



European Integration: First Experience and Future Challenges

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world regions. However, on the contrary, literature on regional integration formats in Asia, Africa and Latin America informs us that the integration behaviour of the NIS was well in line with other regions; namely, formally establishing integration formats which hardly materialised.

The author proposes a variety of factors which could have caused this weak integration performance. These range from legal ambiguities, institutional weaknesses, absence of a supportive political will, and primacy of sovereignty to particularistic interests of the elite and a lack of democracy. He discusses these factors only selectively for one or the other organisation. For example, although particular interests of the presidents are the driving motives for the failure of the Russian–Belarusian Union, they are not considered with regard to any of the other organisations.

Kembayev picks up arguments already widely discussed in both the empirical and theoretical literature including neo-realist, institutionalist, functionalist and constructivist perspectives rather than providing new insights through original research. He fails to combine his hermeneutic document interpretation and the analysis of contextual factors in a consistent way. At some points documents are considered to be mere declarations serving goals other than the stated aims, but mostly they are interpreted as resembling the actual ambitions and values of the states. Hence he can conclude that non-democratic regimes do not consider the welfare of the people and therefore do not favour integration, but at the same time argue that Regional Integration Agreements are driven ‘by a variety of identical reasons as all around the world ... such as consolidation of peace and security and economic considerations aimed at the liberalization of trade’ (p. 188). Strong evidence is provided for the convergence of regional intergovernmental organisations in the post-Soviet space with organisations in other regions, especially the EU, in terms of stated aims and institutional design. The question as to what degree these concepts are adopted in name only, and to what degree they are indeed internalised, remains to be explored.

The book is very helpful in providing an introduction to various Russian-language publications often not available to researchers outside the post-Soviet space. Unfortunately, a wide range of English publications on integration processes in the post-Soviet space and beyond are not mentioned. Mention of them would have been instructive for identifying research gaps and moving the debate forwards. In any case, the substantial documentary analysis provided by the book is worthwhile for any scholar dealing with regional organisations in this part of the world.

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László Csaba, Gábor Hunya & József Foragasi (eds), *European Integration: First Experience and Future Challenges*. Oradea: Partium Press, 2011, 271pp.

THE BOOK IS A COLLECTION OF ESSAYS PRESENTED FIRST AT THE inaugural conference of the Emerging Economies convened at the Partium Christian University in Oradea, Romania in October 2009. The book is organised under five headings with several chapters per heading: European Integration and the Crisis; European and Regional Challenges; Agricultural and Rural Economy; the Performance of Business Organizations and Knowledge; and Business Ethics in the Process of EU Integration. The chapters that can be singled out for their originality and added value agree on one diagnosis: policymakers and academics alike did not heed the signs and warnings about the crisis which had domestic routes as much as it was global and systemic.

The rest of the contributions may have less relevance for an international audience even though they provide interesting vignettes on the research agendas of the region’s academia. Among those, the contribution by Maria Vincze imparts a unique regional perspective. Vincze raises some important questions about the priorities of European policies on rural development and social cohesion. Commenting on the dilemma experienced by European Union bureaucrats about focusing either on agrarian or non-agrarian rural development, she states that the choice may not be so easy in the case of

Romania. These questions are valid in most peripheral European economies with large and inefficient rural economies and analyses addressing these are always hard to come by. Quantitative descriptions such as Vincze's contribution are complementary, in the view of this author, to more profound anthropological analyses.

Gábor Hunya contributes a very timely chapter, which elucidates the soul searching in the new member states of the EU. According to Hunya, the new member states had been far too reliant on foreign direct investment (FDI) for economic growth and restructuring. To support this claim, Hunya adds that EU accession reduced the risk perceptions of investors, so that the deficit continued to be financed by abundant foreign currency inflow, which appreciated the currency and triggered a further foreign trade deficit. Hunya's verdict is that, despite its modernising effect, FDI-led growth failed to develop an export base. He suggests that the global economic crisis has brought a central European economic model to its end and that a new growth strategy is required, which needs to be based on domestic savings rather than imported capital.

Dăianu's chapter focuses on three main lessons that the global financial crises should have taught Europeans. The first lesson is that free markets are not synonymous with non-regulation. In this view, the policymakers cannot expect the market to heal itself. Decisive actions on setting up a regulatory framework are urgently required. Secondly, Dăianu compares the after-effects of the global crisis of 2008–2009 with that of the 1997 Asian crisis during which he was president of the Romanian central bank and subsequently the finance minister. From this comparison, he concludes that institutional changes take time to bear results. The third lesson he draws is that notions of social equity should be central to the restructuring reforms which must be implemented to escape the crisis. Even before the overwhelming impacts of the Greek bailout (and subsequent European bailouts) unfolded before our eyes, Dăianu exhibits foresightedness in pointing out two main impacts of the large-scale sovereign and bank bailouts: bad governance and the emergence of new forms of state capitalism inspired by Europe's main creditor, China. Dăianu also makes profound predictions about the new international financial architecture and the EU's place in it, much in line with observers such as Charles Kupchan of the Council of Foreign Relations and Oliver Blanchard of the International Monetary Fund. In their view, a multipolar international system with sub-global clusters would emerge in the next decade as a result of the crisis.

László Csaba declares in his chapter that the process of catching-up of the new member states with the EU-15 came to a halt in 2008–2009. Csaba takes issue with Hunya and Dăianu who agree with the relevance of the Keynes dictum that 'highly volatile capital flows are inimical to trade and prosperity' (p. 56), and argues that it is policies as much as institutions that can be held accountable for the situation that new member countries find themselves in. To prove his case, he makes an effective comparison of the policy responses of Hungary and Poland to the global crisis, where the latter country prioritised solid public finance among other economic goals. Csaba also states that we are already seeing signs of a return to normality, but he qualifies this by stating that a return to normality does not mean a return to the '*status quo-ante*' (p. 35). In other words, there will be a return to the 'peace time economics' (p. 29) as Csaba puts it, but this new phase will have new game rules and new players. Nonetheless, Csaba agrees with his two colleagues that the crises in the new member states may deepen further as a result of the procrastination of long overdue reforms, economic populism and the perception of growth 'as a panacea for all social ills' (p. 33).

This unique collection's main conclusion about the costs and benefits of EU membership is that the EU can help with spending which focuses on externalities of the global economic crisis and with the creation of a framework for sustainable development in Central and Eastern Europe. This author believes that the contributions in this volume present a balanced view of the costs and benefits of EU membership in the midst of the scapegoating of the EU for all of the country's problems, underscoring the EU's support in boosting the solidarity quotient in the transfer of funds to projects that would otherwise go unfunded by local and national governments. In this light, this book makes a good

contribution to bridging the gap between internationalised research on EU integration and more regional and peripheral research agendas and institutions.

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Laure Delcour, *Shaping the Post-Soviet Space? EU Policies and Approaches to Region-Building*. Aldershot: Ashgate, 2011, xii + 182pp., £55.00 h/b.

IN THIS BOOK THE AUTHOR ATTEMPTS TO TACKLE THE European Union's approach to the post-Soviet space from the perspective of Brussels at the beginning of the 1990s (p. 1). Due to the lack of relations between the European Economic Community (EEC) and the USSR until shortly before its collapse, the EEC was required to develop a foreign policy framework from scratch once the Soviet Union dissolved at the end of 1991. The European Union (EU, subsuming the EEC after its creation in 1993) has based a lot of its foreign policy worldwide on its widely promoted use of inter-regionalism and regional cooperation. Delcour, through meticulous empirical research and theoretical analysis, questions to what extent the EU has actually promoted such regionalism and boldly asserts that the post-Soviet space has actually been a stark exception to the EU's foreign policy concept of region-building.

Three independent variables are put forward by Delcour that account for the EU's region-based foreign policy (or lack thereof) in the post-Soviet space. The first factor focuses on the 'EU institutional processes for foreign policy' that were developed by the EU from scratch soon after the collapse of the Soviet Union at the end of 1991 (p. 148). Secondly, the author looks at endogenous attempts at cooperation within the region. Lastly, Delcour suggests that the presence of other region-builders, such as Russia, has affected EU region-building within this post-Soviet theatre.

Delcour states that this concept of regionalism for the most part did not work, owing largely to the fact that most of the 15 countries created after the fall were not as similar as initially thought, with some sharing only their common Soviet legacy. The author asserts that this differentiation affected the EU's external actions, with the establishment of individual Partnership and Cooperation Agreements according to each country's specific needs, strengths and weaknesses. This action of working bilaterally with post-Soviet countries is quite paradoxical to its intention of region-building. It is even suggested by the author that the post-Soviet space cannot even be considered a region at this point and the idea of regional policies is pointless. Although at first glance this idea seems quite nonsensical, the author does well to defend this suggestion through evidence provided (particularly in Chapter Two) and by breaking down the region into even smaller areas (such as the Baltic region and Central Asia).

The existence of other region-building initiatives and how they affect EU region-building is touched on throughout the book, but highlighted specifically in Chapter Seven. The author elucidates that one reason why the EU's region-building initiatives could not reach their full potential was due to a combination of increased compartmentalisation within the EU itself, a lack of highly successful endogenous schemes and the existence of region-building bodies from other countries, such as Russia, China and even the United States, which is particularly noted in Chapter Six (p. 105).

Finally Delcour claims that the issue hindering proper EU region-building within this space is not necessarily an initiative or policy, but other influencing actors within the region, most notably Russia. Although other regional actors are mentioned, such as Kazakhstan, China and the US, Russia is quite understandably a common character throughout the book. Delcour suggests that Russia—as assessed by the EU—could not establish a power base, or 'core' after the collapse in the early 1990s, but has been increasing its influence ever since. Russia's control of energy resources and pipelines transporting said energy has elevated its position of influence to rival that of the EU. According to Delcour, this position has not been fully taken into account by the EU, insinuating that this lack of acknowledgement of the dually-influenced Newly Independent States has had an adverse affect on the EU's standing within the region and its attempts at region-building (p. 151).