

Wageningen University and Research Centre

euROmania?

The requirements for Romania to become a member of the European Union and Romania's lagging integration process explained by theories of Europeanization

BSc Thesis International Development Studies

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10/30/2014

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1. Introduction

1.1 Problem Statement

On January 1st 2007, Romania became an official member of the European Union (EU). Since the fall of the communist regime in December 1989, Romania had the great desire to join the Union. Therefore, immediately after the fall, Romania had let known that they wanted to be involved in the European integration process. And since the early 1990s, Romania was involved in European programmes to get support in the transition to a democracy and a market economy (Noutcheva and Bechev, 2008). In order to become a member state, Romania had to comply with several conditions and criteria. These conditions and criteria have been set up by the European Union, and had to be implemented into Romania's own domestic politics and policies. The European Union stimulates this process by "reinforcement by reward" (Schimmelfennig and Sedelmeier, 2004:662), whereas they decide whether a country is ready to move on to the next step in the integration process. Romania's desire for membership in combination with the conditions attached to membership, has allowed the European Union to have a significant role in the renewing and restructuring of Romanian domestic policies and institutions (Schimmelfennig and Sedelmeier, 2004).

Romania is called "the successful laggard" of the integration process (Noutcheva and Bechev, 2008). Romania's integration process has been proven more difficult and lengthier than those of others. This suggests that the integration process, despite the potential significant role of the European Union was constrained by certain factors. Especially the weak public administration and judicial capabilities and the underperforming economy needed to be improved in order to achieve an effective and sustainable inclusion into the European Union (Spendzharova, 2003:144). Though, just in those areas, reforms proved to be the hardest for Romania.

To see how this process of rule transfer took place, I will use the concept of Europeanization. In this case I will use the definition of Schimmelfennig and Sedelmeier (2005:7) where Europeanization refers to "*the process in which states adopt EU rules*". Europeanization knows two important different approaches. The first one is a top-down approach as used by Schimmelfennig and Sedelmeier (2004). They see the *external incentives* given by the European Union as the main driving factor of Europeanization, or differently said: domestic change. Second is a bottom-up approach as used by Ertugal and Dobre (2011). They see *domestic structures* as the underpinning factors in the process Europeanization. They analyse Europeanization with the theory of historical institutionalism and path-dependency as an alternative logic for domestic change (Ertugal and Dobre, 2011:1199). External incentives are important, since it can explain the motive for countries to reform. However, external incentives cannot explain the content of these reforms. Actors make decisions while considering many factors. All

these factors contribute to a greater or lesser extent the content of the implementation of reforms. Decisions are often based on earlier made decisions and peoples own perceptions. Therefore, looking at historical institutionalism and path-dependency give a better understanding of Romania's lagging integration process.

To see what the requirements of membership for Romania were and why Romania is called the laggard in this integration process, I will try to find an answer to the question: *How can theories of Europeanization explain Romania's lagging integration process?*, I will first explain what the European Union is. I will do this by giving an overview of the history of the European Union and its main institutions. Thereafter I will tell about the procedures they use for enlargement and mechanisms the Union use to enforce or influence the integration process. I will do this to find what has been the requirements for Romania to become a member of the European Union. Thereafter I will discuss two different approaches of the concept of Europeanization used in scientific literature.

To be able to draw a conclusion, I will look to Romania's integration process on the basis of annual reports made by the Commission on the progress of Romania towards accession and connect the concept of Europeanization to Romania's integration process.

I realize that because of the definition I used for Europeanization – “the process in which a state adopt EU rules”- give this research a certain direction. In this definition the role of take an important place in analysing Europeanization. Other important factors, such as the European Commission and Romanian society are also of great importance during the integration process but not detailed discussed in this thesis.

1.2 Background

When I was in Romania in 2009 this railway and train, just outside the little rural village called Berghia, caught my attention (Photo 1). The train must have been standing there for many years since it was all rusted and overgrown with bushes and trees. It seemed to me if the train, that stood in the middle of a field, has been suddenly stopped and left alone. Nobody looked after it anymore ever since. During the years the railway and train had become part of the landscape since nature had took it over.





Photo 1. Train and railway just out the little village of Berghia, Romania

It fascinated me and it still does. On the one hand, it shows a meaningful part of Romanian history. It shows the history of a communist era, where railways were the most important and developed part of the infrastructure. On the other hand, it shows how quick changes had to be accomplished after the fall of communism. There was not even enough time to 'clean up' history and make a brand new start. It stopped so suddenly, but therefore, twenty years later it is still there. That is why I am so interested in the combination of Romanian history and Romania today. Romania has known twenty-five years of communist rule and the legacy and proof of it, is still there. Visible and invisible.

The times I travelled to Romania inspired me to do my thesis on this subject. I have seen many signs along the road with projects sponsored by the European Union. I have seen the flag of the European Union at city halls next to the Romanian flag. The contrast between the past of the communist regime, the still visible legacy it left behind and the introduction of the European Union as an important political actor triggers me.

1.2.1 Romanian History

Romania is a country in south-east Europe with around 21.680.974 inhabitants (United Nations, 2013). The country knows a rich and complex history. Over time, it developed itself from several small principalities into the republic Romania as we know it today.

In this thesis the focus will be on Romania after World War II, and in particular the time after the fall of the communist regime in 1989. After World War II, Romania was occupied by the communist Soviet Union. This led to the formation of a communist Romanian 'people's republic' in 1947. With help of the Soviet Union, the Romanian Communist Party forced the abdication of King Michaël I. The first years Romania was ruled by the Romanian Communist Party, the party was under leadership of Gheorge Gheorghiu-Dej. Nicolae Ceausescu took power in 1965 after the death of Gheorghiu-Dej, and stayed in charge until the fall of the communism in 1989 (Bos, 2007).

The communist years were years in which Romania became more and more isolated from the west. The communist party nationalized all industrial companies, banks and

other private initiatives. Industrialization, in particular heavy industry, were the keywords of the domestic economic policy (Bos, 2007).

The fall of communism in 1989 was completely unexpected. In a relatively short time, within a few days, a mass uprising of the people arose which caused the end of the communism and the dictatorial regime of Nicolae Ceausescu. The National Salvation Front (FSN) took power immediately after the fall, but this political party consisted mainly of ex-communists. The first free elections since 1937 took place in May 1990. The FSN won, though there was a lot resistance from the Romanian people, because of the large amount of ex-communists within the party. On 8 December 1991 the people of Romania approved the new democratic constitution. There was hope that real changes would come soon, but it took more time than expected. One of those hoped for changes was integration in the European Union. On June the 22nd 1995 Romania officially applied for membership of the EU (Bos, 2007). President Constantinescu saw European integration as a major political priority for Romania, in fact he saw it as the only avenue for development in the national interest. Romania's most important and pressing objective was to take its own place among the existing European democracies (EU, 2013b).

2. The European Union

The revolution of December 1989 was the start of the end of an era. After almost twenty-five years of communism, Romanian people hoped for a new era and real changes. Integration in the European Union was seen as *the* way to achieve these changes (Bos, 2007). For a better understanding of the European Union, this chapter will give an overview of the history of the European Union and the main institutions on which it is built. The European Union has set up several criteria about their democratic values and market economy which need to be fulfilled by states who apply for membership, and thus by Romania. This chapter will introduce and discuss those main criteria they hold for accession. These criteria need to be fulfilled during a process of integration. The different steps Romania needed to take in the integration process are also discussed in this chapter. During the integration process, the European Union have several mechanisms in their hands which allow them to influence to process of integration. These will be discussed at the end of the chapter.

2.1 History

The history of the European Union begins in 1951, shortly after World War II, when six European countries signed together the Treaty of Paris. The main objective of this treaty was to eliminate barriers to the trade of coal and steel. Coal and steel were the core industrial sectors of these six countries. By creating a common market, coal and steel products should move freely between the member states. This was considered as important, in order to meet the needs of all inhabitants of the six member states. These member states – Belgium, France, Germany, Italy, Luxembourg and the Netherlands - were called together: European Coal and Steel Community (ECSC) (Moussis, 2008). This were the very first steps towards the European integration as we know it today. It was no coincidence that those steps were taken, just shortly after the end of World War II. Countries in Western Europe faced high unemployment rates and people were living far under subsistence levels. Europe was devastated after two great wars. The economies of countries in Western Europe were stagnating and the democracy was fragile (Moussis, 2008). Cooperation should promote peace and economic growth, in order to avoid more wars. (AmCham EU, 2010). Western European economies had to break down the trade barriers trough intergovernmental cooperation, in order to stimulate the economic development (Moussis 2008). The Treaty of Paris, which was not only trade liberalization but economic integration as well, was not without risks. Former enemies had to become partners and it required setting up new supranational institutions without knowing the consequences it might have.

A few years later, in 1957, the Treaty of Rome was signed. This treaty was responsible for the establishing of the European Economic Community (EEC), which was imposed with the task to create a common market with free movement of people and capital between member states. The EEC can be seen as the real forerunner of the European Union

(AmCham EU, 2010). Ever since, the European Union increased its scope. Both in the amount of member states (widening), as in the amount of policy areas (deepening) (Dinan, 2005:3). Since the first treaty in 1951, the Union widened her scope from six to twenty-eight countries who enjoy all membership (EU, 2013a). And it is still continuing widening her amount of member states, since there are today still countries enrolled in the accession process. At the same time the process of widening does not exclude the process of deepening. The Union is deepening their scope of influence as well, by means of new treaties and agreements. One of the most important moments in the deepening process was in 1992, when the Maastricht Treaty was signed. It is marked as the official creation of the European Union. The treaty determined that the role of the European Community (EC) was not only on an economical basis, but extended to the fields of justice, home affairs and foreign policy (AmCham EU, 2010). In 2004, there seems to be a major setback for the process of deepening of the European Union. Both the Netherlands and France reject the Treaty establishing a Constitution for Europe in a referendum. After three years of 'reflection' (AmCham EU, 2010:17) the European Union member states are able to draft a revised treaty; the Reform treaty, later renamed into the Lisbon Treaty. In December 2007 all member states sign this treaty. Another important moment in the deepening process. The Union expands their policy scope to areas including energy, public health, tourism and civil protection (AmCham, 2010:16).

2.2 Institutions

The European Union is built upon seven official institutions. The three major institutions are the European Commission, the European Parliament and the Council of the European Union (AmCham EU, 2010). This paragraph will discuss their main tasks.

The European commission is seen as the driving force of European integration. It tries to act in the interests of the EU as a whole and it attempts to bring the member states economically closer to each other as well as politically (AmCham EU, 2010). They do so by defining the common interests of all member state in policies, measures and actions that they introduce. When one member state does not agree with a proposal of the Commission, because it believes that it is not in their national interests, the proposal cannot be accepted (Moussis, 2008). The Commission also ensures that all member states comply with the treaties and laws of the EU, and that they implement them correctly. When countries do not comply, it is the task of the Commission to intervene. (AmCham EU, 2010).

'The European Parliament is the only real multinational legislative assembly in the world' (Moussis, 2008:49). It can be seen as the representation of the European Union citizens in the Union, since it is the only institution that is directly elected by citizens of the member states. With the start of the European Union, the main task of the Parliament was to be the advising body. Members of the Parliament were appointed by

governments of member states. Over time, their main tasks have been expanded to the current main tasks like pass EU laws and supervise other institutions of the Union. (AmCham EU, 2010). Since 1979, members of the Parliament are not appointed by national governments anymore but chosen by the citizens of member states. The accession of new member states depends always on the approval of the European Parliament. So a request might be turned down, even when governments of member states agree with accession.

The council of the European Union is the representation of the national governments in the European Union and they meet on a regular basis. All government ministers of member states are part of the council. Ministers of different countries representing the same policy area will meet. Policies within this area will be discussed and they discuss and approve EU law proposals. The council of the European Union is the '*voice of Member states in the EU decision-making process*' (AmCham EU, 2010:81).

The council of the European Union must not be confused with the European Council which is not one of the three main institutions of the European Union. The European Council is an institution of the European Union with all heads of governments and states. According to Moussis (2008) the European Council is seen as a place where the heads of the governments exchange informal ideas with each other, and come up with new ideas for common policies. The European Council set the economic and political agenda for the European Union (AmCham EU, 2010). Though, the Council can never adopt legal acts that formally binds member states.

2.3 Enlargement and Accession

Like stated before, the Union expanded from six to twenty-eight countries. One of those member states who joined the European Union at a later stage was Romania, who became member in 2007. Before 2007, Romania was enrolled in a long process of integration. In order to become a member of the Union, one needs to fulfil the requirements drawn by the European Union. These requirements were designed by member states with the purpose to guide new applicants and to minimize the risk of a politically and economically unstable situation in the candidate member states. Member states were afraid that the entering of Central and Eastern European Countries (CEEC's) into the Union, with often a political and economic unstable situation, might be a potential danger for the existing Union (Grabbe, 2002).

Therefore, to become a member state, the European Union state the following:

'The Treaty on the European Union states that any European country may apply for membership if it respects the democratic values of the EU and is committed to promoting them' (EU, 2013b). To commit to Treaty on the European Union, criteria were defined at

the European Council in Copenhagen, 1993. According to these criteria, better known as the 'Copenhagen Criteria', countries who wish to join need to have:

- *'stable institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;*
- *a functioning market economy and the capacity to cope with competition and market forces in the EU;*
- *the ability to take on and implement effectively the obligations of membership, including adherence to the aims of political, economic and monetary union'* (EU, 2013b).

Though, complying with the EU rules is not the only term. All current member states must give their permission and the citizens of the candidate country in question must give their permission expressed in a referendum (EU, 2013a).

Hence, a country that requests for accession is obliged to meet the political and economic criteria. Besides that, they are obliged to take on the obligations of membership. Taking on the obligations of membership is taking on the *acquis communautaire*. The *acquis* consists today of 35 chapters and is the legal and institutional framework of the EU, based on different treaties. *'It consists of a cumulative body of European Community laws, comprising the EC's objectives, substantive rules, policies and, in particular, the primary and secondary legislation and case law (...)* The *acquis* is dynamic, constantly developing as the Community evolves, and fundamental (Eurofound, 2007). Different themes discussed in the chapters of the *acquis* are for example education, industry, energy, transport, taxation and environment. But also themes as the four freedoms of the European Union discussing the freedoms of goods, capital, services and persons are part of the *acquis*.

The *acquis* takes precedence over national law and even over the constitutional law of member states (Moussis, 2008: 33). In 2003 for example, the constitution of Romania was adapted in order to conform with EU norms (Bos, 2007).

To fulfil the conditions for membership, domestic policies have to be in line with EU standards. The *acquis* gets a lot of attention during the accession because it is the most clearly measurable part of the process in contrast to the political and economic requirements (Grabbe, 2002). According to Moussis (2008) the common policies pursuing common goals and serving common interests are the fundamental elements of European integration.

Despite a new country enjoys full membership, it can still face restrictions to minimize risks for potential dangers in the existing Union. These restrictions are called 'transitional arrangement' (Sterckx *et al.*, 2010). Romania for example was since its membership restricted in the free movement of workers. Only seven years later, in January 2014 when Romania was member for seven years, these restrictions were removed (EC, 2014).

Implementation of the Euro requires also different criteria, which are described in the so called 'Maastricht Criteria'. These criteria are separated from the Copenhagen Criteria discussing the conditions of access to the Union. Member states can choose to be a member of the European Union but never adopt the Euro as currency. Denmark for example, never adopted the Euro because of great resistance of the Danish people (Sterckx *et al.*, 2010).

2.4 Mechanisms of Influence during the Integration Process

The European Union has several mechanisms available to accomplish and enforce change in states who are enrolled in the accession process. Five of those mechanisms are described by Grabbe (2001) and will be discussed in this paragraph. It is useful to know what the Unions possibilities are to enforce change. All of these mechanisms has been used in Romania's integration process. This will be more clear in chapter four.

2.4.1 Gate Keepers

The most important mechanism in hands of the EU is that they are 'gate keepers' in the process of accession (Grabbe, 2001:1020). This means that only the Union decides whether a country is ready to move on to the next step during the entire integration process. The process of accession can be divided into several different stages. Grabbe (2001:1020) made a rough summary in chronological order of those different stages in which the process can be divided;

- 'Privileged trade access and additional aid.
- Signing and implementing an enhanced form of association agreement (Europe Agreements for the current candidates, Stabilization and Association Agreements for south-eastern European non-applicants).
- Opening of negotiations (explicitly dependent on meeting the democracy and human rights conditions since 1999).
- Opening and closing of the thirty-one chapters.
- Signing of an accession treaty.
- Ratification of the accession treaty by national parliaments and the European Parliament.
- Entry as a full member.'

If the European Union decides that a country does not comply with the conditions , it can exclude it from the next step until the applicant country is ready to move on to the next step. Applicant countries have to make all their way through the different stages in order to get to the final stage; entry as a full member. The last step they take gives them full accession to the European Union. The gate keeper mechanism is a normative mechanism that is not targeting on precisely described changes (Grabbe, 2001). Because conditions

can be vague and general, it is the opinion of the European commission and the European Parliament on the improvements of applicant countries that are deciding factors. European Union as gate keeper is also called a mechanism of 'shaming' whereby applicant governments are pushed by press and political actors to comply with EU conditions. In order to prevent embarrassment, governments of applicant countries therefore feel enforced and are willing to make changes.

2.4.2 Benchmarking and Monitoring

Another mechanism of influence in hands of the European Union during the integration process is benchmarking and monitoring. Because the European Union is the leading actor in negotiations, it has the power to judge the overall progress of the applicant country. Therefore, the EU is able to rank the policy areas that, in their opinion, need further attention in national policy making. The lists that point out these policy priorities are called 'Accession partnerships'. Policy areas on that list need to be implemented by the applicant member states within one to five years in order to receive aid and benefits from the EU. This may result in governments activities highly influenced by European conditions. The annual 'regular reports' describe the implementation and the development of these priority policies. The European Council uses these reports in order to decide whether a country is ready for the next step in the accession process and in the end decides whether the country is ready to join the European Union. Therefore, regular reports are a power tool in hands of the European Union (Grabbe, 2001:1022).

2.4.3 Models: Provision of Legislative and Institutional Templates

Essential to the process of accession is taking on all the chapters of the acquis. This is mentioned as step four in the summary of Grabbe (2001:1020) on the different stages of accession; 'opening and closing of the thirty-one chapters'. In order to implement the acquis correctly, the European Commission promotes stable democratic and market-orientated institutions. To do so, they offer help by giving templates of a democratic legislative system and democratic institutions. A well-known example of an institutional template provided by the European Union is a detailed guide which set out the characteristics of democratic institutions on public administration. These templates are helpful for countries that did not know democratic institutions for a long time. Though, an important footnote here is that these templates are informal and only to inform pre-member states. These templates are not binding.

2.4.4 Money: Aid and Technical Assistance

An important mechanism of influence in hands of the European Union is money, since the European Union is the largest external source of aid for Central and Eastern European countries (Grabbe, 2001:1023). In order to receive money, the European Union requires that 'particular administrative units and procedures be created' (Grabbe,

2001:1023). In that way the European Union can exert influence during the whole accession process by controlling the aid and technical assistance.

2.4.5 Advice and Twinning

Advice and twinning is a mechanism within the European Union in which applicant countries can learn from experienced member states in organizing administrative and democratic institutions. Member states give assistance by sending officials, the so called 'Pre-Accession Advisers' (Grabbe, 2001:1024). They can be enrolled in all kind of parts of public administration of the applicant country, like for example ministries. They can offer help in every area in which a pre-member state needs assistance. An important footnote to make here is that 'Pre-Accession Advisers' work on an individual basis, and advice is often given by personal insights and experiences influenced by the advisers' background and nationality (Grabbe, 2001:1024).

2.5 Conclusion

After two world wars in such a short period of time, Europe was devastated. The economy was weak and the democracy fragile. Six countries started a cooperation in order to promote peace and economic growth by eliminating barriers to the trade of coal and steel. Over the years, this cooperation has been expanded in both the amount of members and the policy scope. This has increased the Unions influence in both the amount of countries as the amount of policy issues. New member states are welcome, but need to fulfil several conditions in order to enter the European Union. These criteria consist of the political and economic criteria of a democracy and market economy and taking on the *acquis communautaire*. The political and economic conditions were created in order to be sure of a proper implementation of the *acquis* in Central and Eastern European countries. The *acquis* consists of 35 chapters, dealing with law, rules, policies on different themes.

In the integration process of new member states, the European Union can use different mechanisms to accomplish and enforce change. This ensures a certain hierarchically relationship where the European Union is in charge of course of the process and the applicant country seems to be subordinated to the will and decisions of the European Union.

The next chapter will discuss different approaches of the process wherein countries adopt these criteria for accession. This will give a guidance to explain why Romania's integration process is called a process of a 'laggard' (Noutcheva and Bechev, 2008)

3. Europeanization

The process of integration or differently said; the adoption of conditions set up by the European Union in domestic politics and policies are in scientific literature often described by the term 'Europeanization'. Europeanization is defined in different ways. In this particular case the definition of Schimmelfennig and Sedelmeier (2005:7) will be used. They state that the concept of Europeanization must be defined as "*a process in which states adopt EU rules*". Because the concept of Europeanization emphasizes the process of states adopting EU rules, the concept is useful for explaining Romania's lagging integration process.

This chapter will discuss Europeanization according to two different approaches. The first approach is a top-down approach according to Schimmelfennig and Sedelmeier (2004). They made a model about Europeanization in Central and Eastern European countries. In their models, EU conditionality is the underpinning factor in the process of rule adoption. That is why this approach is seen as a top-down approach of Europeanization. Ertugal and Dobre (2011) claim that the top-down Europeanization model of Schimmelfennig and Sedelmeier is not the best way to approach Europeanization. They prefer a bottom up-approach, because they believe that domestic structures are the underpinning factors of Europeanization. This chapter will first explain the concept of Europeanization and will then explain the two different approaches.

3.1 Concept of Europeanization

Not too long ago, Europeanization literature was mainly based on the influence of the European Union on domestic politics and policies of Western European Union member states (E.g. Lampinen and Uusikyla, 1998). The shift to Central and East European countries was only made recently (Schimmelfennig and Sedelmeier, 2005). The most important difference in comparison to Europeanization models of western member states is the need for non-member states to restructure their domestic institutions and the change of political practices, both according to EU standards (Schimmelfennig and Sedelmeier, 2004). In contrast with Western European Countries, Central and Eastern European Countries often miss a stable political and economic culture and efficient institutions. Therefore, Eastern European Countries needs to be studied different than western member states.

In earlier literature Europeanization was defined as a broader concept than it is now. It used to include the formation of European rules and their repercussion on domestic policies. Since the 1990's Europeanization literature was more focussed on the impact on national politics and policies. Earlier, the concept of Europeanization was often analysed with the 'goodness of fit' argument (Ertugal and Dobre, 2011). This argument states that pressure from politics and policies emerging from the European Union will be intervened by variables, in this case domestic factors. If implementation of European policy is hard

because domestic politics and policies are not in line with European policies, the 'goodness of fit' argument states that European policy does not 'fit'. If European policy does not fit, there will be an increase in the chance of lacking reforms. If European policy is easy to implement in domestic politics, change will actually happen. This argument received a lot of criticism. Most of the criticism was about the approach being too much focused on a top-down relationship between the European Union and the nation state (Ertugal and Dobre, 2011).

3.2 Relevance of Europeanization

As we have seen in the previous chapter, Romania had the great desire to join the European Union. After years of communism, Central and Eastern European Countries were searching for new ways of governance and structures of institutions.

This desire has led to an 'asymmetrical interdependence' (Grabbe, 2002:13) between Romania and the European Union. This means that within the relationship between Romania and the European Union the distribution of dependency is not equally divided. Central and Eastern European countries with the desire to become a member have often nothing or less to offer the Union. Their economies are often weak and unstable. The European Union on the other hand has a lot to offer, since they decide about accession and provide aid and trade options (Grabbe, 2002). As a result, Romania is highly dependent on the European Union. Therefore, the impact of the European Union on the restructuring of domestic institutions and policies in the country is considerable. (Schimmelfennig and Sedelmeier, 2004). This process of transformation together with the search for new political structures make them more willing to take over the existing EU models (Grabbe, 2001:1014).

In 2004, ten Central and Eastern European countries were considered to be ready to enter the European Union. Among these countries were Latvia, Lithuania and Estonia, former countries of the Soviet Union. Romania's neighbouring country Hungary became member as well. Though Romania and Bulgaria were also aiming on becoming a member in 2004, the European Commission concluded that both countries were not ready for membership. In 2007, after three years of more reforms, Romania and Bulgaria were allowed to join the European Union after all (Sterckx *et al*, 2010).

Romania's process towards accession was not easy to pass through. Noutcheva and Bechev (2008:115) call Romania and Bulgaria even the "*laggards of the Central and Eastern European group*", since their "*transition to democracy and market economy has turned out more difficult and lengthier*". The concept of Europeanization can explain how the process of rule transfer occurred in Romania.

3.3 Top-down Europeanization Approach

Schimmelfennig and Sedelmeier did research on the Europeanization process in Central and Eastern European countries (2004, 2005). To analyse the successfulness of rule

adoption they made their own model of Europeanization. They conclude that the driving factor of the Europeanization process is mainly the ‘*external incentives underpinning EU conditionality*’ (Schimmelfennig and Sedelmeier, 2004:676). Therefore, they advocate that their ‘external incentives’ model explains the main driving factors in the process of Europeanization. Their main findings are that the credibility of rules of the European Union in combination with the domestic costs of rule adoption will explain the effectiveness of rule transfer. Schimmelfennig and Sedelmeier’s models are top-down because they made their model on basis of EU conditionality. ‘*We specify an explanatory model of EU governance in the CEEC’s that underpins EU conditionality*’ (Schimmelfennig and Sedelmeier, 2004:662).

To get a better understanding of the ‘external incentives model’ this chapter will explain the theory of Sedelmeier and Schimmelfennig. The external incentives model is one of the three models Schimmelfennig and Sedelmeier have designed to analyse the process of Europeanization.

In their model, they distinguish two different key determinants in the process of Europeanization. The first key determinant in the process is about the most important driving actor in the process of Europeanization; ‘the principal actor in rule adoption’. In this case, the most important driving actor in the process can be the European Union or Romania.

The second key determinant is ‘the logic of rule adoption’. This key determinant has been split up into the ‘logic of consequences’ and ‘the logic of appropriateness’. Rule adoption under logic of consequences assumes rational actors who try to maximize their own benefits. The actors in this case are the countries who applied for membership of the European Union.

Rule adoption under logic of appropriateness assumes that actors adopt rules because of internalized motives. These motives can be a shared identity or matching values and norms.

These key determinants and their characteristics put together, results in three different kinds of models as can be seen in *table 1*.

Principal actor in rule adoption process	Logic of rule adoption	
	Logic of consequences	Logic of appropriateness
EU-driven	External incentives model	Social learning model
CEEC-driven	Lesson-drawing model	Lesson-drawing model

Table 1. Mechanisms of Europeanization (Schimmelfennig and Sedelmeier, 2005:9)

3.3.1 External Incentives Model

The external incentives model assumes that all actors involved are rational actors, aiming on maximizing utility. The negotiations for accession between both actors, is a negotiation in which the European Union set up rules as conditions which the CEEC's have to fulfil. If the CEEC's fulfil the required conditions they will be rewarded by the EU, in forms of aid or entry to the next step in the integration process. This rewards will only be given when the CEEC's fulfil the conditions, otherwise the EU will withhold it. Though the CEEC's are willing to be rewarded, the model claims that nevertheless applicant countries will aim for their own maximizing utility. Therefore Central and Eastern European countries will try to find a balance by making a cost-benefit analysis. By making this cost-benefit analysis CEEC's will try to maximize their own domestic political interest benefits and at the same time being rewarded by the European Union. According to Schimmelfennig and Sedelmeier the most general proposition of the external incentives model is: *'a state adopts EU rules if the benefits of the EU rewards exceed the domestic adoption costs'* (Schimmelfennig and Sedelmeier, 2004:664). Without any rewards of the European Union, Schimmelfennig and Sedelmeier assume that it is not likely that an applicant country will adopt the European conditions and rules.

The cost-benefit analysis countries will make, depends on different factors. The first factor is the determinacy of conditions, which refers to the 'clarity and formality' of a rule. For an effective rule transfer, the European Union should define their rules and conditions clearly (Schimmelfennig and Sedelmeier, 2004: 664). If a rule is clearly described, hence more determinate, there is not much space for different interpretation. An important advantage for the European Union when rules are more determinate, is that it is easy for them to check if a country complies. It minimizes the chance of manipulating by CEEC's, because countries have little room for their own interpretation of the rule. If countries do have the space for own interpretation they will use it for own advantages. Therefore, Schimmelfennig and Sedelmeier state: *'the effectiveness of a rule transfer increases if rules are set as conditions for rewards and the more determinate they are'* (Schimmelfennig and Sedelmeier, 2004:664).

The effectiveness of rule implementation also increases when the size and speed of rewards and benefits increases. When the moment of being rewarded is coming closer and the more benefits countries will get, the more likely it will be that rules will be implemented (Schimmelfennig and Sedelmeier, 2004:665). When the European Union puts more pressure on time and seize of rewards, the incentive for applicant countries will be higher to adopt European rules. For an effective rule transfer, speed and seize of rewards should be high.

The third factor that effects the effectiveness of rule implementation according to Schimmelfennig and Sedelmeier (2004) is the credibility of EU rules and conditions. If threats have to be credible and need to scare applicant countries for not complying with conditions, the European Union needs to have a certain power position. Rewards, such as aid and money, need to be credible as well. Applicant states need to be assured that they receive the rewards if they comply with certain conditions.

The fourth important factor of effective rule transfer is about what Schimmelfennig and Sedelmeier (2004:666) call the 'veto players' and adoption costs. When Schimmelfennig and Sedelmeier talk about adoption costs, they state that the seize and distribution among domestic actors will decides whether they will accept the conditions or not. Since the European rules need to be implemented in national politics by the national government, 'veto players' of national governments are important possible veto players in the integration process. They need to agree on the new laws and other reforms in order to achieve actual change. Veto players may disagree because the adoption costs of implementing the conditions are higher than the rewards of the European Union.

In contrast to the external incentive model Schimmelfennig and Sedelmeier made two other models. These will be discussed briefly in the following paragraphs.

3.3.2 Social Learning Model

In the 'social learning model' the principal actor is also the EU but the logic of rule adoption is appropriateness. In this model the European Union is seen as a formal organization of countries, defined by a collective identity and equal values and norms. A non-member state identifies itself with rules and conditions of the European Union. Because they identify themselves with the European Union, they want to access the European Union. They are willing and motivated to implement the rules and conditions. A country will be more willing to adopt the EU rules if they regard the rules appropriate in the light of these collective identity and equal values and norms. This model is based on the intrinsic motives for reforms in non-member states, instead of more external values like rewarding as in the 'External incentives model',

3.3.3 Lesson-drawing Model

The 'lesson- drawing model' differs the most from the other models. In this model, non-member states will adopt EU rules without any incentive from the European Union. Non-member states consider their own domestic politics unsatisfying, and therefore make use of policies made by the European Union, considering these more appropriate. Schimmelfennig and Sedelmeier (2004) give the following summary: *'a state adopts EU rules, if it expects these rules to solve domestic policy problems effectively'* (Schimmelfennig and Sedelmeier, 2004: 668).

3.4 Bottom-up Europeanization Approach

Whereas Schimmelfennig and Sedelmeier (2004:663) find the external incentives model the best approach to study the effectiveness of rule transferring, Ertugal and Dobre (2011) advocate a more bottom-up approach. The external incentives are a motive for applicant countries to reform, but it does not say anything about the content of these reforms. They compared two different countries, Turkey and Romania in their research on how EU conditionality plays a role in domestic politics. External incentives can explain motivations for domestic reforms, but cannot explain their contents.

Ertugal and Dobre (2011) did research on regionalisation and the impact of the European Union. In their research they compared two different countries, Romania and Turkey. Both countries were involved in the integration process. Ertugal and Dobre (2011) advocate that Schimmelfennig and Sedelmeier (2004) are using a too much top-down approach to describe the process of Europeanization. The bottom-up approach is able to explain motives for reforms and can explain domestic change. Though, Ertugal and Dobre (2011) state that a bottom-up approach also explains the content of reforms.

To analyse Europeanization in a bottom-up approach, Ertugal and Dobre (2011) make use of new institutionalism. Historical institutionalism, involving a path-dependency logic is not often used in approaching Europeanization (Ertugal and Dobre, 2011: 1199). Historical institutionalism places newly made decisions in a perspective of time. Decisions made in the past will always influence new decisions. That is where path-dependency logic connects with the approach of historical institutionalism. New decisions are made in a context of earlier made decisions which give either opportunities or restrictions. So people in the decision making process will never make a new decision isolated from earlier decisions but in new context shaped by earlier made decisions. This does not mean though that actors are totally restricted by choices made in the past and that earlier made decisions determines the outcome of new decisions entirely. It gives a condition, but there is always room for agency (Ertugal and Dobre, 2011).

The historical institutionalism approach gives institutions an important role in how people cope with the rules and established structures. In the process of domestic change the *“actors perceptions of what is feasible, legitimate, possible and desirable are shaped both by the institutional environment in which they find themselves and by existing policy paradigms and world views”* (Hay in Ertugal and Dobre. 2011:1200). Therefore, Ertugal and Dobre state that a bottom-up perspective can explain contents of reforms in Europeanization.

3.5 Conclusion

Europeanization is about *“the process in which state adopt EU rules”* (Schimmelfennig and Sedelmeier 2005:7). There are two different approaches one can use to analyse the process of Europeanization. Schimmelfennig and Sedelmeier (2004) use a top-down approach by seeing the European Union as the underpinning factor of the process. Actors

are constantly making rational choices and trying to make decisions that give the highest amount of benefits. Ertugal and Dobre (2011) on the other hand, use a bottom-up approach. They see decisions made in the past and the current rules and structures of institutions as the underpinning factor of domestic change. They advocate that actors who need to take decisions for change are influenced by both underpinning factors mentioned above. In the case of Romania the bottom-up approach will be more useful to analyse the process of rule adoption. The top-down approach will be useful to explain their motives but the – lagging - content of Romania's reforms can be best explained by the bottom-up approach as will be shown in the next chapter.

4. Romania's Lagging Integration Process

This chapter will analyse the process of integration with reference to the 'annual regular reports' and scientific literature. The European Commission, as guardian of compliance with the European treaties, has actively monitored Romania preparations for accession. Starting in 1997 with the 'Commissions Opinion' on the membership application, they released every year from 1998 until 2006 'regular reports' on the development of Romania. In these regular reports called 'Romania's progress towards accession', the commission reports about the progression on the political and economic development. Besides that, they reported about taking on chapters of the acquis. At the time of Romania's accession, the acquis consisted of 31 chapters. Those reports thus, describe the weaknesses and strengths of Romania's integration process. On the basis of the theoretical framework of Europeanization given in chapter three, this chapter will try to explain why Romania was called the laggard of the integration process.

All of the reports made by the Commission were based on several sources of information. Candidate countries were always invited to provide information about their progress themselves. Other important sources of information were assessments made by international organizations like the Council of Europe, the Organization for Security and Co-operation in Europe (OSCE), international financial organizations and non-governmental organizations (EC, 1997/1998/2005/2006).

4.1 Top-down approach

First I will analyze Romania's lagging integration process on the basis of the top-down Europeanization approach given by Schimmelfennig and Sedelmeier. Schimmelfennig and Sedelmeier (2004) advocate external incentives are the main driving factor for national change. National actors are all fully rational actors, aiming on maximizing utility. Before reforms are implemented, actors will make a cost-benefit analysis, depending on different factors as discussed in chapter three. In this chapter, these factors will be discussed in the light of Romania's integration process.

4.1.1 Determined conditions

The conditions of the European Union leave in most cases room for own interpretations. The Copenhagen criteria are broadly defined and are therefore open for own interpretation of what is meant by meeting them (Grabbe, 2011:1015). Romania needed to reform and strengthen especially sectors as the judiciary and public administration but the criteria in these areas were far from sharply defined. Even the European Union admits that criteria are often vague. In one of their annual report on Romania's progress in meeting the criteria, they acknowledge that the implementation of legislative acts is partly problematic because norms for implementation are not always given. Therefore, it is to the civil and public servants how to interpret them (EC, 2005). According to Schimmelfennig and Sedelmeier (2004), vague conditions do not promote effective rule

transfer. After 2004, in the final stage of Romania's integration process, the European Union came with much specific and demanding criteria. Partly because the new Commissioner criticized the enlargement process prior to 2004 as too lax. But the increasing enlargement tiredness within the European Union was also an important reason to sharpen the criteria. Though, during the largest part of Romania's integration process, conditions and criteria were often broadly defined. Those broadly defined criteria might be one of the reasons for the lagging integration process.

4.1.2 Speed and seize of rewards

Overall the time frame of the integration process of Romania was compressed (Ertugal and Dobre: 1024). Romania seemed to be sensitive for extra pressure of the European Union to avoid penalties and receive rewards. For example, when the European Union promised more rewards in forms of financial assistance and policy advice from the Commission and member states (twinning), Romania made suddenly progress in complying with EU laws (Noutcheva and Bechev, 2008:132). Though, the European Union needed to sanction Romania twice with serious penalties despite the high pressure of the European Union.

4.1.3 Credibility of Rewards

The credibility of EU rewards were high for Romania (Ebru and Ertugal, 2011:1204), which means that Romania was assured of rewards of the European Union when they complied with the conditions. In comparison to other countries for example, who move along the same integration pathway, Romania's membership perspective was never really uncertain. It has never been a discussion if Romania should become a member, but rather about when Romania was ready to become a member state. From the start of the integration process, Romania's eventual membership was never questioned (Ebru and Ertugal, 2011:1205). Therefore, Romania's entry into the European Union has always been a credible prospect.

Also rewards in forms of money and aid were credible because Romania has always received the rewards of money for complying with the criteria. Romania also received a lot of money in forms of aid. Romania received in the period before accession high financial support of the EU in comparison to other countries (Ebru and Ertugal, 2011:1204) In 2005, circa 1.4% of Romania's GDP was generated by European funds in comparison to less than 0.1% of Turkey's GDP generated by European funds in 2008 (Ertugal and Dobre, 2011:1204). Even after the penalty of not being accepted as member state in 2004, the commission assured that Romania was still on her way to accession. In November 2002, the European Union presented a detailed roadmap for Romania in order to help them in their efforts to meet the different criteria. The roadmap described different tasks Romania still had to do, and assured Romania of more financial assistance in order to fulfil these tasks (Noutcheva and Bechev, 2008:123).

4.1.4 Veto players and Adoption costs

Schimmelfennig and Sedelmeier assume that domestic adoption costs are always high, otherwise no rewards were needed as an incentive for change (Schimmelfennig and Sedelmeier, 2004:666). They also acknowledge that for change in the status quo, depends on actors who's agreement is necessary. This might be actors in government, but can be other actors as well. Domestic actors in the decision process will make a cost-benefit analysis of the conditions made by the European Union and other possibilities and will make decisions and compromises that will benefit the country the most.

Though, during Romania's integration process, adoption costs for implementation were especially high for people in Romanian politics who seem to lose from the transition to EU oriented policies and politics. During Romania's integration process domestic veto players had a huge impact; *"Whenever reforms threatened to upset established balances in the domestic scene, veto players were likely to step in"* (Noutcheva and Bechev, 2008:134). Important EU orientated reforms were likely to be rejected by veto players if balances in the domestic scene were under threat. In 2005 for example, intentions on strengthening the judicial independence were turned down by the Constitutional Court (Noutcheva and Bechev, 2008: 135). The law was eventually adopted but after different changes were made. Cost-benefit analysis were not always made in what is best for the country but what is best for actors themselves.

This top-down analysis shows that an effective integration process depends on different factors. It shows that EU conditions were often broadly defined which gave the possibility to have a great impact on the integration process. Regardless of the great desire of the Romanian people to become part of the European Union, the 'leeway' (Noutcheva and Bechev, 2008:140) in the criteria allowed the domestic veto players to significant delay the reforms.

The external incentives model emphasizes the role of the European Union and especially the rewards they give in return for reforms. Countries are most sensitive for rewards because important domestic actors will make a cost-benefit analysis in considering adopting EU rules. As long as domestic rewards are higher than domestic costs, actors in the decision making process will adopt EU rules. Though, in reality domestic actors are not always trying to aim for maximizing the domestic benefits. Actors are often influenced by other factors as well. The protection of individual privileges for example can be a crucial factor for an actor in the decision making process, to not agree to some of the required reforms. External incentives might explain motives for change, but do not explain the content of reforms nor explains why some reforms are hard to enforce, even if the rewards are ensured and high. European rewards have always been credible since the question was rather when Romania should join the Union than if Romania should join.

4.2 Bottom-up approach

A bottom-up approach would be useful to get a better insight on Romania's lagging integration process. The next paragraph will explain why.

The bottom-up approach used here, is the historical institutionalism approach that is used by Ertugal and Dobre (2011). Like said before, they advocate that a lot of decisions are made because of "*actors perceptions of what is feasible, legitimate, possible and desirable are shaped both by the institutional environment in which they find themselves and by existing policy paradigms and world views*" (Hay in Ertugal and Dobre, 2011:1200). It connects with the path-dependency approach where decisions made in the past always influences following decisions. It goes beyond cost-benefit analysis and give a more nuanced representation of choices hampering European integration. This in contrast with Schimmelfennig and Sedelmeier who believe that actors only will make rational decisions to maximize the countries benefits.

Like shown in the external incentives model important veto-players in Romanian domestic politics were of great importance in the slow integration process of Romania. When domestic balances were threatened, veto players were likely to step in, in order to keep the existing balance. This threatening of the existing system was rather unsettling the current power distribution than unfavourable for Romania as a country. At the start of the transition period, Romania had the choice between two extremes; tolerating the 'ancient regime' structures or an entire cleaning of the political system, with the short term risk of weakening the state capacity (Noutcheva and Bechev, 2008). Romania has chosen the first option. Since the fall of communism Romania was ruled by National Salvation Front (FSN). FSN was later renamed into Party for Social Democratic Party (PDSR). This political party existed mainly out of an elite of ex-communists politicians. Most staff in the public apparatus maintained their jobs, even though they were linked to the former communist regime (Noutcheva and Bechev, 2008). For example, president Ion Iliescu (president of Romania from 1990-1996 and 2000-2004) was often described as "successor to Ceausescu" (Pridham, 2007:535). His reputation within the European Union has been as an old style politician in Romania's new democracy (Pridham, 2007). The ex-communist were not used to work transparent nor work rule-based. Therefore reforms of the European Union were not always popular in Romanian politics. The Romanian elites attitude towards democratic trends were not always positive (Pridham:2007). The Romanian elites often have a privileged personal patronage network in society which give them a certain position of power (Parau, 2008) which they obviously do not want to lose. That elites are important in the process of Europeanization is also stressed by Schifirnet who states that "Europeanization depends a lot on the elites and the communication of the Romanian society with the EU structures is mainly accomplished by elites" (Schifirnet, 2011:221).

Romanian elites perceptions on European integration were of great importance. Beside the fact that they do not want to lose personally from European integration, the motives for integration of the elites are of considerable importance. Romanian elites saw European integration as essential for moving away from the past (Pridham, 2007). Though at the same time, Romanian elites saw European membership as the major objective instead of democratization or the establishment of a market economy. Pridham (2007:536) demonstrates this by saying "It might be argued that the general perspective of the ruling elite regarding Romania's development is distorted. It is not democratization, but EU integration that matters most. The only long-term objective is EU accession, and short-term objectives are objectives set under EU conditionality, nothing more. Under such circumstances reinstating the rule of law in Romania was never seen as a goal per se, but rather as a means of achieving accession". Because European integration in means of democratization or establishing a market economy, the broadly defined conditions were implemented not always correctly as requested by the European Union.

4.3 Political Conditions

Like mentioned before, central to the political accession criteria of the European Union are the achievement developing stable institutions guaranteeing democracy, the rule of law and human rights and respect for the protection of minorities (EC, 1997).

Since 1991, when the new constitution was adopted, Romania fulfilled the requirement of a democracy. The new constitution allowed Romania to make the transition from a communist regime into a parliamentary democracy. In the old constitution Romania was the 'Socialist Republic of Romania' and all power was allocated to the communist party (Bos, 2007). With the new constitution, Romania's governance was reshaped. Though, the quality of government was doubted by the European Union and far from satisfying.

Therefore, the European Union made use of their mechanisms to influence Romania's integration process. Romania has been excluded twice from taking the next step in the integration process. As 'Gate Keepers' of the integration process the European Union excluded Romania in the next step of opening the accession negotiations in 1997. Eventually, in February 2000, Romania was allowed to join the accession negotiations. Romania had also been dismissed from the group of Central and Eastern European countries who became member in 2004 (Noutcheva and Bechev, 2008). The European Union considered Romania not ready since their quality of government and the rule of law were highly discussed.

One of the priorities of the political conditions of the European Union was starting the process of decentralization, transferring powers to a lower level. During the communist period, Romania was administered under central planning. Romania's government was organized at national level which means that in the communist era all institutions were

controlled by the communist party. Romania's national government on sublevels, the rule of law and administration were subjected to the implementation of policies of the communist party (Ertugal and Dobre, 2011). But even before the communist period, in the twentieth century, Romania's state structure was central planned (Ertugal and Dobre, 2011). The dominance of centralism for more than a century, explains why decision makers in Romanian politics still had a preference for central organized politics after the fall of communism (Ertugal and Dobre, 2011:1201). Decentralization was therefore blocked by important veto-players in Romanian politics. Members of FSN were often ex-communists who had a strong attitude against decentralization and were highly influenced by central state planning. They were supported by nationalist parties and extremist parties in Romanian government who preferred a centralized state administration as well (Ertugal and Dobre, 2011).

The lack of an official regulatory framework for local governments, a civil service in combination with low salaries and limited financial resources causes a weak local government (EC, 2000). In 2005, the European Union stated that there was a great lack of clarity concerning the allocation of responsibilities and financial resources between different levels of government (EC, 2005). In the process of decentralization, the amount of responsibilities transferred to local authorities was too high in comparison with the amount of resources available. The European Union emphasised that it was of great importance to strengthen these local governments in order to be ensured of a proper and right implementation of the *acquis*, one of the conditions for membership (EC, 2004).

The judicial system had to change radically as well. Romanian courts had to become independent from other political powers (EC, 1997). During the communist era, the judiciary was in hands of the state, who totally controlled the judicial system (Noutcheva and Bechev, 2008:127). Judges were also dependent on the state concerning career prospects and jobs. The judicial system thus was far from independent. In 2003, the Romanian judiciary was officially declared, by a revisiting of the constitution, to be a separate power. Though in 2004 the commission found out via an official survey that judges still feel political pressures while exercising their job (EC, 2004). The change in the constitution provided that judges were nominated by the president and prosecuted by the minister of justice. Although it may seem as an improvement, with PDSR still in power of Romania's political system the communist elite remained their power in the judicial system (Noutcheva and Bechev, 2008). Romania knows also a huge shortage of judges, especially on the local level. This causes overloaded courts and a high workload and a judiciary that cannot work optimally (EC, 2004).

The implementation of legislative acts is problematic as well. Since norms for implementation are not always given, it is to the civil and public servants how to interpret them (EC, 2005). Because of the space for own interpretation, it creates a good environment for corruption. Corruption is a serious concern for the European Union. On all levels of Romanian society. On a high level, the Minister of European Integration was accused for corruption in 2003, for he embezzled EU money (Noutcheva and Bechev, 2008:136) According to the EU in 2006, Romania made some reasonable progress on the fight against corruption. In the period of 2000 till 2005 Romania focused on the formation of institutions who should prevent and prosecute corruption. Romania founded in 2002 for example The National Anti-Corruption Directorate (DNA) who investigates corruption related offences. Corruption is not a new phenomenon in Romanian society. During the communist era corruption was for Romanian people a compensatory mechanism of dealing with the inefficiency of a socialist economy (Noutcheva and Bechev, 2008:129). Still today, Romanian society used to work often through informal networks, and rarely through formal networks. People used to mistrust formal networks and still do, so in most cases they still use informal networks (Parau, 2008:121).

Since the new constitution of 1991, every Romanian citizen has the right to social security and to the minimum means subsistence. These social rights also includes the rights to education and freedom of religion. The Commission concluded in 2004 that Romania always has respected these rights with some exceptions. Child care for example has been a great concern. During the communist regime, Ceausescu has tried to boost to the population growth (EU, 1997). Women were obliged to give birth to at least four children. This obligation made that over 100,000 children were abandoned to state owned orphanages because their parents were not able to look after them. In 2006, the Commission concluded that the number of children in orphanages has decreased and will continue to decline. Securing human rights and the protection of minorities has always been a struggle for Romania as well (EC, 2006). The Roma gypsies, with an estimated population around one million people, are according to the European Commission (1997) discriminated in many aspects of everyday life. In 2006, the European commission concluded that little progress had been made in a better integration of the Roma's in the Romanian society. Despite of European instrumental help by launching frameworks against discrimination and several international agreements, there is in reality little progress (EC, 2006).

Romania only seemed to make progress in political reforms when there was a high pressure from the European Union. Advice in policy reforms (twinning) and financial help were the most important reasons for Romania to reform their domestic policies and politics (Noutcheva and Bechev, 2008:132). This underpins the idea that external

incentives are a motive for change. The content of change, especially the lack of change, in political reforms can be explained by historical factors, since Romania has been dominated by central state planning for many years. Many ex-communists are still operating in Romanian government, what causes a dominant policy paradigm of centralism. Corruption has always been a widespread phenomenon in Romania and therefore, it is still a commonly used mechanism.

4.4 Economic Conditions

Another reason for Romania's exclusion from the 1997 negotiations was the progress in economic reforms. The European Union considered Romania not ready, since their economic reforms were lagging behind (Noutcheva and Bechev, 2008). Romania was not considered having a stable market economy, since their gross domestic product (GDP) was decreasing and was even below the GDP number during the communist years (Noutcheva and Bechev, 2008:121).

After the revolution in 1989, the economic institutions of Romania were far from those of a market economy. Romania had known an economical difficult period during the communist regime. The communist regime nationalized all factories and enterprises and farmers were forced to unite themselves in collective farms (Bos, 2007). In order to pay off the country's external debt, the communist regime implemented a strict range of policies of promoting exports and dramatically reducing imports (EC, 1997). These import restrictions resulted in a lack of basic needs for the Romanian people. Foods as meat, dairy products and sugar became very scarce (Bos, 2007). Also the megalomaniac projects of Nicolae Ceausescu like the 'Palatul Parlamentului' – Palace of Parliament, or the People's House like he named it himself, absorbed a huge part of Romania's GDP.

After 1989, Romania started the process of the transition into a market economy. This transition was also a condition for membership. The European economic conditions are distinguishable into two parts. The first part of the criteria is the existence of a functioning market economy. The European Commission states that a functional market economy, where market forces establish the equilibrium between demand and supply, leads to the most efficient working economy (EC, 1997). Though, after 1989, the Romanian economy remained for a long time characterized by government interference. Until 1997, circa half of Romania's GDP was still generated by loss making state-held enterprises (EC, 1997). The mobile telephone networks and energy sectors were eight years after the fall of the communism still fully in hands of the government. The agrarian sector suffered for long time under high prices due to the absent of market mechanisms in combination with a high level of protection and inefficiencies (EC, 1997).

In order to achieve a functional and sustainable market economy, the European Union focused on privatization of state-owned enterprises, the regulation of property rights and greater openings and less barriers to international trade in the Romanian economy.

These measures should lead to a sustainable and functioning market economy. The Romanian government started in 1997 a programme of macroeconomic stabilisation and structural reforms for a radical transformation. This programme was not easy to implement. It consists of a great amount of complex and detailed measures, and was held back by powerful groups of people who seem to lose from the transitions. They preferred the old economic structure of price regulations and state intervention (EC, 1997).

In its 2006 monitoring report, the European Commission concluded that Romania is a functioning market economy, and therefore satisfies the first part of the economic criteria (EC, 2006:17). Though, drawing this conclusion, the Union emphasized that there are still issues that need substantial further improvement. In 2005 for example, the last remaining large state-owned bank was supposed to be privatized, but it did not happen. In fact, the number of companies with a state share increased, due to disputes over privatization contracts (EC, 2006:15).

The second economic criteria is that Romania must have the capacity to cope with competitive pressure and market forces within the Union. This criteria is strongly linked with the first one, though slightly different. The market forces within the Union refers to the internal market, also known as the single market, of the European Union. This internal market is described in the first chapters of the *acquis* and implies free movement of goods, persons, services and capital between member states. Opening up the European single market in one time can seriously damage the Romanian economy. Therefore Romania needed to strengthened their economy and generate more competitive benefits first, in order to stand the pressure from within the market. The European Union uses the volume and range of international trade as one of the indicators (EC, 2004) of the strength of Romania's position in the market. Before the European Commission concluded in 2006 that the current path of reform will enable Romania to cope with the competitive forces within the single market (EC, 2006), Romania needed to strengthened itself in many ways and received financial and technical assistance from the European Union to improve for example their infrastructure and agricultural sector. Infrastructure was in high need of improvement, as well as the efficiency in the agricultural sector. Also the lack of human and physical capital, was a huge weakness in Romania's ability to cope with market pressures (EU, 2004).

4.5 The *Acquis Communautaire*

The third and last part of the Copenhagen Criteria is about the ability to take on the obligations of membership. This means that accession countries need to take on the *acquis communautaire*, the legal and institutional framework of the European Union (EC, 1997). Taking on the *acquis* is an important element of the successfulness of the process

towards accession. The European Commission states in their opinion report that *“the ability of Romania to implement the acquis will be central to its capacity to function successfully within the Union”* (EC, 1997:38)

Nowadays, the acquis consists of 35 chapters, but at the time of the accession process of Romania it consisted of 31 chapters. The main problem faced by taking on the acquis was the weakness of the Romanian public administration (EC, 1997). It questioned the quality of approximation of legislation and implementation of the chapter of the acquis.

The biggest challenges on taking on the acquis were not in taking on the chapters of the acquis itself but in the lacking administrative and judicial structures. The weakness of these structures made it hard to implement the acquis.

4.6 Conclusion

The external incentives model shows that despite credible rewards, Romania did not succeed in a integration process like others. Romania’s integration process was a process of absent changes and some great setbacks. The European Union refused Romania twice the access to the next stage in the integrations process. The European Union concluded that Romania was not ready. For taking on the acquis a stable democratic environment is required. Important veto-players were not always keen on reforms even if it was in favour of domestic development. A bottom-up approach shows that the Romanian elites exists of ex-communist with perceptions and interests that are not always in line with European criteria.

Reforms are hard to realize in an environment where some actors in the decision making process do not believe in certain structures and institutions that are in line with the requirements of the European Union. Even though Romania wanted to become a member of the European Union and did made progress during the years, significant reforms were hard to realize. Decision making actors could lose their own privileges in these reforms or their perceptions on what is right differs from the needed reforms. The European Union has helped Romania with financial assistance but the widespread corruption and abuse of money in the Romanian society and government was bad for Romania’s own credibility during the integration process. The legacy of twenty-five years of communist ideas, perceptions and institutional structures are still widespread in all levels of Romanian society. Or summarized with the words of Timaneanu in Pridham (2007:534) on Romania’s integration process: *“the most abrupt break with the old order seems to have resulted in the least radical transformation”*.

5. Conclusion

After the fall of communism in 1989, Romania started a process of national reforms. Romania had a strong will to integrate into the European Union. The years under the communist regime had been tough for Romanian people. Poverty, fear and no freedom of opinion were daily reality for almost twenty five years. With the fall of communism and integration into the European Union, Romania hoped for years of welfare and fortune.

These years though, did not come as soon as people hoped for. The European Union had a great influence in restructuring Romania's domestic politics and economy. The set of political and economic conditions and the requirement of adopting the *acquis communautaire* gave the European Union a lot of power in reforms. The domestic law need to be in line with the European law in order to qualify for membership. The *acquis* describes EU legislation concerning different themes. The 35 chapters (31, during the period of time Romania needed to implement the *acquis*), discuss these different themes. It is a huge package of legislation to adopt, and affected the domestic politics and policies significant. To ensure that Romania was ready and able to take on the *acquis* properly, the European Union emphasised the importance of a stable market economy and stable democratic institutions. Therefore, the European Union was monitoring the situation closely. The integration process though, was tough. Dealing with the legacies of the past, changes were not made as fast had people hoped for. Probably impossible as well, given the bad conditions Romania was in after December 1989. Politics were completely centralized and the economy was weak.

Motivations for change were always there. Policy advice, financial and technical assistance were credible and promised if Romania showed changes and reforms. If the European Union put pressure and threatened Romania with sanctions, generally Romania speeded up the implementation of reforms. But this was not always the case since Romania has been sanctioned twice. Twice they were not allowed to continue in the integration process because of lagging results according to the European Union. Especially the political situation was not stable enough to deal with the conditions of membership of the European Union. Important domestic veto-players were not always searching for Romania's benefits but rather held on to the communist way of practicing politics.

This process of Romania adopting EU rules is called Europeanization. The lagging of the integration process into the European Union can be explained by the Europeanization approach of historical institutionalism and a path-dependency approach. This approach places decisions made by different actors in a broader perspective where time and decisions made in the past play an important role. Actors are always dealing with existing rules and structures of institutions. Those structures and rules determine for most part what kind of decisions will be made. After the fall of communism Romanian politics were still governed by a strong elite of ex-communists. This strong elite was the leading actor

in the decision making process with the task to provide change. Their perceptions though, of what is 'feasible, legitimate, possible and desirable' are still shaped by the communist institutional environment. Therefore, changes in politics were hard to achieve. European conditions of decentralization and the transition into a market economy were not always considered as legitimate and desirable. The most important objective was to become a member of the European Union and not democratization or the establishment of a market economy. So European Union orientated reforms took therefore much more time than other countries who started the integration process in the same period. But not only the high level of society was still highly influenced by the communist perceptions. All different levels of society dealt with legacies of communism as corruption and weak institutions.

The fact that that break with the old system happened to be quite abrupt and domestic reforms needed to be made in a small amount of time and pressures were high, resulted in the least radical transformation. There was no time to break with the past. In 2007, Romania had finally entered the European Union. Their democratic institutions, market economy were considered as stable enough. Domestic policies were considered generally in line with the policies of the European Union.

And there, in the summer of 2013, I stood on the same spot again. I was in the same field again, just outside that little village. Something was missing, it did not felt the same as when I was there in 2009. It took a while before I noticed that the train was gone. Even the railway was removed. Finally after twenty-four years, the train that had no other function as a habitat for different flora, has been cleaned up. After twenty-four years Romania was finally able to remove parts of the communist legacy, what has been rooted in all facets of life. This train and railway were something visible, touchable. Not to mention the invisible, untouchable legacy in the customs, ideas and perceptions of people. It will take years, probably generations to leave the communist past behind. Romania still has a long road ahead of her, on her way to match her own ideas, norms, values, structures and institutions with those of the European Union.

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