

EXCERPTED FROM

# The European Union and the Member States

SECOND EDITION

edited by  
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and Ellen B. Pirro

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## Introduction

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*Eleanor E. Zeff and Ellen B. Pirro*

THE EUROPEAN UNION (EU) progresses at an uneven rate. On one hand, the great expansion worked wonderfully in May 2004 when 10 new members joined the group (see Table 1.1). On the other hand, the dream of a “United States of Europe” hit a roadblock in the summer of 2005 when France and the Netherlands voted down the proposed constitution for the European Union. Of course, it doesn’t end there. To successfully grow and develop, the expanded European Union faces abundant challenges—both major and minor. Three areas illustrate the complexity and significance of the decisions that must be made in the near future.

First, there are a number of membership issues. The full integration of the 10 new members still needs to be accomplished. In addition, Bulgaria and Romania are on the threshold of membership, and Turkey and Croatia are at the beginning of the accession process with much to be accomplished before they join. Equally important will be confronting a European Union with member states vastly different in economic and social development and trying to integrate each one at the same level. Already there has been talk of a “two-tier membership.”

A second set of challenges concerns security and immigration issues. In 2005, several EU members experienced racially based incidents targeting immigrants and naturalized citizens, and illustrating the dilemmas of EU immigration and nationality. France faced several days of rioting and car burnings over conditions in its immigrant communities. It has also become steadily apparent that the borders of the EU are

**Table 1.1 The Ever Wider Union**

Original Member States (1958)	First Enlargement (1973)	Second Enlargement (1981)	Third Enlargement (1986)	Fourth Enlargement (1995)	Fifth Enlargement (2004)
Belgium France Germany Italy Luxembourg Netherlands	Britain Denmark Ireland	Greece	Spain Portugal	Austria Finland Sweden	Czech Republic Cyprus Hungary Estonia Latvia Lithuania Malta Poland Slovakia Slovenia

not secure, and the resulting issues include criminality, human trafficking, smuggling, and even terrorism. The EU has only just begun to consider foreign policy for the whole EU. The establishment of common security and asylum policies for EU citizens are major components of this emerging area.

The economic arena also continues to pose challenges to the EU. The rigidity of the economic and welfare systems in many of the member states, and continuing high levels of unemployment, are only two of many areas needing continuing attention. While there is widespread agreement on protection of the environment, case after case continues to emerge pitting environmental concerns against economic development. On the international level, continuing EU objections to removal of agricultural subsidies have thwarted the World Trade Organization (WTO) free-trade agreement at the Doha Round and no comprehensive compromise has developed either within the EU or between the EU and the WTO nations, despite recent budget compromises. Within the EU, ongoing disregard of stringent deficit requirements by some of the main powers threatens the continued financial stability of the whole organization. Despite these obstacles, the European Union's development into a new kind of supranational organization continues to be a path-breaking adventure of ongoing interest to researchers and politicians alike.

As was suggested in the first edition of this book, the "we feeling"<sup>1</sup> described by Karl W. Deutsch remains a major objective, but has proven to be more elusive than previously expected. The goal of Europeaniza-

tion is now considered widely in the literature, but has proven harder to achieve in fact. The addition of 10 new members in 2004 has added an even greater variety of people and ideas to the mix. This second edition of *The European Union and the Member States* assesses the new, enlarged Europe of 25 countries (soon to include 27 member states), in order to shed some light on the direction of its policies and the progress it has made toward Europeanization.<sup>2</sup>

Despite the new additions and the accompanying problems of adding members with backgrounds of widely varying economic and political systems, great progress has occurred. The successful introduction of the euro and the meshing of the single monetary system has been a notable achievement. The European court system has also added a layer of European policymaking that one could hardly have imagined even 20 years ago, and there are now steps being taken toward a joint foreign policy including both defense and peacekeeping elements.

The country chapters that follow analyze and discuss many of these important concerns. The reader will find all kinds of data and information about the contemporary EU pulled together and organized for comprehension. The book also illuminates what is actually happening in the EU through concrete illustrations and case histories. Each of the country chapters discusses some specific events and their influence, on either the EU or the member states, to help the reader get beyond dry theories to a real sense of how the EU operates throughout contemporary Europe.

### ■ Approaches to Studying Policy in the EU and the Member States

There are always questions about the best approach to studying the significant issues of the European Union. While the individual country chapters that follow incorporate several of the various theoretical approaches developed to understand the policy process in the EU, no single theoretical approach is imposed on the data gathered here. Instead the reader finds a basic framework and abundant information within that framework. The scholar can utilize this database with different theoretical models as desired.

This edition takes a “bottom-up” approach to studying the institutions and policies of the European Union in the early twenty-first century. A number of contemporary scholars have cited the importance of bottom-up research. Yet much recently published work still primarily utilizes the “top-down” approach, focusing on EU institutions and poli-

cymaking.<sup>3</sup> However, as do other authors,<sup>4</sup> we maintain that member states matter, and that not only do the EU and its institutions affect them, but also the member states play an important role in shaping the EU itself—what it stands for, what it does, and how it operates. Often, the policy feedback loop is completed as the member states seek to influence EU policy in areas critical to their national futures. Both national institutions and the member states are important actors in making and implementing the policies designed by the EU institutions and the directives imposed on the states.<sup>5</sup> It is noteworthy that this process is often problematic, both at the EU level and within the member states. There are instances of failed and outdated strategies; slow, imperfect, or even failed implementation; and unforeseen results.

In the succeeding chapters, each of the 25 member states receives coverage. Each chapter focuses on a set of questions concerning the relationship between a particular member state and the EU institutions. While we ask the same questions for each country, the authors discuss the policy or policies that they feel best represent the problems faced or solved by each member state or that best reflect the views and policy trends in that state.

### *The Questions Asked*

1. What is the background of each member state's interaction with the EU? How did the member state arrive at its current situation? What historical "givens" shape the ongoing interaction? What are the legacies of the secession process? What were the key events along the way?

2. How and in what ways and areas does the EU influence the member states? It is apparent that the impact on policy and national institutional development is profound for each and every member state. But, for each member state, some policies and directives have been easier to adapt and/or incorporate into national laws while implementation of other directives poses considerable difficulties. To consider this dilemma, most country authors chose to discuss only a few or, in a couple of cases, only one area of great significance for that member state.

3. How and in what areas do the member states influence EU policies and implementation? In what policy areas are the member states making their views best known? For the newest members, the acceding 10, this is a developing area and there are less data available. For the other member states, it is very instructive to observe how and where states have sought to apply their influence, and where they have had difficulty in exerting it.

4. How does the member state implement and comply with EU policies and directives? It is noteworthy that for the pre-enlargement members, the process is key. Most chapters detail what each member nation has developed in terms of agencies and institutions that activate EU policies—and revolve around the hows and whys of implementation. For the 10 accession states, the substance is more crucial. The process is still quite new and not always certain. Many of the new members are still developing their infrastructures to deal with EU matters. Their concern is how to operate within these new circumstances. So, for each country additional questions apply. What institutions perform the compliance? Is it easy or difficult? Does it require a long or short time span? How has compliance impacted the political life of the nation? Have compliance issues become political issues?

5. Where does each member state fit with respect to the proposed constitution and its apparent failure, following the “No” votes by France and the Netherlands in summer 2005?

6. What are the trends and prospects for each member state in terms of EU membership? Does it have goals and objectives vis-à-vis the EU for the next several years? How likely is the road ahead to be either bumpy or smooth?

### *Format of the Book*

Following this introductory chapter, which establishes the framework for the book, John McCormick, in Chapter 2, provides an excellent overview of the European Union and its institutions with regard to policymaking and implementation. The subsequent chapters are grouped according to the time that each country joined the Union. The first grouping consists of the six original members—Germany, France, Luxembourg, Belgium, the Netherlands, and Italy—that signed the Treaty of Rome, which went into effect in 1958. The next members to join were the United Kingdom, Ireland, and Denmark in 1973, and then Greece in 1981, followed by Spain and Portugal in 1986, after a long accession wait. Finally, in a 10-year period, the EU witnessed 13 new countries enter the EU: first Austria, Sweden, and Finland in 1995 and then, in May 2004, Poland, Hungary, the Czech Republic, Slovenia, Slovakia, Lithuania, Latvia, Estonia, Malta, and Cyprus. While there are many options about how to group the countries, we feel that the chronological order in which the states joined the Union provides a valuable historical view.

The country chapters are, as McCormick states in Chapter 2, “an attempt to pin down the nature of the EU policy process, and of the poli-

cy relationship between the EU institutions and the member states of the European Union.” The authors each build on past research while contributing new data in their attempts to shed more light on the ongoing policy process in the EU. McCormick argues in his chapter, and many of the authors demonstrate, that the EU policy process is very diverse and “changeable” because each member state has its own agenda and its own special relationship with the EU. The same policy is, therefore, often implemented differently in each member state, depending on a number of variables such as different political ideologies and the competence of the member state’s infrastructure. Finding theories to help understand this policy process has resulted in even more questions.<sup>6</sup> Each chapter illustrates, through case studies, how the individual member states respond to various EU policies and also clarifies, with concrete examples, some of the dilemmas resulting from the relationship between the EU institutions and the member states and from the implementation of policy at the nation-state level. The chapters demonstrate the diversity of the member states and the difficulty of the process of Europeanization under these challenging conditions. They are a good indicator of the several problems facing the EU as it attempts further integration.

### *Policy Issues Considered*

The country chapters of this book reflect the challenges cited earlier. All of the chapters on the newest member states consider the membership challenge. They range from the Czech Republic’s reluctant incorporation of EU directives to Poland’s enthusiastic participation in EU activities. As Sharon Fisher in Chapter 17 notes, the Czech Republic was not very well prepared to take on the pressures of EU accession, and it remains a somewhat reluctant member, even today. There are some noteworthy considerations of how accession activities have had a lasting impact on some states, such as Malta’s and Cyprus’s need to create a whole group of new governmental bureaucracies in order to facilitate compliance with EU requirements. In some cases, such as the Baltic States, accession caused actual hardship and a rethinking of national identity and citizenship issues.

Security and foreign policy have become other important considerations for many EU members, with immigration and border issues becoming major concerns. Chapter 13 praises Sweden’s efforts to help immigrants in Sweden and also discusses the country’s open approach to the Baltic countries and to their imports. Slovakia and Slovenia are working on immigration and asylum policies, as detailed in Chapter 18.

Neutrality has essentially disappeared for many of Europe's formerly neutral countries: Sweden, Austria, and Ireland. Not all EU members agree on issues of foreign policy, an ongoing problem in creating consensus across the EU. Greece, Spain, Portugal, and the UK all sent troops to join the US forces in Iraq, whereas other EU members opposed that war. Both Germany and France maintain high-level foreign policies, which add to their sovereignty and prestige, and they strongly protested EU involvement in the Iraq war. Some EU member states are reaching out to Third World countries, but these efforts need to be synchronized with EU objectives. Although a new member, Poland took a leading role in foreign and security policy by spearheading EU efforts in the recent (2004) Ukrainian revolution. Many of the chapters discuss foreign policy and the slow process of attaining greater European consensus.

Economic concerns continue to dominate the EU discourse. Many of the newer members, as discussed in both the Slovenia and Slovakia and Malta and Cyprus chapters (18 and 19), are working hard to meet the requirements of the euro, and countries such as Italy have already taken tough measures to comply with European Monetary Policies, as Giuliani and Piattoni remark in Chapter 5. Of particular interest to many of the authors is the delicate balance between supporting environmental concerns while allowing economic development to proceed. Chapter 16, for example, uses environmental issues to demonstrate and explain the relationship of Hungary with the EU, as well as to clarify the complex nature of this relationship. Chapter 4 uses the reduction of greenhouse gases as a case study to illustrate how, and how well, France implements certain kinds of policies and complies with EU directives. The French chapter also discusses in some detail how its government and bureaucracy implement EU policies. Chapter 14 illustrates that even a very pro-EU member such as Finland has to establish new interministerial coordinating structures to implement EU policies, and that even Finland has had difficulty implementing EU regulations such as the Habitats Directive and protecting its flying squirrels.

Other chapters, such as Chapter 3 on Germany, give an excellent overview of how the EU operates in the economic sphere. Germany and France are of particular interest because of their recent disregard of EU deficit regulations. In contrast, Chapter 6 details how the smaller Benelux countries have managed to adhere to the EU's stringent requirements. Ireland's economic miracle in the 1990s and its attempts to cope with the changed circumstances of the new millennium (Chapter 8) form an interesting case in economic development within the EU context.

Rather than discuss a particular policy area, some of the chapters



focus on how well, or badly, the member states have implemented EU policy. Both the UK and the Czech Republic have often dragged their feet when it comes to implementing EU directives. Chapter 7 describes Britain as “an awkward partner,” but also has a lot of theoretical discussion. It is one of the chapters that uses theories to better understand the EU. The chapter explains the “bottom-up” and “top-down” dimensions of member state–EU relations.<sup>7</sup> In practice there is of course considerable overlap between these two dimensions. For example, states have a strong incentive to “upload” as many of their preferences as possible to the EU level so as to minimize the costs of “downloading.”<sup>8</sup> Notwithstanding this overlapping and intermeshing, however, the distinction between bottom-up and top-down is a useful organizational device, to which Nugent and Mather refer when describing British policy inclinations. Sweden and Poland are other reluctant but functioning members, again demonstrating that a member state does not have to be enthusiastic to be a good member. Poland has earned the reputation of being a “difficult” or “obstinate” member, and Einhorn and Erfer describe Denmark as a “pragmatic skeptic” and the EU as a “work in progress.”

The Italian and French chapters also focus on implementation and compliance procedures, and present good case studies demonstrating the ongoing nature of policy adaptation, as well as the changes that EU membership has made to national institutions in the longer-term members. Other members, such as Finland and Greece, have been more enthusiastic members, as have been some of the new members of 2004. Strong “Yes” votes in the 2005 referendums, or rapid approvals in the new members’ legislatures, in Hungary and other central European countries demonstrate this enthusiasm, despite often difficult adaptations during the accession process. Nikolaos Zahariadis (Chapter 10) cites Greece as being both “enthusiastic and reluctant,” a fitting description for many of the member states depending on the issue, domestic concerns, and the time lines involved.

There are several sources of funding in the EU that provide a good illustration of EU operations within member states. Many of them, including Ireland and parts of the UK (Scotland), Portugal, Greece, and Spain, have received substantial funds from the EU. The chapters on Spain, Portugal, Greece, and Ireland, in particular, acknowledge the economic benefits and political changes that EU membership has influenced. These members have made great progress, at least partly attributable to EU Cohesion and Structural Funds. Now, however, they are worried because the 10 new members are all, except Slovenia,<sup>9</sup> going to be net benefactors of EU funding, whereas, unless new funding becomes

available, the earlier members will lose substantial funds. Each chapter highlights some of these stories, as well as some successes and losses involving the EU's interaction with its member states.

Now it is time to turn to the chapters themselves.

## ■ Notes

1. Deutsch, *Political Community and the North Atlantic Area*.

2. Europeanization is also understood as an "incremental process reorienting the direction and shape of politics to the degree that EU political and economic dynamics become part of the organizational logic of national politics and policy-making" (Ladrech, "Europeanization of Domestic Politics and Institutions," p. 84). For a review of the relevant literature on Europeanization see Pirro and Zeff, "Europeanization, European Integration and Globalization," pp. 209–217.

3. Bulmer and Lequesne, *The Member States of the European Union*, discuss Europeanization and policy in the EU; Börzel, "Pace-Setting, Foot-Dragging, and Fence-Sitting," pp. 193–214, discusses three categories of member-state responses to policy implementation; the chapter on Finland (14) uses this source to discuss how member states implement EU directives. Gerda Faulkner's recent work (as discussed in the chapter on Austria) differentiates three different *worlds of compliance* within the EU-15: a *world of law observance*, a *world of domestic politics*, and a *world of neglect*. Cowles, Caporaso, and Risse, in their book *Transforming Europe*, discuss "goodness of fit" when talking about policy implementation in the EU. The investigation is structured around what are often referred to as the "bottom-up" and "top-down" dimensions of member state–EU relations. The former refers to the inputs that member states make into EU processes in terms of their policy preferences and their ways of acting. The latter refers to the things member states have to do, and the adaptations they have to make, to be compliant with EU requirements and decisional outcomes. In practice there is, of course, considerable overlap and intermeshing between these two dimensions. For example, states have a strong incentive to "upload" as many of their preferences as possible to the EU level so as to minimize the costs of "downloading." Notwithstanding this overlapping and intermeshing, however, the distinction between bottom-up and top-down is a useful organizational device. Schmidt also discusses policy implementation in several of her articles/books, such as *The Futures of European Capitalism*. These are just a few of the many ways authors have used to explain and categorize Europeanization and policy adaptation in the EU.

4. Wessels, Maurer, and Mittag, *Fifteen into One*; Bulmer and Lequesne, *The Member States of the European Union*.

5. Directives are a form of European Union legislation for the member states. The results to be achieved are binding, but each member state may choose its own methods of implementation. Individual member states' records of compliance on directives are used to judge how well a state is adapting to EU membership or how much/well it is Europeanizing.

6. Wallace and Wallace, *Policy-Making in the EU*; Wessels, Mauer, and Mittag, *Fifteen into One*; Peterson and Bomberg, *Decision Making in the European Union*; Schmidt, *The Futures of European Capitalism*, for just some examples of this.

7. Nugent and Mather, Chapter 7 of this volume; and see also Börzel, “Pace-Setting, Foot-Dragging, and Fence-Sitting.” The “bottom-up” approach refers to the inputs, from the member states, into EU policy and to their ways of acting. The “top-down” approach refers to the things that member states have to do, and the adaptations they have to make, in order to comply with the EU’s requirements.

8. On this, see, for example, Börzel, “Pace-Setting, Foot-Dragging, and Fence-Sitting.”

9. Malta and Cyprus are also doing relatively well economically, and, thus, their status of net beneficiaries could change.