balkan states a foregone conclusion, a strategic inevitability (Balkan forum, 2002: 6).

A normative proximity to European values and European orientation can be detected into the rhetoric of the political elites of the Western Balkans countries. Reference to European standards and values has become the vocabulary of the politicians of the region. Where even in the hardest case such as Serbia (because of EU support on Kosovo independence) still the winning president Tadic’s campaign was concentrated on EU integration and values.¹⁰ The role of EU and its membership ‘carrot’ has been as a magnet and source of inspiration for the region efforts to built modern states and societies” (Bechev, 2006b: 23). All such actual reference to EU and moreover being (in future) a full member will improve the Western Balkans countries image. By referring to or coming closer to EU, the Western Balkans states may ‘legitimize’ in the eyes of their electorate and world wide their progress and democratic consolidation as EU is exclusively a ‘club’ of liberal-democracies.

On the other side, failing to bring Western Balkans to European norms and values will still harm EU ‘credibility’ also. It was the credibility cost of non-enlargement, which made the EU members state not to oppose enlargement perspective to then CEE countries. It will be again the credibility cost of non-enlarging further to Western Balkans since EU, at least, has the moral duty to ‘complete Europe’¹¹ by enlarging south-eastward. At the European Council of Copenhagen ‘a small’ or ‘a delay’ enlargement would have had a detrimental impact on the EU’s credibility not only on the future

¹⁰ The slogan was “For a European Serbia”

¹¹ Foreign Minister Klaus Kinkel stated that “*We feel we should take the opportunity to create a complete Europe.*” *Business Week*, 3 February 1997, 18 (Cited from Schimmelfennig 2001:71).

candidate countries but even in the world (Dehousse and Coussens 2001: 10; Grabbe 2001: 52&60). At the present situation, with the ‘Lisbon treaty ratification difficulty’ and as a consequence ‘the rising of the enlargement fatigue’, the issue of credibility for the EU comes again at the fore. Moving a step back of enlargement because of ‘the integration fatigue’ at a time when Western Balkans needs Europe will put the EU reputation at stake. Such a “loss in credibility can cause severe consequences” (Schimmelfennig 1999) for EU image of a successful actor not only at Western Balkans eyes but also worldwide.

In sum, both tangible (economic incentives, reducing negative externalities of non-enlargement) and social (normative claims) incentives are all jointly a powerful and considerable factor in triggering EU enlargement seeing from the supply as well as the demand side. Other than incentives, they are also a way that justifies any form of cooperation or even more institutionalized arrangements among both actors. They comprehensively can give as a full picture of *why(s)* enlarging to the Western Balkans but they could not provide us with *when* enlargement will happen.

II. The when of Enlargement

2.1 Enlargement as (step-, many-) Institutionalization¹² (different modes)

Such motivations create opportunities for further cooperation among the two actors, and once such cooperation is achieved and the perspective exists they can put pressure for more contractual relations. Achieving any substantial institutional arrangements is an important step toward enlargement process but there may be various mode of institutionalization¹³ till the process concludes. Even though many ‘special institutional

¹² In a more general point of view, the enlargement of a regional organization can be conceptualized as suggested by Schimmelfennig and Sedelmeier (2002 and 2005), where the *enlargement* of an organization can be defined ‘as a process of gradual and formal horizontal institutionalization of organizational rules and norms.’

¹³ *Institutionalization* in the context of the EU enlargement process can be broadly understood as “the establishment of special institutional relations” (Schimmelfennig 2002: 601) between the EU and the applicant states.

relations' may be achieved through different agreements, the enlargement processes will not be finalized until the Treaty of Accession¹⁴ is signed. The process toward Accession (signing the Treaty of accession) embodies a number of steps to go through till the process comes to an end. The accession procedure involves some major steps. A first introductory step, based upon 'Stabilization and Association Agreements' which are international treaties in which the applicant state declares its willingness to standardize with EU norms and law; in a second phase, based upon 'Accession Partnerships', the applicant state commits itself to precise obligations with regard to specific means for democratization, economic stabilization and industrial development; in a third step, membership proceeds under the condition that all transformation efforts have been evaluated positively (Behr, 2007: 249).

In the case of the Western Balkans the Stabilization and Association process (SAp) is the actual phase of the EU – Western Balkans contractual relations which lead (and will lead) the EU in signing with the countries of the Western Balkans the Stabilisation and Association Agreements (SAAs). The signing of Stabilization and Association Agreement¹⁵ is to be considered as the first step toward enlargement since it introduces the status of a 'potential candidate' for EU membership to the Western Balkan countries with a long-term prospect of accession¹⁶.

But not all the countries have signed a Stabilization and Association Agreement with the EU.¹⁷ Furthermore they differ in their degree of integration with the EU, where only Croatia and Macedonia have the candidate status. In sum it can be said that the Western Balkan countries present differences in the speed and modalities of enlargement process. The reason beside this variety in speed and modalities of enlargement can be attributed to

¹⁴ The Treaty of accession or usually called accession is an agreement between the member states of European Union and the candidate countries

¹⁵ The SAAs are an up-dated version of the EU Agreements and resemble in term of structure and content the Europe Agreements signed in '90s between the EU and then-candidate countries of Central East Europe

¹⁶ The EU "objective remains the fullest possible integration of the countries of the region into the political and economic mainstream of Europe All the countries concerned are potential candidates for EU membership" (Council of the European Union 2000: paragraph 67)

¹⁷ To date only Albania, Croatia and Macedonia have signed a Stabilization and Association Agreement with the EU while the SAA remains pending for the other countries.

the different degrees of compliance with EU requirements¹⁸. The more democratic a non-member state, the higher its possibility of establishing institutionalized relations and being admitted to the EU. This assumption implies that for any potential country to open the accession negotiations with EU it is obligatory (at least in theory) that those countries first should have reached EU liberal values and norms before any negotiation starts. The more a Western Balkan state complied with EU liberal norms, the more likely it is to establish institutionalized relations with and to apply for EU membership. The defining characteristics of the Western Balkans states had to conform to the principles and norms of liberal democracy. As far as the Western Balkan states fall short of complying with the EU requirements other intermediate forms (other than accession) may be introduced till these states will fully adapt to the fundamental beliefs and practices that constitute EU. As a consequence of this logic not any institutional tie will necessary lead to accession it rather may only put pressure for changes on both actors.

2.2 Enlargement as a double-side transformation (adjustment) process

By conceptualizing enlargement as a *process* and not as an event we imply transformation. In this perspective enlargement, as a concept, is no longer simply about *adding* states to EU by expanding the geographic area – it is also about substantial qualitative change (Faber and Wolfgang, 2006: 2-3; Hafner, 1999: 784). It is reasonable to assume change since both actors (the EU and the state that wants to join) need not only share the same values and norms, but they should be ready and capable of being governed under the same institutions. Regarding the demand side (candidate countries seeking membership), the transformation meant adapting to Copenhagen criteria, -that is construct a market economy and a (liberal) democratic state- and to the Madrid administrative capacity criterion¹⁹. For EU (the supply side) there is a need to transform its institutions as to be capable to function when accepting the new countries.

¹⁸ the core elements of the EU requirements are the Copenhagen Criteria asking the (potential) candidate country to achieved “stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities; a functioning market economy as well as the capacity to adopt the common rules, standards and policies of the Union” See: The Copenhagen Criteria, DG Enlargement – at <http://ec.europa.eu/enlargement/enlargement_process/accesion_process/criteria/index_en.htm>

¹⁹ Additional to Copenhagen criteria of a market economy and a (liberal) democratic state were the administrative criterion introduced by the Madrid European Council in December 1995. All these criteria are set up to led the candidate countries into the necessary reforms

Right after accession of the CEEs countries the issue of ‘swallowing’ the last enlargement becomes an issue before EU next enlargement.²⁰ It was at the Salzburg EU meeting where for the first time “EU notes that its absorption capacity has to be taken into account.”²¹ Furthermore the rejection of the new EU constitution by the French and Dutch referendums in 2005 represented a backlash against the future enlargements.

These inner conditions put the union into a “*period of reflection* on the future of Europe” (EurActiv, 2006) where “some form of institutional reform will be necessary for the enlarged EU to function effectively and more if it is to expand further” (Economist Intelligence Unit, 2006). Even though the enlargement of EU towards CEE countries “transformed dramatically the institutions of the community” (Fierke and Wiener, 1999: 722) there is still a necessity for institutional and financial reform that would allow the EU to continue to expand its membership further into the Western Balkans. Such a need for drastic reforms before enlargement happen was also recognized by the Austrian EU Presidency Conclusions (15-16 June 2006) where still “it will be important to ensure in future that the Union is able to function politically, financially and institutionally as it enlarges”. (Council of the European Union 2006: 18 paragraph 53)

2.3 Necessary and sufficient transformations for enlargement?

What happens if not transform?

Finally, enlargement is evidently a process of contractual relations among EU and the applicant states which before finalized puts pressure for transformations on both sides, the EU and the applicants with the later being more obvious. This transformation although asymmetrical is required on both sided. On the demand-side the “change may be seen as quasi-mechanical²² since it follows from the routine application of stable criteria for entry” (Olsen 2002: 927), while on the supply-side the change are more of a

²⁰ «Janez Jansa: ... As I've said there's only one alternative and this is the European perspective, but we are aware that before the European Union is able to take this step to enlarge in the future, we have to swallow the last enlargement. I think we need five to 10 years to do that». Quote in EuroNews (2006) *Slovenia's Janez Jansa on the challenges of the EU presidency and adopting the euro*, Interview.

²¹ Presidency of the European Union – AUSTRIA 2006, *The Salzburg Declaration*, Salzburg EU/ Western Balkans Joint Press Statement, 11 March.

²² Olsen argues that “in less automatic situations the underlying process may be one of arguing and persuading” (2002: 927)

deliberate (vulnerability, willingness) character where the capability²³ issue is of great importance. For the applicant countries, complying with the EU rules and norms is a necessary condition toward accession while the sufficient condition for the treaty of accession to be sign is if EU itself is transform as such that a further enlargement is possible and not impinges its integration. Such transformations, at both actors, are gradual and may take time depending on the inner conditions of each player. The complexity of such process where the dynamics of change requires a form of mutual adjustment at both camps is an explanation of why enlargement or even the setting of the date of accession of the candidate country may delay (the Western Balkan countries is a pure example of a missing timeline of when enlargement will occur).

The question here is what the options are if such necessary and sufficient transformations do not fully take place?

Considering the most typical example of Turkey²⁴ or even Bulgaria and Romania, delaying or postponement of membership seems to be the case. Such option of postponed membership is frequently referred to as a way to keep the momentum of reforms (Steunenbergh and Dimitrova 2007: 9) giving enlargement a cyclic form, meaning that if necessary and sufficient transformations are not fully achieved we are to expect rather an upgrade institutional tie but not accession.

Conclusion

The EU enlargement process is an under-research (work-in-progress) topic and a difficult puzzle to be solved. But what this paper tries to propose is a simplified model that builds onto answering two main questions, that of why and when enlargement occurs. Considering the Western Balkan case, this paper has argued that the rational incentives of reducing negative externalities of non-enlarging and economic interests as well as the

²³ Capability will depend on EU itself (*budget* and absorption *capacity*), member state and EU citizens' perceptions. For more on the argument see Jano, D. (forthcoming) "EU - Western Balkans Relations: The Many EU Approaches", *IUIES Journal on International Issues*, special issue on "The Mediterranean as the new center for Europe: On the waterfront of European policies", number 1, 2008

²⁴ Turkey submitted its application for membership in June 1987 but it took more than ten years before the EU granted it the status of candidate in December 1999.

normative claims are by no doubts an important *facilitator* in the process of enlargement on both, demand and supply side. They may lead to different forms of institutionalization among the two parties, such as the Stabilization and Association Agreements.

This is still not sufficient enough for finalizing enlargement process (accession treaties). The motivations alone are insufficient to complete enlargement process since they may lead to other forms of cooperation but not full membership, as the lengthy process of integrating Western Balkans into EU have shown. In order to complete the process some form of transformation is needed from both demand and supply side. For the final outcome of enlargement to come (that is signing accession treaty) the applicant states have to comply with the EU requirements while EU have to transform its institutions so to be capable to function when the new countries are being accepted. In the contrary, if the EU is not being ready to accept new countries (capacity issue) or/and if the candidate countries do not accomplish the Copenhagen criteria (the case of the Western Balkans) the enlargement process may be postponed till the necessary and/or sufficient conditions are fulfill. In the contrary *blocking or delaying tactics*²⁵ may be a way to postpone the process till the needed transformations are achieved. The experience of the previous enlargement (lately with Bulgaria, Rumania or Turkey) is the best argument.

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²⁵ On the argument of *blocking tactics and delaying tactics* see Schimmelfennig 2005:149.

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